Te Kaunihera-ā-Rohe o Ngāmotu

New Plymouth District Council

Long-Term Plan

2021-2031

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.

Contents

An introduction from the Mayor and Chief Executive

The next ten years will see big changes in the way we live, work, learn and play in our district and this Long-Term Plan sets out how we'll invest more than $3.3 billion to tackle those changes head-on.

Covid-19 upended our world last year and we stepped up to support our businesses and households with our $20 million Get Us Back On Our Feet measures to kick-start our local economy. But even with the steady recovery and vaccination programmes rolling out across the globe, Covid-19 still poses serious risks. On top of that we need to plan ahead for our growing population, our ongoing transition to a low emissions future and be ready to roll with whatever local government changes are coming down the pipeline from Wellington.

Daunting as these challenges might be, we can't stick our heads in the sand and this Plan recognises that.

It's been heartening to see and hear from our residents, who took the time to understand the issues over more than a month of public feedback and 30 roadshow events from Owae marae to Ōkato to Urenui. Almost 5,000 people shared their views on proposals to:

- Fix the Plumbing, including upgrading the three waters network and water meters for every home.
- Green our Place, which covers taking the Coastal Walkway from Bell Block to Waitara, as well as planting an urban forest and investing in cleaner vehicles.
- Pay it Forward, a collaborative programme with Sports Taranaki, Te Kotahitanga o Te Atiawa Trust and other stakeholders to build a multi-sport hub.

You told us that some of these measures are a worry, especially among those who are struggling with money and the economic uncertainty of the Covid-19 recovery. While we can't dodge the big calls, we will do our best to soften the impact for those who feel it hardest.

Many of you held up water meters, for instance, as a concern for bigger and less well-off families. When we look at the payment structure over the next three years we'll consider ways to lighten the load and a working party of interest groups will help us determine costings. You told us that you understand why we need major investments, especially the $248 million in our drinking water, waste water and stormwater networks but we're still aware that they'll be hard to swallow in many households.

We're working hard to get value for money and to be as prudent as possible. Our Perpetual Investment Fund has grown to over $330 million and it pumps about $9 million a year into offsetting rates. International ratings agency S&P Global gives NPDC a long-term rating from AA to AA+, the highest possible rating for local government in New Zealand, reflecting strong financial management and this will help our borrowing to spread the cost of upgrades across different generations.

We've had a vigorous public debate on the future of our District and it's guided our decisions in finalising this Long-Term Plan but your say is vital as we work to serve our community. So let's keep talking as we continue to build our Sustainable Lifestyle Capital, an incredible place to live, work, learn and play with a Council focused improving our quality of life for current and future generations.

Neil Holdom
New Plymouth Mayor

Craig Stevenson
Chief Executive

Who we are

Our Council


MAYOR NEIL HOLDOM
New Plymouth District


RICHARD JORDAN
Deputy Mayor
South-West Ward


TONY BEDFORD
North Ward


SAM BENNETT
NP City Ward


GORDON BROWN
NP City Ward


DAVID BUBLITZ
NP City Ward


ANNEKA CARLSON
NP City Ward


MURRAY CHONG
NP City Ward


AMANDA
CLINTON-GOHDES
NP City Ward


HARRY DUYNHOVEN
NP City Ward


RICHARD HANDLEY
NP City Ward


STACEY HITCHCOCK
NP City Ward


COLIN JOHNSTON
North Ward


DINNIE MOEAHU
NP City Ward


MARIE PEARCE
South-West Ward

Who we are

Our Community Board Members

Clifton Community Board

Warren Petersen (Chairperson)
Neville Hagenson
Tyla Nickson
Murray Seamark

Inglewood Community Board

Mel Cook (Chairperson)
Jono Burrows
Christine Fabish
Graeme Sykes

Kaitake Community Board

Doug Hislop (Chairperson)
Graham Chard
Paul Coxhead
Paul Veric

Waitara Community Board

Jonathan Marshall (Chairperson)
Trevor Dodunski
Andrew Larsen
Joe Rauner

Our Executive Team

CRAIG STEVENSON
Chief Executive

KELVIN WRIGHT
Deputy Chief Executive

JACQUELINE BAKER
External Relations
Manager

JOY BUCKINGHAM
Group Manager
Corporate Services

MARY JOHNSON
Group Manager
People and Wellbeing

DAVID LANGFORD
Group Manager Planning
and Infrastructure

STEVE MCINTOSH
Chief Information
Officer

TERESA TURNER
Group Manager Community
and Customer Services

What's a Long-Term Plan

What's the Long-Term Plan all about?

The Long-Term Plan (LTP) presents the Council's activities and budgets over the next 10 years. It sets out what the Council will do, how it will be paid for and when it will happen. It is the critical document that sets the direction and intent of how the Council intends to make the New Plymouth District a Sustainable LIfestyle Capital.

The LTP is reviewed every three years and at that time, the Council looks for input from the residents, ratepayers and other stakeholders in the district.

Each review of the LTP enables the Council to look at the external environment and to make major changes to its services.

What has it got to do with me?

The LTP has got a lot to do with you! It isn't just Council's document, it's yours as well!

The LTP includes:

- issues that will influence the Council over the next 10 years.
- information about the array of activities the Council is involved with and services Council delivers.
- Key projects the Council has planned.
- How your rates will be spent.
- How the Council's work will be funded.
- The Council's financial performance.

The LTP outlines how we collectively can create a Sustainable Lifestyle Capital, and the role that Council will play in that.

The Council relies on community input to make sure it is on the right track.

External factors

Economy
Social issues
Environmental issues
Tangata whenua views
Legislative and political change
State of infrastructure and Council services
Demographic changes

Your Say

9,400 responses to the Top Ten Let's Korero
4,563 submissions to Your Home, Your Say

Strategic Framework

Reviewed before adopting the Long-Term Plan.

Details Council's mission, vision and goals.

Long-Term Plan

Produced every three years.

Details our plan for the next 10 years (with emphasis on the first three years in particular).

Our Planning and Reporting Cycle

Annual Report

Produced every year.

Details what we deliverd and if we achieved what we planned.

Annual Plan

Produced every non LTP year.

Details our plan for the next year and lets you know if changes from the LTP are proposed.

Our strategic framework and key challenges

Our Sustainable Lifestyle Capital vision

Our vision for New Plymouth District is to be the ***Sustainable Lifestyle Capital.*** We have a great starting point, our district offers so much – spectacular natural beauty from Taranaki Maunga to the moana, thriving towns and communities, a productive rural sector, some excellent recreational and cultural facilities and of course great people.

Supporting our ***Sustainable Lifestyle Capital*** vision is a mission statement for us to provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence.

We have five goals that are our community outcomes.

Vision

Sustainable Lifestyle Capital

Mission

To provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence

Goals

Partnerships

Strengthening a treaty based partnership with tangata whenua and building partnerships with not-for-profit, private enterprise, and government to improve outcomes for all

Delivery

Understanding and balancing our people's needs and wants through prudent delivery of quality infrastructure and services

Community

Achieving wellbeing through a safe, creative, active and connected community while embracing Te Ao Māori

Sustainability

Nurturing our environment, mitigating our impact and adapting to climate change

Prosperity

Growing a resilient, equitable and sustainable economy where people want to work, live, learn, play and invest across our district

Key challenges facing our district

Achieving this vision is not without its challenges.

Our district is continuing to grow in population. Since 2001 we have grown by one to two per cent per annum, and our population is now over 86,000 people. We expect this growth to continue, with a forecast population of around 94,000 by 2031 and around 105,000 by 2051. Bell Block and the southern areas of New Plymouth will be the fastest growing areas and the make-up of our community will also change. We expect an ageing population and greater ethnic diversity, which will change how we provide our facilities and services.

In the short term we continue to deal with the impacts of the Covid-19 pandemic. In Taranaki we are fortunate, our economy is doing better than many earlier forecasts and is relatively well placed within New Zealand. Unemployment has not increased as much as expected and incomes have held up. Retail expenditure is generally up and investment in housing and construction remain buoyant. While international tourism has declined, historically we have relied on domestic tourism and this has remained relatively stable. Over the life of the LTP we expect our economy to recover, although international tourism may take some time to get back to normal levels. However, any further lockdowns or significant restrictions may cause further social and economic issues, and may delay recovery.

Our longer term economic challenge is the government decision to transition from our oil and gas extraction economy to a new clean energy economy. While the transition to a net zero carbon emission economy is a national, and indeed global, challenge, New Plymouth district and Taranaki has a potentially larger economic challenge given our strong oil/gas and dairy economies.

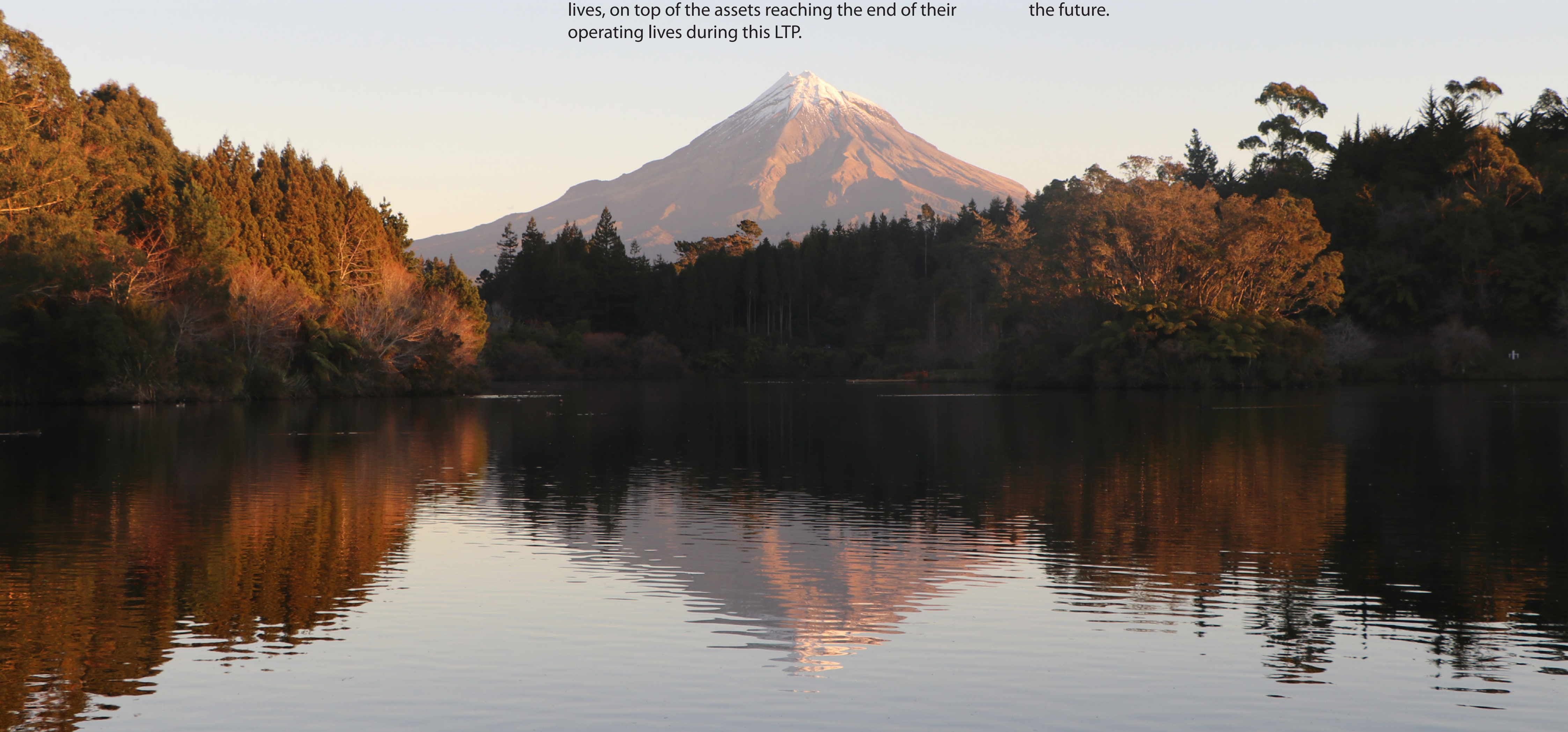
Climate change and the variations to hazards and weather extremes that are predicted to come with it, will continue to pose challenges for our communities and our infrastructure that supports them. We expect to begin to feel the impacts of climate change over the life of this LTP. Climate change is predicted to increase coastal hazard risks, flooding and potentially also drought conditions in the district.

Key challenges facing our district

The Taranaki region is also susceptible to volcanic activity and earthquake events. Massey University research identifies that seismic activity is likely in the next 50 years with an 81 per cent probability of Taranaki Maunga erupting in that period. There are a number of active fault lines in the district and offshore, and a volcanic event could cause major disruption through lahars and ash fall.

We are facing major issues with our basic infrastructure assets, particularly our water infrastructure (water supply, wastewater, stormwater). Since the Global Financial Crisis in 2007 we have had a period of economic turmoil and fiscal constraint the world over. In response to this, and the impacts on its Perpetual Investment Fund, we made significant cuts to renewal budgets, over a number of years, in order to reduce the level of rates charged to the community. We estimate that there is now a backlog of approximately $126m of assets that have reached the end of their operating lives, on top of the assets reaching the end of their operating lives during this LTP.

Another challenge is that the future of local government is less clear than in many years. The Government's Resource Management Act Reforms, Three Water Reforms and Future For Local Government Review could result in significant changes to the structure and functions of local government. While we have developed a comprehensive plan across the 10 years, and out to 30 years in the Infrastructure Strategy, based on the current roles we have, there is a realistic prospect that the future makeup of local governance could look quite different for this district in the future.



How our Plan achieves a Sustainable Lifestyle Capital and addresses the challenges

Partnerships

Nāu te rourou, nāku te rourou

Partnerships are what we use to help achieve our goals and the goals of our partners. Many of our major projects will involve partnering with iwi, hapū, and other groups to achieve the outcomes sought. Our transportation projects also involve partnering with Waka Kotahi NZ Transport Agency.

The LTP includes $0.75m funding to provide support for iwi and hapū to build capacity to respond to resource consent requests.

Our water conservation plan, including water meters, incorporates the principles of He Puna Wai, our iwi and hapū working party on water issues. We will be partnering with a representative group of vulnerable households in assessing potential tariff structures.

Our proposed extension to our tracks and trails – including the Coastal Walkway extension from Bell Block to Waitara and the Taranaki Traverse – involve working closely with iwi and hapū along the routes to respect their wāhi tapu and other taonga along those routes. Our Planting our Place (native tree planting programme) also involves working with iwi and hapū.

We are investing $300,000 over the first three years of the Plan to work in partnership with Te Atiawa on a feasibility study for developing Te Kohia, the site where the first shots were fired in the Taranaki Land Wars.

Our LTP also includes delivering the multi-sport hub which is a collaborative programme with Sports Taranaki, Te Kotahitanga o Te Atiawa Trust and other stakeholders. The Council proposes to invest capital expenditure of $38.5m and a further $13.1m operating costs into this hub, with other partners contributing the rest.

We are investing $0.5m into implementing Te Rewarewa co-management plan, enabling us to fulfil our commitment to Ngāti Tawhirikura over Te Rewarewa Reserve.

Delivery

Mauri mahi, mauri ora

Delivery underpins the LTP as it is about ensuring we deliver quality infrastructure and services in a way that is prudent and balances people's needs and wants.

The LTP includes a significantly increased capital works programme ($963m in total). To deliver this, the LTP includes investment in planning and project management capability.

The LTP substantially increases our renewal funding for water, wastewater and stormwater services. In total, $248m will be spent renewing end-of-life assets across the three waters.

We are significantly improving our approach to infrastructure planning and management in this LTP.

The LTP includes $100,000 per annum from year two onwards to develop an integrated spatial planning framework, $200,000 in years 2 and 3 for a Waitara spatial plan and $200,000 in years 5 and 6 to develop a spatial plan for Bell Block.

We are investing in our civil defence resilience through the purchase of specialist generators for emergencies.

We have committed funding to undertake the CouncilMARK programme every three years in this Plan to provide an independent assessment on how we are performing to improve the service and value we provide the community.

We have included the creation of a new integrated transport plan to outline a 30 year plan of how to address transport and traffic issues.

We have also committed to undertaking an independent review of project management, estimating and procurement processes to ensure ratepayers are receiving value for money.

How our Plan achieves a Sustainable Lifestyle Capital and addresses the challenges

Community

Ngāmotu tū ngātahi

The Council seeks to help the community to achieve well-being. This builds a safe, creative, active and connected community that embraces Te Ao Māori.

We have budgeted $0.3m for a Changing Places bathroom facility in 2023/24 and $0.2m for accessibility upgrades for each of Okato Pool and Fitzroy Pool.

We have also budgeted for new public toilets in Lepperton.

Throughout the Plan we will be undertaking seismic strengthening of a number of our halls and important buildings.

Our plan includes funding for the Coastal Walkway extension to Waitara ($28.3m), Kaitake Trail ($5.2m), Waiwhakaiho pedestrian bridge ($1.3m), Waiwhakaiho cycleway ($1.1m) and Windsor Walkway safety improvements ($0.3m).

We have budgeted $3.6m for Brooklands Zoo to modernise this important community facility for our tamariki and the animals within the zoo and will seek to fundraise to be able to provide some additional facilities and improvements.

The Plan includes $9m to redevelop the Waitara library, as well as $5.1m for refreshing the long-term galleries at Puke Ariki, and $8.5m on new library resources (books, e-books etc).

We have an extensive plan to improve stormwater management, including $20.2m in Waitara, $2.8m on Egmont Road, and $1m for the Govett Avenue/Doralto Road/South Road area.

We have set aside capital expenditure of $38.5m for the multi-sport hub development.

We are providing $400,000 per annum for the first three years of the Plan for our four community boards to invest in their communities.

Sustainability

Oranga taiao, oranga tangata

The Council seeks to nurture the environment, and mitigate our impact and adapt to climate change.

The Plan begins the foundations for our Climate Action Framework as we look to develop our Emissions-Reduction and Adaptation Plans. This includes a programme of planting our parks and moving to a low emissions fleet.

The Plan includes a substantial water conservation programme, including universal water metering. Charging for water on a volumetric basis will start in 2024/25. This is expected to reduce our water consumption by around one quarter, reducing our pressure on rivers for drinking water and delaying infrastructure spend to take more water.

We are planning to spend $1.7m on Predator Free Taranaki initiatives across the Plan.

We are proposing to spend $0.5m on improving water quality in Pukekura Park.

We have addressed environmental issues with some of our older infrastructure by protecting historic landfills from erosion ($0.5m), and a significant programme of improving wastewater assets such as preventing overflows at our wastewater pump stations ($0.8m), investing in emergency storage for the Mangati pump station ($5.2m), and Waitara pump station upgrade ($5.4m).

Work towards our Zero Waste vision continues with the construction of the commercial and industrial material recovery facility ($0.7m), organic waste processing facility ($1.1m), a permanent building for The Junction ($3.3m), and about $0.6m on public recycling bin stations. We have also budgeted $0.3m for on-site composting in our parks.

How our Plan achieves a Sustainable Lifestyle Capital and addresses the challenges

Prosperity

Te pai me te rawa o Ngāmotu

The Council aims to grow a resilient, equitable and sustainable economy. This promotes a district where people want to work, live, learn, play and invest.

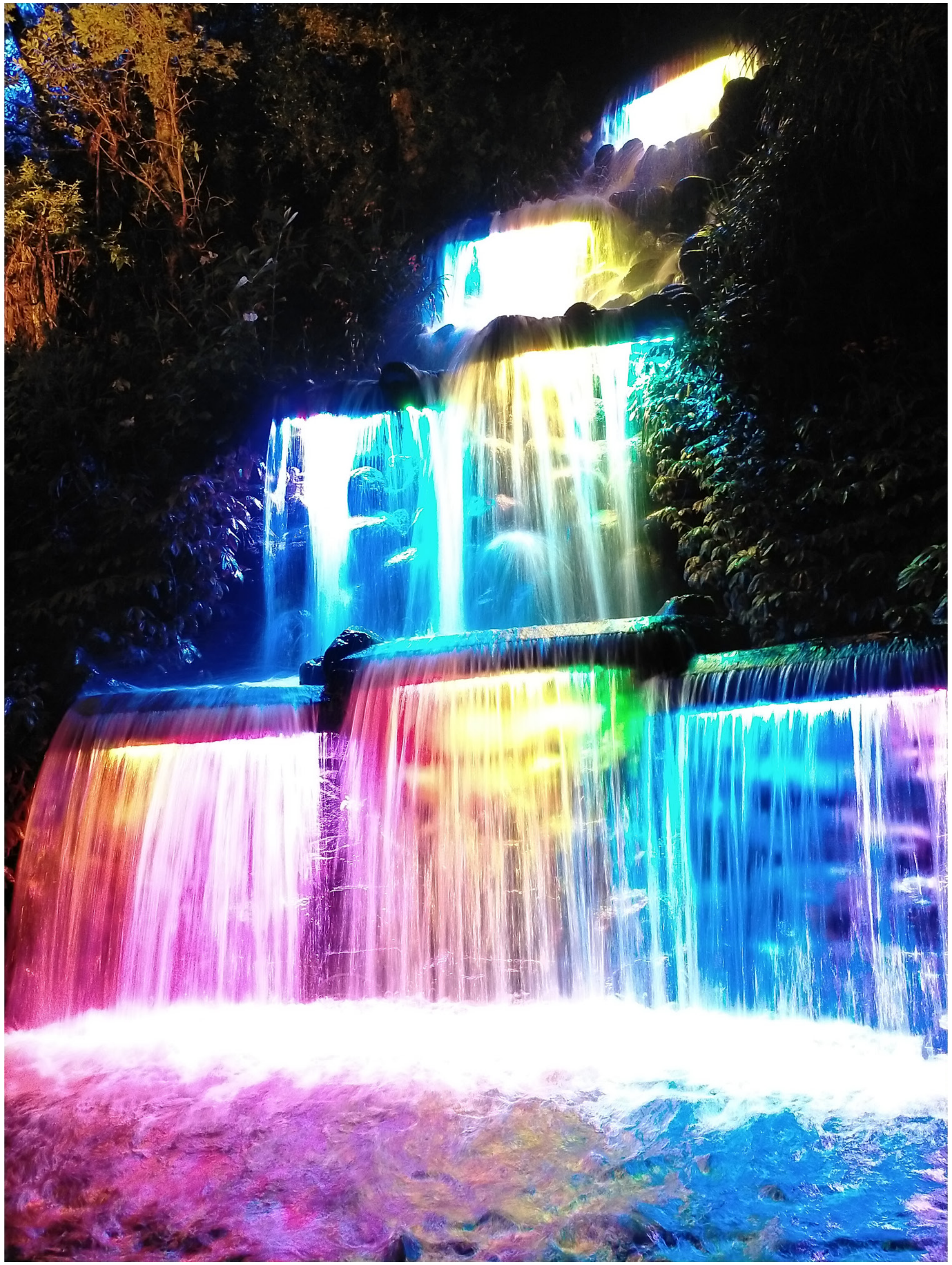
Over the life of the Plan we are investing over $40m into Venture Taranaki Trust, our economic development organisation.

The Plan includes funding and agreement in principle for one hour free parking in the New Plymouth Central Business District from 1 October 2021 to 30 June 2024, subject to completing the necessary legal steps.

Our $963m capital works programme not only achieves the delivery of services, but also provides employment opportunities in the construction industry.

Starting in year 4, we have set aside $11.7m for capital improvements in the New Plymouth CBD and $0.1m for the Inglewood CBD.

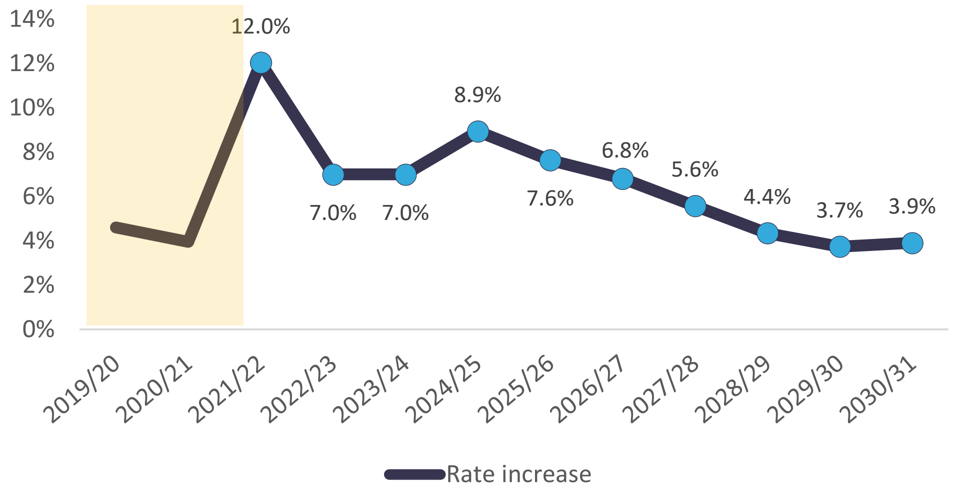
We will upgrade our roads to cater for increased demand and to improve services. There are a wide range of upgrades to roads, such as doubling lane Junction Street bridge ($2.6m), and new roads linking Smart Road to Henwood Road ($7.9m). There are also numerous intersection upgrades, including a roundabout at Belair Avenue/ Omata Road intersection ($1.4m), Brooklands Road/Hori Street/Upjohn Street safety improvements ($1.4m) and traffic signals on key local road intersections with state highways ($3.5m).



What this means for your rates

This LTP begins with a larger than normal rates increase for the first few years. This increase is largely driven by the increased renewal work to fix our plumbing, as well as other investments to create a Sustainable Lifestyle Capital.

The graph below shows the planned increase in the total rates required over each year of the LTP.



It is important to note this does not mean the rates on your property increase each year by this amount. There are several factors that impact on how much rates increase for each property. As a growing district, this increase is spread across a larger number of properties each year. Rates also depend on property values, what targeted rate services the property receives (water, wastewater, kerbside collection) and other factors.

For the first year, while the total rates that NPDC requires increases by 12 per cent, the average residential rate increases by 9.7 per cent. This works out to about a coffee each week in additional rates for the average residential property owner, but gives NPDC just over $12m extra in rates to invest in this district.

Long-Term Plan consultation - Your Home, Your Say

Our 'Your Home, Your Say' LTP consultation invited community input on three big calls.

We began collecting your feedback on the LTP in July 2020 to October 2020 through the Top 10 Let's Korero campaign. Over 11 weeks we sought the community's feedback on potential hot items for inclusion in the LTP before we even drafted it. This included an independent representative snapshot of views from Research First. The 9,400 responses were used to help develop the LTP we consulted on.

From 3 March to 6 April 2021 we consulted on the proposed LTP through the "Your Home, Your Say" Consultation Document.

NPDC received a record 4,563 submissions, over 400 more than the previous LTP. There was extensive consultation utilising digital media such as billboards, videos and Facebook, as well as the more traditional printed media, with information on the consultation document and a submission form being placed in the North Taranaki Midweek newspaper.

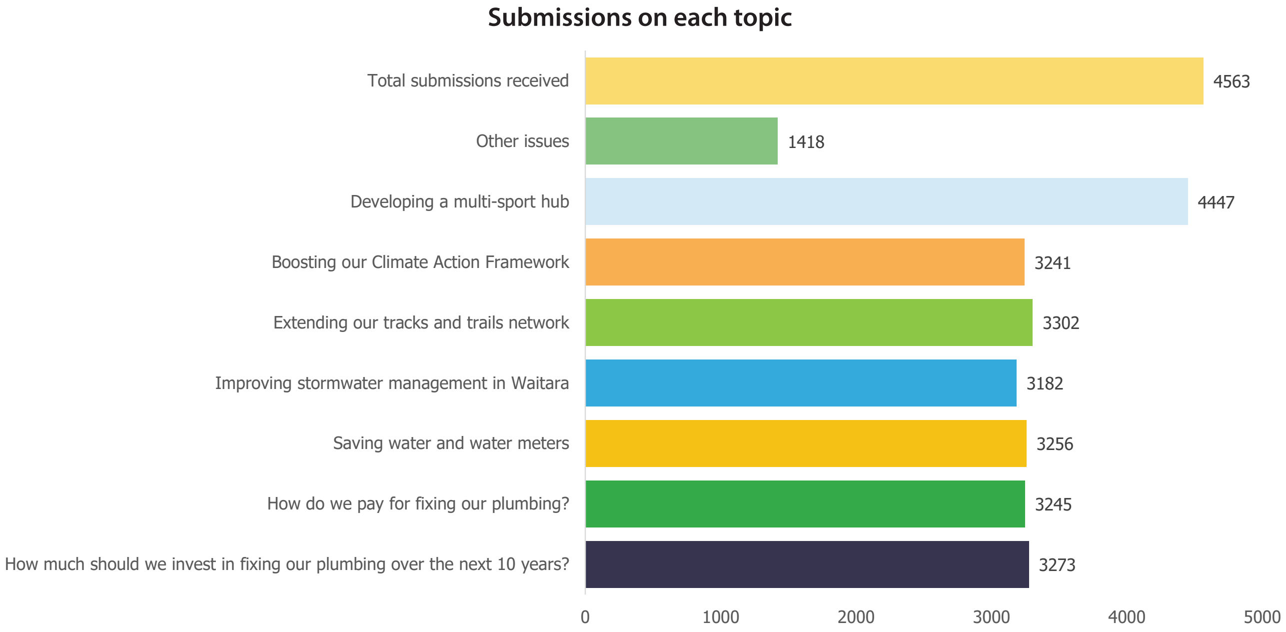
The Council's roadshow held or attended 30 events across the district ranging from the Seaside Market to Owae Marae to Grey Power, and from Urenui to Ōkato.

The Council also commissioned Research First to undertake an independent survey of 303 members of the community to provide a representative snapshot of views.

The Council received thousands of comments in relation to the Big Calls. Comments ranged widely across every Council service and some even proposed the Council undertake new services or take over services from other authorities.

Council spent four days hearing about 150 submitters present their submissions over 4 to 7 May. Two weeks later, on 19 May, the Council debated the submissions and made decisions.

The multi-sport hub received the most comment, with submission numbers shown below.



Long-Term Plan consultation - Your Home, Your Say

The three 'Big Calls'

In the Your Home, Your Say Consultation Document, we sought your feedback on three big calls facing the district. Options for each of the issues were presented, including our preferred option.

Looking after our existing assets

Your Home, Your Say outlined that we have identified unacceptable risks from ageing infrastructure failing due to historic underinvestment. We proposed to increase our expenditure on replacing ageing water infrastructure, and to debt fund the replacement of some long life assets. We presented options to invest both more and less, and different funding options as well.

Your feedback

Nearly 60 per cent of the submissions we received supported our proposed funding amount and around three quarters supported using some debt funding.

Council's decision

We decided to proceed with our proposed increase to our water renewal budgets and to debt fund the replacement of some long-life assets.

Conserving water

Your Home, Your Say proposed four options for conserving water as New Plymouth residents use up to 60 per cent more water on average than other comparable parts of the country. Conserving water would not only improve the environment, but also reduce future infrastructure in new water takes. We proposed to introduce moderate water conservation measures, including water meters. We also presented the status quo, and two other options for water conservation plans, both of which included water meters.

Your feedback

The status quo option of not introducing water conservation received the most submissions at 40 per cent. Thirty-five per cent of submissions supported our proposal. However, in total 60 per cent of submissions supported some type of water conservation plan that had water meters.

Council's decision

We adopted our preferred option, but also decided to develop a representative group of vulnerable households to help develop the tariff structure, and to develop a financial hardship scheme for vulnerable households.

Improving stormwater management in Waitara

Your Home, Your Say proposed to invest $20m in the next 10 years, and signalled a further $100m in the 20 years after that, to improve stormwater management in Waitara to bring our infrastructure up to an appropriate level of service. We presented an option to do nothing, as well as an option to only invest $9m in the highest priority fixes.

Your feedback

Just under half of submissions (46 per cent) supported our proposed level of investment, while another 40 per cent supported a lower level of investment.

Council's decision

We agreed to proceed with our preferred option of investing $20m over the next 10 years to improve the management of stormwater in Waitara.

Long-Term Plan consultation - Your Home, Your Say

Extending our tracks and trails network

Your Home, Your Say included our proposal to extend our tracks and trails network that already includes our award winning Coastal Walkway and great urban connections alongside streams. We proposed to build the Coastal Walkway extension from Waitara to Bell Block, and to begin to plan and secure key parts of the Taranaki Traverse. We also presented options to do nothing, or to adopt an accelerated build programme.

Your feedback

Almost half of submissions (47 per cent) were in favour of our proposed option, with almost 20 per cent in support of even more investment.

Council's decision

We decided to proceed with our approach to extending our tracks and trails, but we made a number of small changes, including increasing the Taranaki Traverse budget to provide a link to Inglewood and increasing the budget for Te Ara a Ruhihiwerapini – the Kaitake Trail to address cultural issues along the route.

Rolling out our Climate Action Framework

Your Home, Your Say noted that we are developing an emissions reduction plan and a climate change adaptation plan in order to provide an urgent response to climate change, but in the meantime proposed a planting our place and fleet electrification proposals, as well as some short-term funding. We also presented options to not do these immediate initiatives, or to do them alongside some more permanent funding.

Your feedback

Just under half of submissions (47 per cent) supported the proposed option, with around 13 per cent seeking to also make some of the funding more permanent.

Council's decision

We agreed to proceed with our proposal, but to widen the use of the electric vehicle fund to include other options to reduce our fleet emissions.

Building a multi-sport hub

Your Home, Your Say included the multi-sport hub proposal for more sporting facilities located within the New Plymouth racecourse area. We proposed to build this hub over eight years, with the main building construction starting in year six (2026/27). We also noted that we could not do this project, or could bring the building construction forward to year four (2024/25).

Your feedback

Our preferred option of building construction beginning in year 6 was only supported by around one in five submissions. Almost half of submissions (48 per cent) supported beginning construction of the building in year 4.

Council's decision

We decided to proceed with the multi-sport hub and bring the construction of the building forward to year 4. We also decided to broaden the scope of the hub to a wider well-being framework and to incorporate any cultural implications.

Long-Term Plan Consultation - Your Home, Your Say

Other Council decisions

We received a wide range of feedback across all of our services. In response to these comments we decided to:

- Introduce one hour free parking and to extend the paid parking period in the New Plymouth CBD subject to completing the necessary legal steps.
- Provide funding for the four community boards for the next three years to fund small projects in their communities.
- Review our project management, estimating and procurement processes to ensure value for money.
- Develop an integrated spatial planning framework and to create specific spatial plans for Bell Block and Waitara.
- Bring forward the construction of the Changing Places accessible toilet to 2023/24.
- Work in partnership with Te Atiawa to prepare a feasibility report into Te Kohia project.
- Redevelop the Waitara library in 2025/26 and 2026/27.
- Fund a State Highway 3 pedestrian crossing in Inglewood.
- Invest in additional intersection upgrades around Taranaki Base Hospital and near Waitara.
- Remove a proposed pedestrian underpass of State Highway 45 at Wairau Road.
- Bring forward upgrades to the Waitara Wastewater Pump Station and the Mangati Wastewater Pump Station Emergency Storage project.
- Decrease the Council funding for the Brooklands Zoo upgrade to focus on modernising the zoo, and fundraise to make other improvements to the zoo.

Working with Tangata Whenua

Setting

Tangata Whenua

As tangata whenua, six iwi and their respective hapū exercise mana whenua over traditionally defined areas across the New Plymouth District.

Iwi	Population (Census 2013)	Hapū		Mandated Representative Body
Ngāti Maniapoto	35,358	Ngāti Rākei Ngāti Rungaterangi Ngāti Rora		Maniapoto Māori Trust Board
Ngāti Tama	1,338			Te Rūnanga o Ngāti Tama
Ngāti Mutunga	2,514	Ngāti Okiokinga Te Kekerewai Ngāti Aurutu Ngāti Hinetuhi	Kaitangata Ngāti Kura Ngāti Uenuku Ngāti Tupawhenua or Ngāti Tū	Te Runanga o Ngāti Mutunga
Ngāti Maru	852	Ngāti Hinemokai Ngāti Rongonui Ngāti Kopua, Ngāti Tamatapu	Ngariki Ngāti Kui Ngāti Te Ika Ngāti Tamakehu	Te Rūnanga o Ngāti Maru Taranaki Trust
Te Āti Awa	15,273	Otaraua Manukorihi Ngāti Tuparikino Ngāti Rahiri	Pukerangiora Puketapu Ngāti Tawhirikura Ngāti Te Whiti	Te Kotahitanga o Te Atiawa
Taranaki Iwi	6,087	Ngāti Tairi Ngā Mahanga		Te Kāhui o Taranaki

The South Taranaki iwi of Ngāruahine, together with Ngāti Maniapoto also have overlapping Treaty of Waitangi Settlement interests within the southern and northern boundaries of the district.

Census 2018

On 6 March 2018, 80,679 people were residing in the New Plymouth District. Of this total, 14,370 or 17.8 per cent of the New Plymouth District population identified as Māori. This compares with the 2006 Census, where Māori represented 14.1 per cent (9,369) of the district population. In the 2013 Census, that had increased to 15.7 per cent (11,082) of the district population.

The 2018 Census increase of 17.8 per cent is also 2.4 per cent higher than the national average, where those identifying as Māori accounted for 15.4 per cent (744,800) of the total national population (4,840,600) counted on Census Day 2018.

With this ongoing upward trend in the growth of the Māori population, an average median age of 24.8 years (compared to 40.6 years for the district), and the increasing contribution and participation of Iwi in local and regional economies, it is critical that we look at ways to increase capability and support Māori participation in our decision-making systems and processes.

Legislation

The Local Government Act 2002 and Resource Management Act 1991 are the key pieces of legislation, which requires us to support Māori participation in our decision-making processes.

Local Government Act 2002

Under the Local Government Act 2002 (the LGA), we are specifically required to:

a) Establish and maintain processes to provide opportunities for Māori to contribute to Council's decision-making processes (s14(1)(d) and s81(1)(a) refer);

Working with Tangata Whenua

b) Consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of Council (s81(1)(b) refers);

c) Provide relevant information to Māori for the purposes of a) and b) above; and

d) In the course of decision-making, take into account the relationship of Māori and their culture with their ancestral land, water, sites, wāhi tapu, valued flora and fauna and other taonga (s77(1)(c) refers).

Section 82(1) of the LGA also details a set of principles for consultation, with section 82(2) specifically requiring us to have in place processes for consulting with Māori.

Resource Management Act 1991

Council is obliged under the Resource Management Act 1991 (the RMA) to:

a) Take into account any iwi management plans in undertaking any plan development process;

b) Recognise and provide for:

  - the relationship of Māori and their culture and traditions with their ancestral lands, water, sites, wāhi tapu, and other taonga;
  - the protection of historic heritage from inappropriate subdivision, use, and development; and
  - the protection of protected customary rights;

c) Have particular regard to kaitiakitanga; and

d) Take into account the principles of the Treaty of Waitangi.

As part of developing plans, we are also required under the RMA to:

a) Consult with tangata whenua through iwi authorities before notifying any plan; and

b) Consultation requires us to:

  - consider ways in which it may foster the development of their capacity to respond to an invitation to consult;
  - establish and maintain processes to provide opportunities for those iwi authorities to consult it;
  - consult with those iwi authorities;
  - enable those iwi authorities to identify resource management issues of concern to them; and
  - indicate how those issues have been or are to be addressed.

In addition, requirements for consultation with iwi authorities also appear in Treaty of Waitangi settlements, and are beginning to appear under the Marine and Coastal Area (Takutai Moana) Act 2011.

Supporting Māori Participation

To ensure compliance with its statutory obligations, we have in place a range of mechanisms to support Māori in contributing to Council decision-making, which are summarised below.

Significance and Engagement Policy

The Significance and Engagement Policy sets out how NPDC will determine the significance of an issue, proposal, decision or other matter, and the extent of engagement required with Iwi-Māori and identified key stakeholders. This ensures a consistent approach to taking into account Māori contributions to Council's decision-making by:

- Providing opportunities for Māori to contribute to our decision-making process in a meaningful way;
- Engaging with Māori where any matter involving a significant decision affecting the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga; and
- Considering specifically engaging with Māori on other matters as they arise.

Te Huinga Taumatua

Te Huinga Taumatua is a joint-committee made up of elected Council and iwi members, currently co-chaired by a representative from each group. The committee's purpose is to provide strategic guidance and advice to NPDC on issues of importance to Māori. It also has delegated authority for matters including:

- Road naming and renaming;
- Naming and renaming of NPDC-administered reserves; and
- Determination of Marae Development and Manaaki Urupā grant applications over $10,000.

The Committee has considered a range of a strategic and policy matters over the past year, including:

- Manaaki Urupā grant;
- Māori wards;
- Council's strategic priorities; and
- Approval of road names.

Te Huinga was also involved in discussions leading in July 2020 to a Council resolution to establish a Māori ward ahead of 2022 local triennial elections. Moving forward, NPDC will explore ways in which Te Huinga Taumatua may initiate reports on topics of relevance to Māori. We will also work closely with the Committee so that the relevant information is available for them to make fully informed decisions.

Working with Tangata Whenua

Iwi Partnerships Portfolio

The Mayor and elected members have created councillor portfolio groups to support NPDC in progressing key initiatives across eight key strategic priorities, including the Iwi Partnerships portfolio. These informal arrangements assist in achieving efficient and effective communication between elected members and NPDC staff, provide up-to-date information to local communities and facilitate opportunities to engage with NPDC staff.

With elected members allocated to two portfolios each, the Iwi Portfolio Lead also attends other portfolio group meetings to promote collaboration and communication across projects of common interest. In the future, we will support the Iwi Portfolio and Te Huinga Taumatua explore how they can work together more efficiently.

Funding and Grants

We have recognised that Māori participation in the decision-making process is, in part, constrained by funding. This is particularly evident in relation to resource consenting, where access to expert scientific or legal advice is both costly and complex. As a result, we provide funding that supports tangata whenua to engage identified resource management expertise.

We also provide Marae Development Grants and a Built, Cultural and Natural Heritage Protection Fund to support iwi with marae insurance and maintenance. In 2020, NPDC also initiated a Manaaki Urupā Grant to assist Māori owners in maintaining their urupā.

Finally, we provide funding support for the creative sector through Creative Communities funding. Due to the low number of applications for local Toi Māori activities, this will be a priority in 2021 and out-years.

Puke Ariki Kaumātua Committee

Te Kaumātua Kaunihera o ngā Whare Taonga o Puke Ariki was established in 2004. Made up of kaumātua (elders) from around Taranaki, the committee advises Puke Ariki on issues regarding Māori, the taonga Māori collection, and tikanga. The Kaunihera meets monthly and is open to kaumātua from all of Taranaki. While providing expert cultural advice, exploring further relationships with iwi may identify opportunities to better align the Puke Ariki experience to their aspirations.

Govett-Brewster Art Gallery/Len Lye Centre

Recognising its responsibilities under Te Tiriti o Waitangi, the gallery has established the advisory group Whiringa Toi. An expression of the Gallery's desire to enrich its expression of a Te Tiriti-based partnership, the group offers a forum for Iwi-Māori to participate in shaping the priorities, procedures and cultural activities of the Govett-Brewster Art Gallery/Len Lye Centre.

Made up of the Gallery Director and representatives from local Māori artists, NPDC and iwi of Taranaki, Whiringa Toi will also be central to the Gallery's desires and efforts to facilitate engagement, consultation and collaboration with Iwi-Māori and whānau whānui.

Internal Capacity

To enhance effective engagement of Māori in decision-making we have committed staff and other resources to support, advocate on behalf of, and guide NPDC's interactions with Māori.

There continues to be a focus on building the cultural competency of our staff. This will include building staff capability in basic te reo Māori (language) and tikanga (practices),and developing staff knowledge and understanding of Māori concepts, values, histories and experiences. It also includes enhancing staff confidence and skills in engaging with Māori to establish and manage effective relationships.

We are also undertaking a number of activities, either in progress or planned, which NPDC will be progressing over the term of this Long-Term Plan. Aligned to our new strategic community outcomes, these initiatives are summarised below.

Engaging with Tangata Whenua

NPDC recognises that the need to consult with tangata whenua stems from the Treaty of Waitangi principle of partnership. Requiring both parties to act reasonably and make informed decisions, NPDC also acknowledges engaging and consulting with tangata whenua often leads to a better understanding of the issues and opportunities. In many instances, this will result in stronger, trusting relationships, and in many instances, positive outcomes of mutual benefit.

Aligned to the strategic goals of Partnerships, Delivery, Community, Sustainability and Prosperity, key opportunities for NPDC, tangata whenua and Māori to work together are summarised below.

Partnerships
Nāu te rourou, nāku te rourou

Taranaki Covid-19 Regional Civil Defence and Recovery Response

In late March 2020, Aotearoa-New Zealand entered into Level 4 lockdown as a result of the Covid-19 pandemic. Throughout the event, iwi and Māori health and social providers were able to quickly identify and respond to the needs of Māori, and in some instances local communities as well. In response, NPDC and Civil Defence are working to better incorporate Iwi and local Māori providers in future civil defence events.

Working with Tangata Whenua

This approach is also being adopted to develop a regional Covid-19 economic recovery response, with iwi contributing at local, regional as well as national levels of decision-making. This will be important to ensure a regional economic recovery, which responds to the higher unemployment rates being experienced by Māori as a result of Covid-19.

Te Kōwhatu Tū Moana

In March 2019, NPDC signed an agreement with Te Āti Awa hapū Manukorihi and Otaraua at Ōwae Marae detailing how we will work together to manage the proceeds of the sale of Waitara endowment land.

Under the *New Plymouth District Council (Waitara Lands) Act 2018* (the Act), 770 leasehold sections can be purchased by occupiers, with the revenue from sales to be used to:

- Establish a Hapū Land Fund, with decisions on its use made by Te Kōwhatu Tū Moana Trust, which will manage and administer the interests of Manukorihi and Otaraua hapū;
- Establish a Waitara Perpetual Community Fund to help support community projects in Waitara, with NPDC and Te Kōwhatu Tū Moana Trust each appointing three board members to establish Te Tai Pari Trust to decide how to use the fund; and
- Support Waitara River and environmental projects, to be managed by iwi and hapū with interests in the river, and the Taranaki Regional Council.

To date, over 360 properties have been purchased by leaseholders. Moving forward, a significant piece of work NPDC and Te Kōwhatu Tū Moana will look to progress are the co-management and administration arrangements for the reserve lands listed in the Act (section 20 of the Act refers).

Ngā Kaitiaki

Initiated in 2016, NPDC and iwi/hapū agreed to set up a group called Ngā Kaitiaki. Made up of representatives from iwi and hapū, the purpose of the working group was to review the draft District Plan from a Te Ao Māori (Māori worldview) perspective. An independent planner providing professional planning advice supported the group for the next three years.

Generally meeting once a month, Ngā Kaitiaki and NPDC officers together worked on a new District Plan, resulting in the notification of the new Proposed District Plan in September 2019. NPDC is now working with iwi and hapū submitters on the Proposed District Plan, who continue to receive independent professional planning advice.

Moving forward, the Ngā Kaitiaki working group will continue to consider high level strategic issues in relation to the District Plan and district planning in general.

He Puna Wai Working Group

NPDC is working with the iwi rūnanga of Ngāti Tama, Ngāti Mutunga, Ngāti Maru, Te Āti Awa and Taranaki Iwi to develop a sustainable 30-year integrated three waters strategy (drinking, waste and stormwater), which:

- Balances the need to protect the public health and provide local communities with services which in the long-term are sustainable and do not impact on the natural environment; and
- Contributes towards aspirations as reflected in their respective Iwi Environmental Management Plans and policies.

Established in 2018, NPDC recognises that as a Treaty partner, iwi have a significant contribution to make in freshwater management and planning process. Also acknowledging the unique issues and interests that iwi and hapū face relating to freshwater, He Puna Wai provides iwi an opportunity to contribute to the drinking, waste and stormwater challenges facing the district, as well as potential solutions, including:

- Reducing demands on freshwater through increased efficiencies and waste reduction;
- Upgrading existing infrastructure to increase capacity and resilience; and
- Identifying and developing a new freshwater source.

Moving forward, the working group will engage with significant projects and programmes of work, including the Waitara Wastewater Outfall and stormwater projects, wastewater issues at Urenui and Ōnaero and District Water Conservation Plan.

Te Rewarewa Reserve

In 2007, NPDC and Ngāti Tawhirikura hapū signed an agreement to co-manage Te Rewarewa Reserve. A site of significant spiritual, cultural and historical importance to the hapū, the agreement describes the expectations and aspirations of both parties in the care and development of the reserve.

In 2018, after a review of the co-management entity in place, Te Rewarewa Reserve Working Party was set up. Made up of both NPDC and Ngāti Tawhirikura representatives, the working group is overseeing the physical return of the hapū back on the reserve, as well as the development of a NPDC and Ngāti Tawhirikura co-management plan, which will guide care and development of the reserve over the next 10 years.

Working with Tangata Whenua

Mana Whakahono ā Rohe

The RMA gives iwi authorities the option to invite a regional or district council to form a Mana Whakahono ā Rohe Agreement (Mana Whakahono). The arrangement provides a mechanism for councils and iwi to agree on the ways tangata whenua can participate in the RMA decision-making and assist councils with their statutory obligations to tangata whenua under the RMA.

In May 2018, NPDC was one of four local territorial authorities notified by Ngāruahine Iwi to initiate a Mana Whakahono. However, following a proposal by the Taranaki Regional Council, the four local authorities with the eight Taranaki iwi met in November 2018 to consider a region-wide Mana Whakahono arrangement.

Since September 2019, facilitation of informal mātauranga Māori and Mana Whakahono discussions have been facilitated by Poipoia Limited. With the process impacted by the Covid-19 pandemic, informal discussions are due to resume, with a focus on finalising an agreement.

Delivery
Mauri mahi, mauri ora

Iwi and hapū resource consenting support

Over the past three years, there has been an increasing demand on iwi to participate in NPDC projects and processes like district planning, development projects, urban design and spatial planning. That demand presently out-strips iwi capacity and capability to be able to respond in a timely manner, while also ensuring they fulfil their responsibilities as Kaitiaki.

With potential impacts on statutory processing, reporting and project completion deadlines, we will partner with iwi and explore options to develop a more responsive and efficient resource consenting process for iwi, hapū, NPDC and resource consent applicants.

Funding will be available from 2022 to 2025 to support iwi and hapū in processing the high number of resource consents requiring their input. This will assist NPDC, applicants, developers and other stakeholders to complete resource consent applications in an efficient and timely manner.

It will also provide an opportunity for NPDC and tangata whenua to think about approaches to resource consenting in the future.

Wāhi Tapu review

After the release of the operative New Plymouth District Plan in 2005, NPDC became aware that the location of listed wāhi taonga were inaccurate. This happened because of the change from imperial to metric measurements in New Zealand Archaeological Association data. The Wāhi Taonga Review Project was initiated in 2007.

Originally intended to accurately record the locations of known wāhi taonga in the District Plan, it was extended in 2010 to include new sites. NPDC, an archaeologist and tangata whenua worked together to confirm the locations and extents of sites so they could be included in the proposed District Plan. This will ensure certainty for District Plan users, while protecting sites and areas of significance to tangata whenua.

Moving forward, NPDC will be working with those iwi and hapū who have yet to have the location and extents of their wāhi tapu sites within the district confirmed.

Community
Ngāmotu tū ngātahi

Rohutu Reservation

Rohutu is a 7.13 hectare Māori freehold land block situated at the end of Leslie Street, Waitara. From 1940 to 1960, a small, vibrant community developed, albeit in an informal, ad hoc way.

Administered by trustees since 1960, the vision today for the reserve is to develop a safe, secure and resilient community, which maintains it unique cultural heritage while also enjoying the benefits of a modern community, including quality housing and public amenities and services.

Over the years, with the effects of coastal erosion and increased frequency of tidal surges, wastewater contamination through damaged septic tanks and the imminent risk of buildings falling into the sea, a collaborative effort between reserve trustees, NPDC and others is urgently needed to both mitigate immediate risks and take a more strategic approach to development on the site.

Waitara-Bell Block Coastal Walkway Extension

The first section of the New Plymouth Coastal Walkway opened in December 2001. Since then, residents and visitors alike use the walkway for leisure, commuting and business activities. A safe corridor to travel from one end of the city to the other, it encourages people of all ages to enjoy the benefits of physical exercise, being outdoors, and enjoying what the district has to offer.

Residents and visitors will experience the same benefits, with the addition of the Bell Block-Waitara Coastal Walkway extension. Potentially adding approximately seven kilometres, the walkway extension will enable people to see unique landscapes, pass by historical

Working with Tangata Whenua

sites and read information boards narrating past events which have shaped who we are as a community.

With the added benefit of offering an alternative route to approximately 15 kilometres of State Highway 3, NPDC in partnership with Puketapu, Manukorihi and Otaraua hapū, will collaborate with other key stakeholders, including Waka Kotahi NZ Transport Agency and Papa Rererangi i Puketapu Limited (the New Plymouth Airport Council Controlled Organisation) to progress this initiative.

Te Kohia

In 2016, a significant New Zealand historic site came up for public sale at Brixton, Waitara. NPDC subsequently purchased the property.

Te Kohia Pā, constructed in 1860 by Wiremu Kīngi Te Rangitāke and his followers, was attacked by British Forces on 17 March 1860, marking the commencement of the First Taranaki Land War. The pā was known for its innovative covered trenches - a feature first used at Ruapekapeka in the Northern Land Wars in the 1840s, then refined at Te Kohia. This innovation was replicated by other iwi in the design of pā fortifications during the New Zealand Wars.

In 2019, work began on developing a concept plan for the site, with a project team established made up of representatives from NPDC, Te Kotahitanga o Te Ātiawa, Manukorihi, Otaraua and Pukerangiora hapū and the Department of Conservation.

With the location of the pā confirmed through Ground Penetrating Radar, archival research and three small test excavations, a feasibility study is now planned. NPDC has set aside $300,000 to undertake this study, with an additional $200,000 to be sought externally. The study will assess the possibility of establishing a nationally significant multi-purpose wānanga-education/exhibition/arts centre, along with café/retail and associated services on the site.

Sustainability
Oranga taiao, oranga tangata

Te Ara a Ruhihiweratini

NPDC is preparing a proposal for the construction of a shared cycleway/walkway. Just over 12 kilometres long, Te Ara A Ruhihiwerapini (The Trail of Ruhihiwerapini) will run from Surrey Hill Road, inland from Ōākura, to Pukeiti Botanical and Rhododendron gardens.

With the Taranaki Regional Council and local hapū Ngā Mahanga and Ngāti Tairi, efforts focus on completing the preparation of documentation ahead of lodging resource consents. The intended outcome is to ensure a trail that provides a unique outdoor experience for users, while also being safe, durable and impacting as little as possible on the natural environment.

Responsible for protecting the mauri of the area, NPDC has added $90,000 to the project budget, enabling Ngā Mahanga and Ngāti Tairi Hapū to fully participate as Kaitiaki in the resource consenting process.

Prosperity
Te pai me te rawa o Ngāmotu

Te Matatini National Kapa Haka Festival

Te Matatini is a significant cultural festival and the pinnacle event for Māori performing arts. Held every two years, it is one of the most highly anticipated events for performers, their whānau and the mass of passionate Kapa Haka fans throughout the world.

The festival is a whānau friendly, smoke and alcohol-free event and has an open-door policy where all people are welcome to come and experience the timeless tradition and spectacle of Kapa Haka. In 2019, the event was hosted by Ngāti Toa Rangatira and Te Ātiawa Whānui in Wellington and saw more than 60,000 people attending over the four-day long event.

In 2022, the next festival will be held in Tāmaki Makaurau (Auckland), with Aotea (Taranaki/Whanganui) scheduled to host the next event in 2024. Offering a potential multi-million dollar boost to the local economy, we will explore with local iwi ways in which we can support a successful bid to host the event for the first time here in the New Plymouth District.

Tangata whenua connection to place

The New Plymouth Airport is located on land that encompasses several pā and urupā sites of significance to Te Āti Awa Iwi and Puketapu hapū. With the land acquired under the Public Works Act 1928, the original airport facility was opened in 1966.

In March 2020, a redeveloped New Plymouth Airport terminal was opened. Incorporating distinct cultural concepts and narratives conveyed through traditional and contemporary artworks and sculptures, the $29m facility re-establishes a Te Āti Awa Iwi and Puketapu hapū presence upon the landscape.

An outcome of the completed facility was a 'raising of the bar' in terms of tangata whenua participation in future projects of local and regional significance. Already involved in the planned revitalisation of the New Plymouth Central Business District, we will continue to engage early with tangata whenua on significant projects which offer opportunities to both reaffirm their connection to the district and celebrate their unique and distinctive contribution to the district's identity and heritage.

Audit opinion

To the reader

Independent Auditor's report on New Plymouth District Council's Long-Term Plan 2021-2031

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 29 June 2021.

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 173 to 175 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.

This opinion 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.

Emphasis of matters

Without modifying our opinion, we draw attention to the following disclosures.

Uncertainty over three waters reforms

Pages 226 and 227 outline the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the plan has been based.

Uncertainty over the delivery of the capital programme

Page 234 outlines that the Council is proposing to spend $963 million on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, as outlined on pages 234 to 236, there is uncertainty over the delivery of the programme due to a number of factors, including significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

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;

Audit opinion

- 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 the 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 control

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

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

Infrastructure Strategy 2021-2051

Infrastructure Strategy

Background

Why have an infrastructure strategy?

Infrastructure is one of the most significant elements of council planning and expenditure. Most council services rely on having fit for purpose infrastructure to support that service and infrastructure is a significant driver of council costs.

New Plymouth District Council (NPDC) currently has infrastructure assets worth almost $2.3 billion and is expecting to invest a further $935 million over the next 10 years in renewing, upgrading or adding to our infrastructure assets. In addition, it costs approximately $50m each year to maintain and operate these assets which represents 30 per cent of NPDC's total operating costs. A key part of the Long-Term Plan (LTP) process is ensuring that NPDC is making timely and well informed decisions on these investments - as the consequences of those decisions will be with the district for many years, in some cases generations to come. The Infrastructure Strategy is complemented by the Financial Strategy which considers the financial and funding impacts of these decisions and sets out the impacts on both the council finances and the direct implications for ratepayers.

The Local Government Act 2002 requires all councils to prepare an Infrastructure Strategy as part of their three yearly long-term planning process. The Infrastructure Strategy must cover a period of 30 years and identify:

- the key infrastructure issues facing the Council;
- the principal options for managing those issues; and
- the implications of the various options.

Over the next 30 years the environment in which these decisions are made will continue to change. We need to provide for ongoing population growth (currently expected to grow by over 20 per cent over 30 years) and where new housing and employment areas will be situated to cater for that growth; an ageing population and what that means for much of our infrastructure; ongoing growth in tourism – which we expect to bounce back post Covid-19; the effects of climate change (e.g. coastal infrastructure at risk, managing increased flooding events and conversely improved water supply for droughts).

Who provides infrastructure?

Delivering New Plymouth's infrastructure requires coordination across a number of public and private organisations depending on the type or scale of infrastructure:

- Government provides state highways, railway lines and some social infrastructure, such as schools and hospitals. It also subsidises other transport infrastructure.
- NPDC provides arterial roads, water supply, wastewater and stormwater networks and social infrastructure such as community facilities and parks. NPDC also, through our Council-controlled Organisation Papa Rererangi i Puketapu Ltd, provides the New Plymouth Airport.
- Taranaki Regional Council own Port Taranaki, Yarrow Stadium, regional gardens and provides public transport, significant flood protection on the Waitara and Waiwhakaiho rivers, and river management.
- Developers initially construct local streets and pipe networks which are then vested with NPDC to own and maintain.
- Energy and communications infrastructure is typically supplied by private utility companies.

Most of our major resource consents for water and wastewater have more than a decade left before they expire. The new water source and the Urenui/Onaero wastewater projects will be the main projects that require significant new consents. Also universal water metering and water conservation are both viewed as essential prerequisites before we can get a new water source consented.

This strategy covers the critical infrastructure networks owned and operated by NPDC (water, wastewater, stormwater and flood control, roads and footpaths) as well as those key recreational and property assets where strategic decisions are identified within the 30 year period.

Infrastructure Strategy

Where we are heading

In order to make good decisions about future investments in our infrastructure assets, NPDC needs to have a clear vision of what it is trying to achieve. In July 2020 we confirmed our strategic framework.

Vision

Sustainable Lifestyle Capital

Mission

To provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence

Goals

Partnerships
Strengthening a treaty based partnership with tangata whenua and building partnerships with not-for-profit, private enterprise, and government to improve outcomes for all

Delivery
Understanding and balancing our people's needs and wants through prudent delivery of quality infrastructure and services

Community
Achieving wellbeing through a safe, creative, active and connected community while embracing Te Ao Māori

Sustainability
Nurturing our environment, mitigating our impact and adapting to climate change

Prosperity
Growing a resilient, equitable and sustainable economy where people want to work, live, learn, play and invest across our district

How we maintain, renew and invest in our infrastructure networks will be driven by delivering on this mission and goals. The level and speed at which we can achieve the mission will be constrained by the affordability of providing everything that the community and Council may wish to. Our Financial Strategy sets out the limits within which we need to work in order to keep our spending affordable for the community. In setting out the options for each of these major infrastructure decisions in this document we have been guided by the limits set in the Financial Strategy.

Decisions about future investment in our infrastructure assets will be subject to ongoing legislative changes including the Freshwater Reforms, the Three Waters Reform, the National Policy Statement for Urban Development, and the three new acts signalled under the resource management reforms.

To help us prioritise the investment in our infrastructure we have identified the following key drivers of our decisions:

1. Taking care of what we have. We need to ensure that we invest in maintaining, renewing or replacing our existing asset infrastructure to preserve and extend their useful life.
2. Resilience and responding to climate change. As we build new assets and renew our existing infrastructure we must ensure we build in resilience to issues from natural hazards including volcanic and seismic activity, sea level rise, coastal erosion, flooding events and droughts along with the consideration of the predictions of climate change.
3. Planning for growth. Our district continues to grow and it is important that we manage that growth and provide the infrastructure in the appropriate areas to support new housing and employment areas.
4. Meeting the needs of our community and reducing our impact on the environment. As our community grows and changes we need to ensure our infrastructure responds to those changing needs and that we also respond to increasing standards to support public health and environmental protection.

These four drivers of decision making have been translated into some specific asset management objectives.

Infrastructure Strategy

Taking care of what we have

Taking care of our infrastructure assets means:

We understand that asset data and evidence based decision making are critical to optimising costs and maximising the value our services bring to our customers.

We protect and enhance public health by providing quality services.

We own and operate infrastructure that is safe for our staff suppliers and customers.

Planning for growth

Planning and providing for growth means:

We work in partnership with Tangata Whenua when we plan for our infrastructure.

Our infrastructure is an enabler for economic activity and future growth.

We educate our community so they can make informed choices about how they use our services and manage demand on our infrastructure and services.

Resilience and responding to climate change

Resilience of our assets means:

Our infrastructure protects and enhances our built environment and creates amenity value.

We provide reliable services and infrastructure that is resilient to natural hazards and adapts to climate change.

We provide system redundancy and emergency back up systems to our critical infrastructure.

Meeting the needs of the community and reducing our impact on the environment

Meeting the needs of the community and reducing the impact on the environment means:

We manage the consumption of energy and associated greenhouse gas emissions to mitigate our impact on climate change.

We protect and restore the health of our natural environment.

We manage the use of resources in a sustainable way, minimising waste and seek out opportunities to use wastes as a resource to be reused or recycled.

Partnership with iwi

The LTP identifies the role that Māori play in relation to the decision making of NPDC in the section titled ‘Working with Tangata Whenua’. As set out in that section, there are a range of mechanisms at both the governance and management levels where iwi and hapū engage with NPDC and participate in the decision making process.

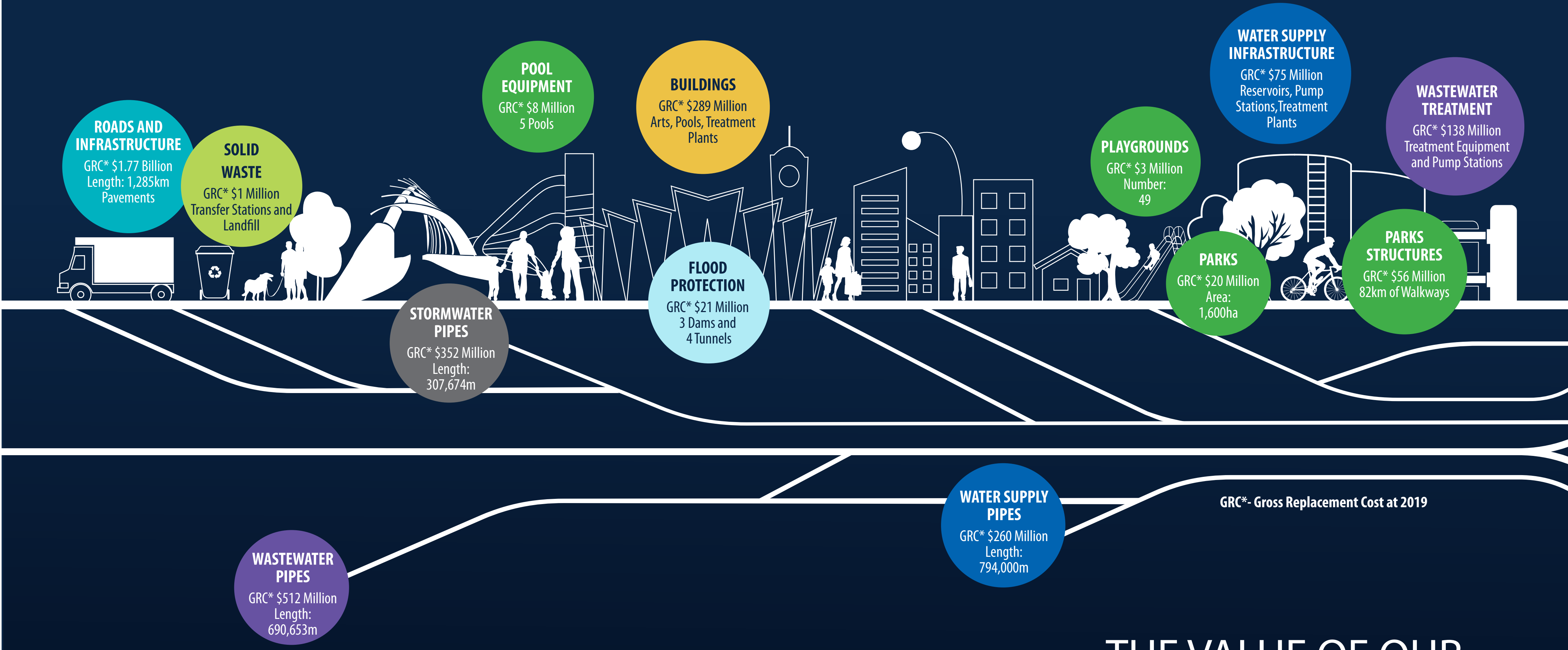
For large infrastructure investments NPDC is working more collaboratively with iwi to develop sustainable outcomes for the community. For example, a partnership is developing in relation to the development of a sustainable, long-term strategy for the district’s three water systems (drinking water, wastewater and stormwater). The purpose of He Puna Wai is for NPDC and Ngati Maru, Ngāti Tama, Ngāti Mutunga, Te Atiawa and Taranaki Iwi to work together in a spirit of partnership and collaboration to develop a long-term framework for the management of the district’s water resources.

NPDC is moving its engagement model to the front-end of planning processes to better recognise tangata whenua’s connection to place. Building on the success of the *Te Hono* New Plymouth Airport Terminal, the Waitara to Bell Block Coastal Walkway Extension will be co-designed with hapū. This approach will better ensure that the footprint of tangata whenua is recognised in the delivery of infrastructure projects.

Where we are now

Our current assets

NPDC's infrastructure assets are valued at almost $2.3b. This diagram illustrates the value of each major group of asset infrastructure.



ROADS AND INFRASTRUCTURE
GRC* $1.77 Billion
Length: 1,285km
Pavements

SOLID WASTE
GRC* $1 Million
Transfer Stations and Landfill

POOL EQUIPMENT
GRC* $8 Million
5 Pools

BUILDINGS
GRC* $289 Million
Arts, Pools, Treatment Plants

STORMWATER PIPES
GRC* $352 Million
Length: 307,674m

FLOOD PROTECTION
GRC* $21 Million
3 Dams and 4 Tunnels

PLAYGROUNDS
GRC* $3 Million
Number: 49

WATER SUPPLY INFRASTRUCTURE
GRC* $75 Million
Reservoirs, Pump Stations, Treatment Plants

WASTEWATER TREATMENT
GRC* $138 Million
Treatment Equipment and Pump Stations

PARKS
GRC* $20 Million
Area: 1,600ha

PARKS STRUCTURES
GRC* $56 Million
82km of Walkways

WASTEWATER PIPES
GRC* $512 Million
Length: 690,653m

WATER SUPPLY PIPES
GRC* $260 Million
Length: 794,000m

GRC*- Gross Replacement Cost at 2019

THE VALUE OF OUR INFRASTRUCTURE

Infrastructure Strategy

Our current challenges

In the 'Where we are heading' section above, we outlined the four key drivers that will help determine the prioritisation of NPDC's investment in infrastructure.

1. Taking care of what we have

Looking after the very significant investment that has been made over many years in New Plymouth's infrastructure is a high priority. Much like looking after a house, it is important we maintain the condition of our infrastructure assets to make sure they perform, that they are safe and that they have as long and useful life as possible. We do this through:

- Maintenance programmes – keeping an asset in good repair. This would be comparable to regularly painting your house and cleaning your gutters.
- Renewals - replacing all or part of an asset to extend its life. In the house analogy this would be comparable to replacing the roof.

Maintenance is part of our normal operational expenditure. In the past few years renewals have been funded from reserves, set aside annually from rates and evened out over a 10 year period. Because in this LTP we are proposing to catch-up on previous under-expenditure, we propose to fund renewals from a combination of the rate funded reserve and debt (for longer life assets). This approach will be phased out as we catch-up with the renewal programme. For more information see the Financial Strategy.

Since the Global Financial Crisis in 2007 we have had a period of economic turmoil and fiscal constraint the world over. In response to this, and the impacts on its Perpetual Investment Fund, NPDC made significant cuts to renewal budgets over a number of years, in order to reduce the level of rates charged to the community.

Due to the better understanding we now have of the condition of our assets and the impacts of underfunding, it is estimated that there is now a backlog of approximately $126m of assets that have reached the end of their operating lives. Our current renewals budgets average $28m per year and we estimate to address the backlog of deferred renewals, and fund the ongoing forecast renewals requirements, budgets will need to increase to somewhere between $45m (low option) and $61m (high option) per year for the next 10 years. We have chosen a medium level ($51m capital programme per annum). We have also determined to fund this programme using debt and reserves for renewing some long life assets in the short-term, with rates fully funding renewals from year 8 (2028/29) on. This approach balances the level of risk with affordability for the community.

As NPDC's asset management capabilities continue to mature, more sophisticated techniques are being introduced to improve the accuracy and reliability of our renewals budget forecasting. This includes the introduction of Monte Carlo risk simulations. These simulations are mathematical statistical techniques used to understand the impact of risk and uncertainty in financial forecasting models. This allows for critical assets, where the consequence of failure is high, to be proactively replaced in order to minimise risk. Conversely, non critical assets with a low consequence of failure can be allowed to 'sweat' by delaying their replacement in order to extract maximum value from these assets.

In 2020/21 we reinstated Closed Circuit Television (CCTV) inspections and employed a mechanical maintenance inspector to improve our understanding of the condition of our assets. These two initiatives will continue as business as usual within this LTP to ensure that we continue to improve our understanding of the condition of our assets. We have also included funding in this LTP to explore improved inspection methodologies.

Key to making best use of these new tools, and supporting our decision making on renewals, is good information on the condition of our assets. Without good information on condition and provision of sufficient funding we face the risk of asset failure such as the recent partial collapse of Waiwaka Terrace culvert. As a result of this issue, an unbudgeted $2.5m was required to prevent further collapse and risks to public safety and private property.

Good asset data and a well informed renewal programme reduces the need, and consequent cost, for reactive maintenance when an asset fails or becomes high risk, such as the above example.

Infrastructure Strategy

Based on current data, our assessment of asset condition shows:

Activity	Condition data	Confidence	Current performance
Water Supply	64% of water pipes are rated moderate or better condition. 22% are rated poor or very poor condition and 14% rated as unknown.	Moderate confidence	Aside from some unsatisfactory pressure management and Inglewood discolouration we are meeting required levels of service.
Wastewater	51% of wastewater pipes are rated moderate or better condition. 35% are in poor or very poor condition and 14% are rated as unknown.	High confidence	Currently meeting required levels of service.
Stormwater	More than 50% of our critical stormwater assets have had condition inspections. Renewals for less critical assets are based on age and performance.	Moderate Confidence	Generally meeting levels of service with the exception of Waitara and some other discrete areas in the district.
Flood Protection	The network is in very good condition.	High confidence	Currently meeting required levels of service.
Transportation	The asset base is in good condition and has 57% of its original life remaining.	High confidence	Currently meeting required levels of service.

Each asset category has a full programme of renewal projects. Some examples of these are:

Project	Description	Cost	Timing
Water asset condition inspections	Undertaking a comprehensive review of key assets in water supply network to inform the renewal programme, thereby protecting water supply, public health and the environment.	$1.4m over three years	Commencing 2021
Inglewood oxidation ponds and pump station upgrade project	Some components of the existing ponds and pump station are obsolete and can no longer be replaced. Current configuration results in discharges during rainfall events. Consents for discharges expire in 2033.	$5.2m	2025/26
Te Rewa Rewa bridge repaint	A repaint of the bridge is required within the next two years to prevent corrosion of structural steel (resulting in more expensive treatment being required at a later date).	$1.8m	2021/22
Junction Street bridge upgrade	The current bridge is not for fit for purpose and the attached pedestrian bridge is at the end of its life.	$2.8m	2023/24

Taking care of what we have

Our strategy for looking after our existing assets is to:

a) Improve our knowledge of the condition of our assets through inspection and data collection.

b) Prioritise funding to the renewals of existing assets.

c) Develop proactive maintenance schedules for all assets.

Infrastructure Strategy

2. Resilience and responding to climate change

In February 2018 the ex-cyclone Gita event damaged a main water pipe resulting in significant water shortages across the district. This is a good example of why we have to improve our planning and provision of resilience for critical assets needed by the community in any form of natural disaster or weather event, such as water supply, wastewater services, and critical transport routes.

Currently we are vulnerable to natural disasters because:

- Historically, some of our existing infrastructure has been constructed in areas subject to natural hazards, i.e. along the coast, across rivers, on fault lines and in areas subject to volcanic activity.
- In the early years of development of our wastewater networks, expectations and standards were very different from today. When combined with increased pressure from ongoing growth this leaves us with risks of sewage overflows and difficulty in planning shutdowns for maintenance purposes.
- The layout of some of our transport network and our challenging natural topography, means that during a major event some communities could be isolated.

While climate change is an issue nationally, the Taranaki region is particularly susceptible to volcanic activity and earthquake events. Massey University research identifies that seismic activity is likely in the next 50 years with an 81 per cent probability of Taranaki Maunga erupting in that period. There are a number of active fault lines in the district and offshore and a volcanic event could cause major disruption through lahars and ash fall.

In the face of these risks we need to ensure we improve our resilience. Resilience is more than just building robust infrastructure that can withstand natural disasters. It requires a multi pronged approach which covers every aspect of the way we plan, build and manage our asset networks, as well as how we respond during and after an event, as illustrated by the diagram.

Using this approach will enable us to:

a) Reduce risk by actions such as improving our knowledge of hazard zones, understanding risk and criticality of assets, and ensuring where practicable that future assets are not built in hazard zones. Where necessary remove assets and private property in hazard zones, strengthen assets that remain in hazard zones, or provide alternatives and duplication for critical assets.

b) Maintain readiness through maintaining assets to a high standard and remove manageable hazards (e.g. debris, trees creating risks). Along with targeted and well communicated response plans, education of the community for their own preparedness and provision of financial reserves for recovery actions.

c) Respond during an event by focusing on and prioritising what is critical. This is achieved by coordinating the response across multiple agencies, shutting down damaged assets and activating alternatives, communicating clearly and frequently with the community.

d) Recover from an event by building better than before (avoiding risk zones, providing alternatives and duplication), using the rebuild to develop skills and knowledge in the community.

Some examples of key projects we have identified to deliver on this strategy are:

Project	Description	Cost	Timing
Water resilience – Ōākura No.1 reservoir	Investigation and remediation of vulnerability of Ōākura No.1 reservoir to seismic events to prevent loss of water supply and danger of flooding to neighbouring properties.	$1.1m	2026/27
Wastewater pipe bridge upgrade programme	Information on the condition of many pipe bridges and their vulnerability to natural hazards such as flooding is incomplete. Structural assessments will be undertaken followed by a programme of necessary upgrades.	$0.3m per year	Commencing 2027
Waiwhakaiho River second viaduct	This project is key to providing resilience to the network through another crossing of the Waiwhakaiho River. It will also provide some additional capacity to the network.	$7.3m	2032 to 2041
Historic landfill erosion protection	Following storm exposure of a historic landfill site at Waitara a stocktake of all historic landfills for which the Council is responsible has been undertaken. Risks and mitigation strategies will be developed for eight high priority sites (includes three on the coast and five close to riverbanks).	$0.8m	2021/22

Resilience and responding to climate change

Our strategy to provide resilience and respond to climate change is to:

a) Develop a resilience framework and levels of service for critical assets.

b) Complete seismic and criticality assessments across the asset infrastructure network.

c) Upgrade and/or provide alternatives for critical assets in the network and ensure solutions are adaptive to climate change.

d) Communicate with our community to prepare them for a natural disaster.

3. Planning for growth

Our district is growing. In 2021, our population will be 86,700, equating to almost 70 per cent of the Taranaki region. The population is projected to grow to 93,800 over the next 10 years and to 104,900 by 2051 (an increase of 21 per cent).

To meet our strategic vision and support a sustainable and connected community, we must plan for future growth. Planning ahead and making the appropriate infrastructure investment means we can service a growing number of residents and businesses and ensure the district remains an affordable and desirable place to live and do business.

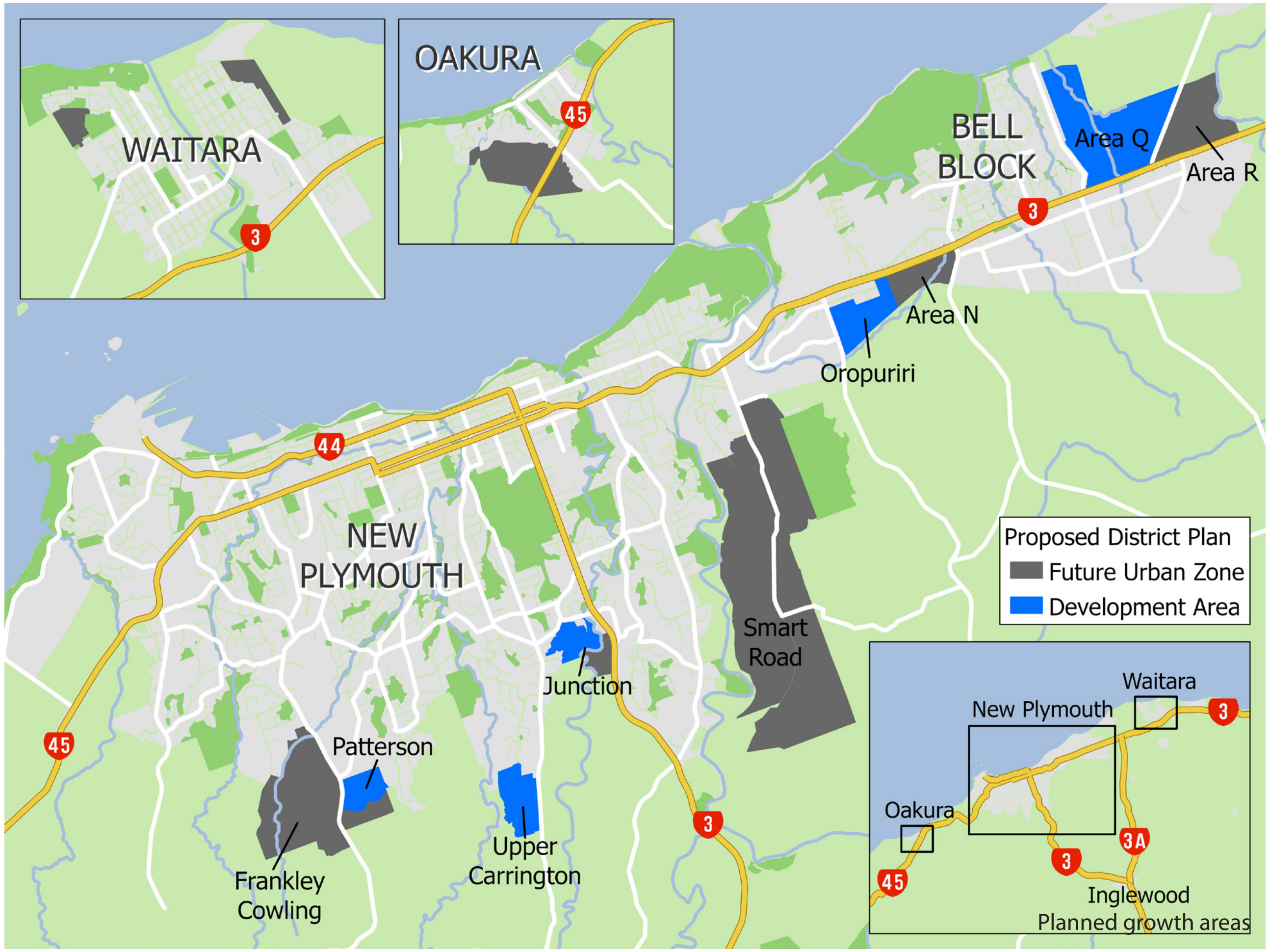
In 2008, the Council reviewed the district's land supply under the Operative District Plan and adopted its Framework for Growth. In response to the 2016 National Policy Statement Urban Development Capacity the Council signalled through the LTP 2018-2028 that growth related infrastructure would be led by the Council (as opposed to developer led) and that a new District Plan would improve urban growth outcomes by providing a strengthened approach to the identification and provision of adequate land for growth in the right location.

Notified September 2019, the Proposed New Plymouth District Plan introduces structure plan development areas for identified zoned and infrastructure ready growth areas to ensure good quality subdivision and development outcomes, as well as future urban zones which specifically recognise and identify suitable areas for residential and business (which includes industrial) growth in the medium to long term future. This approach is supported by a robust policy framework designed to include tangata whenua involvement in growth planning/land use and take into account community, social, economic, climate change and sustainability outcomes to ensure comprehensive, high quality development can occur in these areas. Importantly, this is all underpinned by the requirement that these areas must demonstrate they can be efficiently and appropriately serviced before they can be developed for urban use.

Key changes introduced in the Proposed District Plan are highlighted as:

- Short to medium term growth, over the next 10 years, will be met within existing undeveloped structure plan development areas located in Bell Block, Junction Road, Carrington Street and Patterson Road. Infrastructure projects are provided over the next 10 years for these projects.
- In the longer term (years 11 to 30) growth will expand into future urban zones located on the urban boundaries of parts of New Plymouth, Waitara, Ōākura, and Okato.

The map shows these areas.



The National Policy Statement on Urban Development (NPS-UD) was released in August 2020. The NPS-UD will continue to be taken into account in relation to our ongoing land use and infrastructure growth planning informing this Infrastructure Strategy, LTP 2021-2031 and the completion of the District Plan review.

Infrastructure assets for new growth is expensive and it is important that we understand and utilise the infrastructure we already have and explore the implications of infrastructure decisions we might make. We need to consider tools for managing demand on existing infrastructure rather than continuing to build for existing usage behaviours, such as reducing water consumption or changing travel choices.

Where additional infrastructure is required to support the growth enabled in the District Plan, the Council needs to plan and sequence our investment in line with the areas identified for growth.

Future growth will require investment in both network wide infrastructure, such as central processing plants, and in upgrading, or slightly extending, existing infrastructure on the boundary of our urban areas.

NPDC intends to lead any large scale infrastructure projects in the district. We will recover a portion of expenditure required to service new growth areas from developers of those areas, in accordance with our Development and Financial Contributions Policy. Property developers are responsible for smaller scale and less complex infrastructure upgrades at the time they undertake their developments.

In addition, new legislative requirements have been recently introduced through the NPS-UD that direct the Council to provide zoned, feasible, serviced land to meet our projected population growth. The NPS-UD will continue to be taken into account in relation to our ongoing land use and infrastructure growth planning informing this Infrastructure Strategy, LTP 2021-2031 and the current and future District Plan review processes.

Some examples of key projects we have identified to deliver on this strategy are:

Project	Description	Cost	Timing
Water conservation programme including universal water metering	Water conservation measures that incentivise users to reduce their demand, will enable deferral of major capital works that would otherwise be required to cater for growth. It also reduces the amount of water taken from natural water sources and increase the ability to be resilient in drought conditions without additional water sources.	$18m for water meters and $5m opex over 10 years for other water conservation initiatives with overall net savings of $121m	Commencing 2021
Cycling and walking programme	A programme of building more cycling and walking links so that it is safer and easier to travel around our city and district without using the car.	$7.5m over 4 years	Commencing 2021

Planning for growth

Our strategy for planning for growth is to:

a) Improve our data and modelling tools for existing infrastructure capacity so we can future proof for growth.

b) Consider tools for managing demand on some infrastructure.

c) Plan and deliver necessary infrastructure projects in sequence with the growth of the district.

4. Meeting the needs of our community and reducing our impact on the environment

The nature of our community will change over time. We are predicting that the average age of the community will continue to increase. Currently 19 per cent of our population are over 65 years old. By 2031 this is expected to increase to 24 per cent and by 2051 to 27 per cent. With this ageing population comes increasing issues related to accessibility of assets and services which we need to take into account in our planning. The mix of ethnicities in the district is not expected to change significantly with European and Māori ethnicities remaining predominant with a small increase in the Asian population over the 30 year period.

In addition to our changing demographics, expectations of NPDC performance and service levels continue to evolve. These are driven by the community, our key partners and by central government legislation and regulation. These expectations extend to the way we manage our ongoing impact on the environment and restore degraded natural habitats. Central government legislation on climate change is rapidly evolving, with increased expectations from councils to report on climate change preparedness and produce emissions reduction plans for the organisation and community, as well as adaptation plans.

Infrastructure Strategy

Some examples of key projects we have identified to deliver on this strategy are:

Project	Description	Cost	Timing
Library redevelopment	The Puke Ariki and Community Libraries Strategy has identified the need to expand and/or upgrade our library network to meet the changing needs of the community and keep pace with growth across the district. This involves redeveloping the Waitara library in years 5 and 6, Bell Block library in years 11 to 15 and Inglewood, Ōākura and Puke Ariki in years 16 to 20.	$31m	2032 to 2041
Commercial and Industrial Material Recovery Facility	A Commercial and Industrial Material Recovery Facility enables commercial waste to be consolidated and sorted to divert reusable and recyclable waste from landfill. It will extend progress towards the Zero Waste 2040 target (commercial waste makes up more than 60 per cent of waste sent to landfill), and provide local infrastructure and solutions, increasing resilience for recycling options.	$1.7m	2021/22
Planting Our Place Climate Action Programme	A programme of Planting Our Place has been initiated in order to deliver on the carbon sequestration outcomes identified in NPDC's Climate Action Framework. This will also help to meet a 10 per cent indigenous fauna cover. We will deliver this in partnership with iwi and the wider community.	$3.4m over 20 years	Commencing 2021
Intersection safety improvements	A number of intersections have been identified for safety improvements these include: • Breakwater Road - Ngamotu Road - Centennial Drive. • Brois Street – Govett Avenue. • Devon St East - Currie Street. • Gover Street - Liardet Street central block traffic calming. • Hobson Street - Devon St East. • Parklands Avenue - Mangati Road. • Belair Avenue – Omata Road. • David Street - Tukapa Street signalisation. • Lorna Street - Devon St West signalisation. • Henwood Road bridge (over SH3) traffic signalisation.	$6.3m over 3 years	Commencing 2021

The priority areas for meeting the needs of the community and the environment are:

- Security and quality of water supply.
- Reduction in the risk of wastewater overflows which impact on public health and the environment.
- Reduced risk of stormwater inundation and/or flooding which impacts both on private property and water quality in the natural environment.
- Improved transport safety.
- Connecting communities through good transport network design.
- Increasing transport options to help people lower their transport related emissions.
- Putting in place plans and actions to reduce and mitigate our emissions.
- Ongoing reduction in waste to landfill and managing historic landfills.
- Developing lifestyle projects that provide for both growth and the changing needs of our community.

Meeting the needs of our community and reducing the impact on the environment

Our strategy for responding to the needs of our community and reducing our impact on the environment is to:

a) Protect public health and safety through improvements to water, wastewater, stormwater and transport networks.

b) Improve environmental outcomes by reducing and mitigating emissions, reducing wastewater overflows, reducing the waste stream and emissions, improving biodiversity and encouraging more sustainable practices in transport and water usage.

c) Improve provision of recreational facilities to meet the needs of a changing community.

Infrastructure Strategy

Key decisions

In this section we highlight the significant infrastructure issues we are likely to face over the life of this strategy within the following infrastructure asset groupings: water supply, wastewater, stormwater, flood protection, transportation, parks and open space, waste management and minimisation, Puke Ariki and community libraries, and venues and events.

Within each grouping, we discuss the infrastructure issues related to that asset group and present the possible options for managing those issues in relation to our four key drivers and the strategies that we have outlined in the previous section.

Taking care of what we have

Resilience and responding to climate change

Planning for growth

Meeting the needs of our community and reducing our impact on the environment

In developing the options for decision making we have also taken into consideration:

- The overall affordability of the work programme in the context of the limits set in the Financial Strategy. The preferred options have been selected with a balance between affordability and speed of addressing the issues very much in mind.
- Our ability to deliver the full programme of works. We are addressing this by a 'stepping in' of the programme over the first five years which enables us to grow our ability to undertake this work. Phasing the projects across multiple years provides time for planning, land acquisition and resource consents before construction. We also improved our processes and levels of resourcing to manage this work. Because a big chunk of our projects involve fixing our existing assets, we won't have as many delays with issues such as land acquisition and resource consents.

Infrastructure Strategy

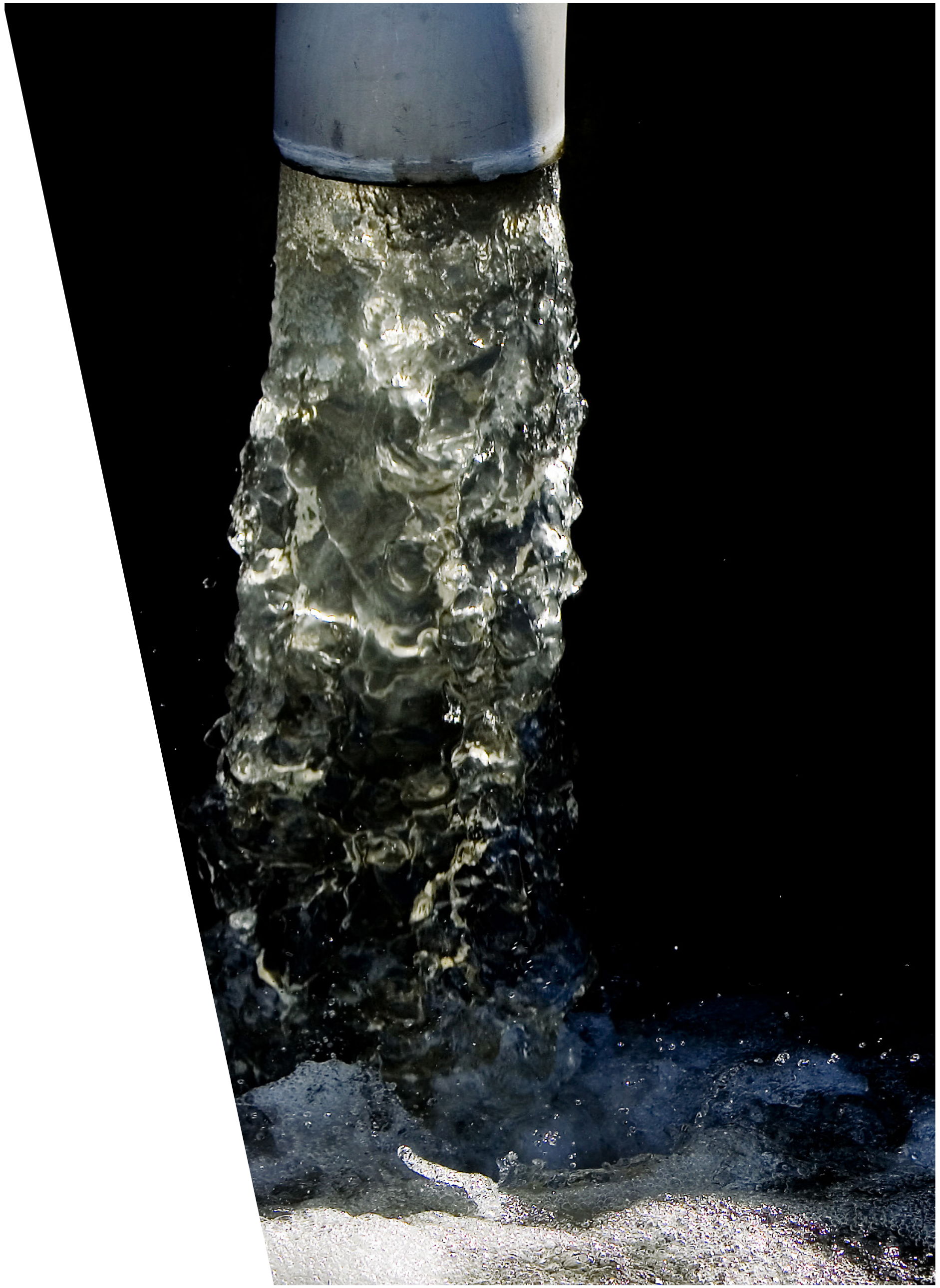
Water Supply

NPDC operates four separate water supplies in the district, providing approximately 32.7m litres of water per day to just under 28,000 households and businesses. We develop, operate and maintain water treatment plants to meet water quality standards. We also manage pump stations, pipe networks and storage facilities such as reservoirs to ensure our community has a reliable and sustainable supply of fresh water. The costs of operating these networks is funded through a targeted rate on those properties that receive the service.

Key Water Supply issues

There are four key issues that are relevant to the planning and management of our water supply over the next 30 years:

1. **The condition of the water supply network.** We have a big backlog (estimated at $33m) of renewal work from several years of underfunding. Addressing the condition of the existing network is a priority through improved data collection on the condition of the network and increased funding for renewals.
2. **Capacity of the network.** At the current rate of water usage we are close to capacity in much of our network. Water conservation initiatives, in particular universal water metering and volumetric charging, will enable us to defer expensive investment in new water sources while catering for growth.
3. **Continuity of water supply in the event of a natural disaster.** Protection of our network from weather events, seismic and volcanic activity is a priority to ensure public health is safeguarded in these circumstances. To address this we intend to improve existing assets to withstand seismic activity and natural disasters, manage the risk of damage to the network from existing hazards and, where possible, provide duplicate assets as an alternative supply.
4. **The National Policy Statement for Freshwater Management.** This has a potential major impact on NPDC. Much of our water supply relies on the ability to take water from our rivers and changes to the standards of freshwater management could impact on our ability to take what we need. Water conservation initiatives will be an important factor in managing this impact.



Infrastructure Strategy

Options for decision

NPDC has considered the issues of water supply in the context of the four drivers of decision making and the strategies for those, set out earlier in this document. In that context the following options have been developed.

The Drivers	The Options	
Taking care of what we have	In order to improve, or even maintain, the existing condition of our water supply network, we need to increase our investment in renewals so do we: 1. Keep our average annual renewals expenditure the same as the LTP 2018-2028 for 2021 financial year ($5m) which will mean our network gradually deteriorates. 2. Increase our average annual renewal expenditure to $6.2m which will keep our network in the same condition as it is now (i.e. will not clear the backlog). 3. Increase our average annual renewal expenditure to $8m and clear the backlog over about 20 years. 4. Increase our average annual renewal expenditure to $12.5m and clear the backlog over 10 years.	**Preferred Option** Our preferred option is **Option 3** – increase average annual renewal expenditure to $8m and clear the backlog over about 20 years.
Resilience and responding to climate change	There are a number of improvements we can make to our drinking water systems to make them more resilient to natural hazards and the effects of climate change. We could: 1. Invest up to $6.2m on adapting water infrastructure in order to lower the risk posed by natural hazards by making seismic improvements to our reservoirs, installing additional flow meters and supply zone isolation valves and protecting pipe bridges. 2. Spend up to $13.8m duplicating the main central, eastern and western feeder pipes in order to provide some network redundancy to these critical assets. 3. Manage the landscape in the catchments that feed our drinking water systems to reduce the risk to our water supplies by spending up to $700,000 to undertake a riparian planting programme. 4. Investigate options for a new water source and prioritise for further investigation those that also provide additional redundancy and excess capacity to allow for some headroom. 5. Improve our community's preparedness by developing natural disaster scenarios and using our network models to predict how long it will take to repair and restore water services after a major event. Then we will work with our community so that they have the information and advice needed to be well prepared to bridge the gap until Council services are back up and running.	**Preferred Option** Our preferred option is: • The combination of **Options1, 4 and 5** in years 1 to 10; then • **Option 3** in years 11 to 20; then • **Option 2** in years 21 to 30.

Infrastructure Strategy

The Drivers	The Options	
Planning for growth **Meeting the needs of our community and reducing our impact on the environment**	As our population grows we need to plan for upgrades to our treatment plants, reticulation networks and a new water source. However, this will be costly and have a large impact on our environment and it may be difficult to get a resource consent, so before we do this we need to make sure we are being efficient with the water we already have consented. Reducing water consumption will also have the benefit of delaying or removing the need for some large upgrade projects and will save money over the next 30 years. To conserve water we can: 1. Carry on with the same minor water conservation programme we currently have. This will maintain the status quo and will not reduce water usage. 2. Increase our conservation programme by installing water meters so that people pay for what they use. This is expected to reduce water usage by 20 per cent, saving $61m over the next 30 years. 3. In addition to option 2, increase our community and commercial education programmes, reduce the pressure in some of our supply zones, and introduce a green plumber and other incentive tools. This is expected to reduce water usage by 25 per cent, saving $121m over the next 30 years. 4. In addition to options 2 and 3 above, significantly increase our community education programmes, also bill for wastewater by water meter, significantly expand our leak detection and repair programmes. This is expected to reduce water usage by 30 per cent, saving $120m over the next 30 years. Note: the savings outlined above are net of the costs of implementation.	**Preferred Option** Our preferred option is **Option 3** – reduce water usage by 25%, saving $121m over the next 30 years.

Wastewater

The wastewater reticulation network and pump stations collect domestic and industrial wastewater from more than 27,000 properties in urban New Plymouth, Bell Block, Waitara, Inglewood and Ōākura. We treat wastewater at the central New Plymouth Wastewater Treatment Plant (WWTP) before discharging the treated water via outfall to the sea. We also process the biosolids that result from the treatment process at the Thermal Drying Facility (TDF) into Bioboost fertiliser which we sell throughout the country.

The costs of operating these networks is funded through a targeted rate on those properties that receive the service.

Key Wastewater issues

The key issues of relevance to the planning and management of our wastewater network for the next 30 years are:

1. **The condition of the wastewater network.** As with other water assets, we have a backlog (estimated at $59m) of renewal work from several years of underfunding and need to address this as a priority through improved data collection on the condition of the network and increased funding for renewals.
2. **Continuity of the services in the event of a natural disaster.** To protect both public health and the environment we need to ensure that we safeguard key parts of the network. We intend to do this by improving existing assets to withstand seismic activity and natural disasters, managing the risk of damage to the network from existing hazards, identifying and reducing infiltration from stormwater and providing duplication of some key assets.
3. **Capacity of the network**. As well as extending the networks to new growth areas, there needs to be capacity for the treatment and disposal of increased wastewater flows. A major factor in managing this is infiltration of the existing system from stormwater.
4. **Environmental impact of wastewater.** Standards related to the impact of wastewater management on public health and environmental protection have been strengthened by regulation over the years and are expected to continue to improve. Our most significant issue is the Waitara marine outfall which acts as an emergency discharge for sewage and there are also increasing concerns about the impact of poorly managed septic tanks on the environment.

Infrastructure Strategy

Options for decision

Options for dealing with these issues have been developed in the context of our four decision making drivers and the strategies outlined earlier in this document.

The Drivers	The Options	
Taking care of what we have	In order to improve, or even maintain the existing condition of our wastewater network, we need to increase our investment in renewals so do we: 1. Keep our average annual renewals expenditure the same as the LTP 2018-2018 for the 2021 financial year ($4.4m) and accept the risk of pipe failures. 2. Increase our average annual renewals expenditure to $10.4m which will keep our network in the same condition as it is now (i.e. will not clear the backlog). 3. Increase our average annual renewals expenditure to $12.1m and clear the backlog over about 20 years. 4. Increase our average annual renewals expenditure to $17m and clear the backlog over about 10 years.	**Preferred Option** Our preferred option is **Option 3** – increase our average annual renewals expenditure to $12.1m per year and clear the backlog over about 20 years.
Resilience and responding to climate change	There are a number of improvements we can make to our wastewater systems to make them more resilient to natural hazards and the effects of climate change. We could do any combination of the following: 1. Spend about $0.3m per year to run a programme of pipe bridge upgrades where our sewers cross rivers and streams so that they are more resistant to damage from natural hazards. 2. Use our new wastewater network model to predict what the impact of more intense rainfall will be on inflow and infiltration and plan future improvement projects (this is included in the $6m cost to build the wastewater network model) – see below. 3. Spend $45m (with $39m funded by Crown Infrastructure Partners) to upgrade the new Thermal Drying Facility to run on a blend of natural gas and hydrogen in order to reduce our carbon footprint and mitigate climate change. 4. Upgrade our sewage pump stations so that they have emergency storage and backup power generation (at a cost of up to $80m). 5. Put long-term plans in place for some of our smaller community wastewater systems, particularly in Urenui and Onaero domains which are at risk from coastal erosion and sea level rise. This planning work could cost up to $1.5m.	**Preferred Option** Our preferred option is **Options 2 and 3** first. Once complete, the wastewater network model can be used to better target future investment against all of the other options so that the cost of achieving the benefits is significantly reduced.

Infrastructure Strategy

The Drivers	The Options	
Planning for growth	As our population grows we need to plan upgrades to our pipe networks and treatment plants so that we don't overload the system and cause sewage overflows so do we: 1. Continue with our minor upgrade programmes based on our current reactive process when the risk of sewage overflow becomes high. The cost of this option is unknown, but it is likely to have the highest cost of all the options. 2. Spend $6m to build a wastewater network model so that we can start to proactively plan upgrades before the risk of sewage overflow gets high and use it to undertake inflow and infiltration investigations so that we can keep stormwater out of our wastewater system and free up more capacity for growth.	**Preferred Option** Our preferred option is **Option 2** – build a network model and undertake inflow and infiltration investigations.
Meeting the needs of our community and reducing our impact on the environment	The Waitara sewer pumping system currently uses the marine outfall as an emergency overflow. Whilst this means that any overflow goes about 1.25 kilometres out to sea instead of directly into the Waitara River, we know that this is culturally offensive, particularly as sewerage is discharged near the Waitara reef which is important for Moana Kai. In addition, as the condition of the marine outfall continues to deteriorate we need to plan for its replacement which could cost around $16m. To address this we can: 1. Carry on with the current programme of work making minor improvements to the reliability of the sewage pumping systems and budget to replace the outfall pipe at an estimated cost of $16m. 2. Instead of spending money on replacing the outfall pipe, we could spend $5.4m to make major improvements to the sewage pumping system in Waitara with the aim of eliminating the need for the outfall pipe. Noting we would leave the existing outfall pipe in place until it reaches the end of its life, just in case the upgrades don't achieve this goal. There will be a further cost to remove the old pipe from the seabed but this will be significantly lower than its $16m replacement cost estimate.	**Preferred Option** Our preferred option is **Option 2** – make major improvements to the sewage pumping system in Waitara.
	River water quality testing in Urenui has shown there are issues with the performance of private septic tanks contaminating the surrounding environment and stormwater systems. In addition, the communal septic tanks servicing the Urenui Domain and Onaero campground baches are underperforming and the disposal fields are also at risk of coastal erosion. We propose to reticulate the Urenui and Onaero settlements with a small satellite land based wastewater treatment plant. The estimated completion of construction for the land based wastewater treatment plant is year 5 with reticulation being completed in year 10. At this stage, there is only one option available to address this issue: 1. Spend up to $29.2m to reticulate the Urenui and Onaero settlements with a small satellite land based wastewater treatment plant.	Only one option available - spend up to $29.2m to reticulate the Urenui and Onaero settlements with a small satellite land-based wastewater treatment plant.

Stormwater

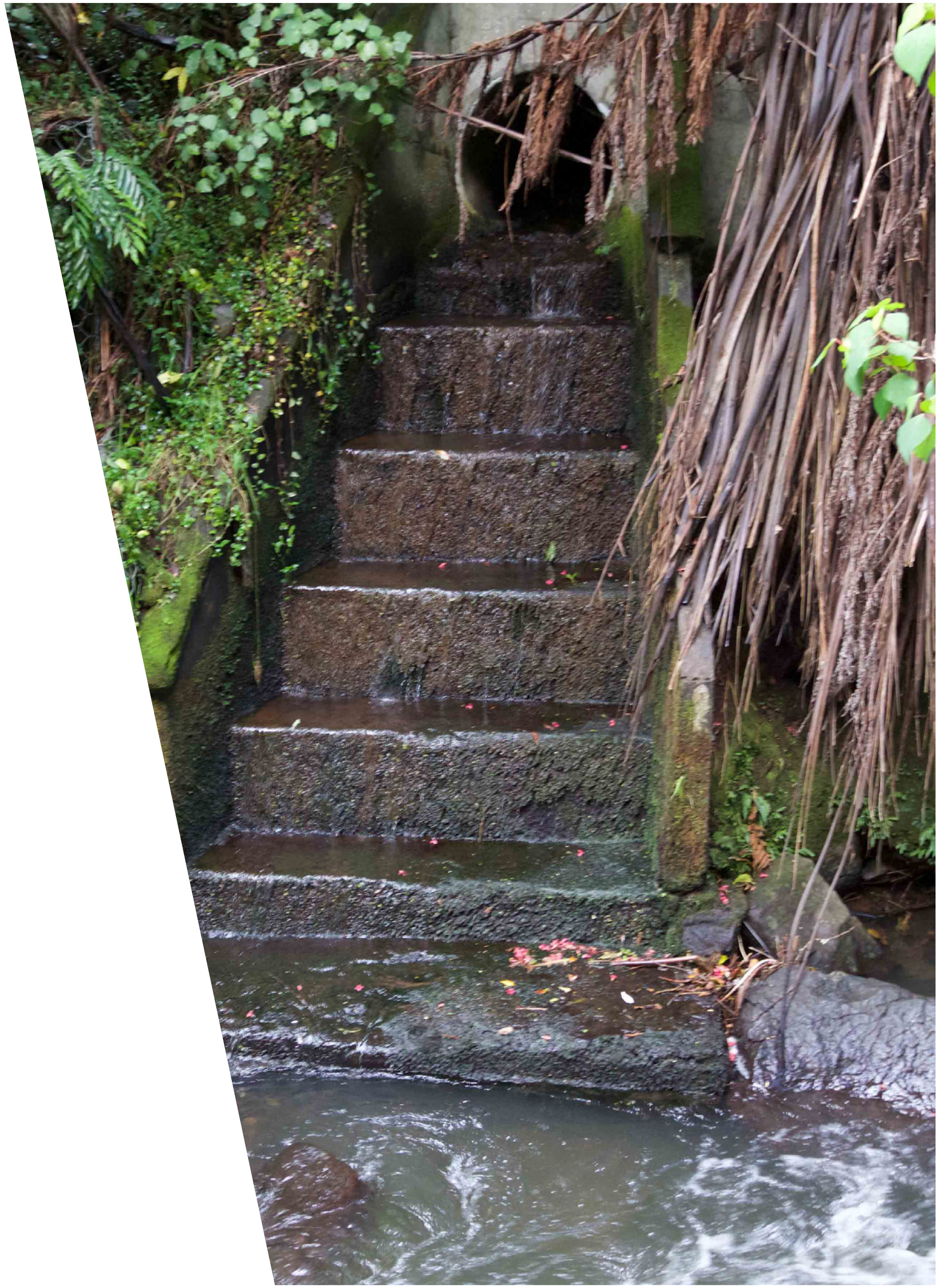
Over 300 rivers and streams cross Taranaki Maunga's ring plain and run to the lowlands in a distinctive radial pattern. Following high intensity rainfall, water culminates in the various river catchments, draining quickly to the sea. Heavy rain has the potential to overwhelm stormwater systems draining to the rivers and streams and can cause localised surface flooding. These effects are usually short-term and related to a particular storm event. However, there are areas in the district that are more prone to these effects than others.

The predicted effects of climate change for more frequent severe weather events with increasing rainfall intensity would have a particular impact on the management of stormwater.

Key Stormwater issues

The three key issues for the stormwater network that will need to be addressed over the 30 years of this strategy are:

1. **A lack of up to date information, modelling and planning for the stormwater network.** This results in projects being carried out in a reactive and less than cost effective way. These issues are exacerbated by the predicted increases in severe weather events from climate change. It also means new developments cannot be properly planned with up to date information.
2. **The condition of the stormwater network.** The stormwater network has been significantly underfunded and needs urgent attention. More than 50 per cent of our largest and most critical assets have had visual inspections to check their condition. We recommenced a CCTV inspection programme and have prioritised our most critical stormwater assets to fill in the gaps in our asset condition dataset. We have a virtually complete record of the age of our assets (98 per cent) and this dataset has been used as a proxy for condition where we don't have condition ratings for stormwater assets. Performance and historic failures are also considered as part of renewals forecasting. There will be increased ongoing funding for CCTV inspections from year two.
3. **Waitara township flooding.** There are some areas of the district that have ongoing flooding issues. Some of these are minor and will be part of an ongoing work programme, but the most significant relates to the Waitara township where flooding is a significant problem that needs a long-term solution.



Infrastructure Strategy

Options for decision

Options for dealing with these issues have been developed in the context of our four decision making drivers and the strategies outlined earlier in this document.

The Drivers	The Options	
Taking care of what we have	In order to improve, or even maintain the existing condition of our stormwater network, we need to increase our investment in renewals so do we: 1. Keep our average annual renewals expenditure the same as the LTP 2018-2028 for the 2021 financial year ($0.4m) and accept the risk of pipe failures. 2. Increase our average annual renewals expenditure to $1.8m which will keep our network in the same condition as it is now (i.e. will not clear the backlog). 3. Increase our average annual renewals expenditure to $4.2m and clear the backlog over about 20 years.	**Preferred Option** Our preferred option is **Option 3** - increase our average annual renewals expenditure to $4.2m per year.
Resilience and responding to climate change **Planning for growth**	Stormwater can cause flooding to people's property, particularly if development is allowed to occur in areas that are prone to flooding. As our climate changes, rainfall intensity and flooding patterns are likely to change and increase. To address this we could: 1. Continue with our current reactive practices and information about flooding areas. Because this is a reactive approach it is not possible to estimate the costs. 2. Move to a risk based approach where we develop catchment management plans and flood models that can be used to inform where development can or cannot occur and where we need to upgrade our existing networks. Developing catchment management plans and network models for all urban catchments is expected to cost approximately $11.6m over the next 10 years. 3. Develop a set of stormwater design guides, expected to cost about $0.3m, that help private developers manage stormwater and encourage the use of more 'soft' infrastructure such as rain gardens. 4. Do both options 2 and 3 above.	**Preferred Option** Our preferred option is **Option 4** - a combination of Options 2 and 3, i.e. development of catchment management plans and stormwater design guidelines.
Meeting the needs of our community and reducing our impact on the environment	Waitara township has longstanding issues with flooding. NPDC has already committed $9m to start fixing these issues, however, from the catchment management planning work done to date it is clear that this will not be enough to address the issues. We could: 1. Continue with the current budget of $9m. 2. Stop the Waitara stormwater project to save money, noting our community will still pay to repair property damage from flooding. 3. Increase the budget to $20m over the next 10 years to reduce the risk of flooding and the cost our community pays in property damage. Additional budget of approximately $101m will also be needed over years 11 to 30.	**Preferred Option** Our preferred option is **Option 3** – increase the budget to $20m over the next 10 years and approximately $101m over years 11 to 30.

Flood Protection

Flood protection and control works protect urban areas in New Plymouth District when the river systems become overloaded in heavy rainfall. The service includes monitoring and maintaining existing flood protection schemes and planning of future flood protection measures.

The assets within this activity include three diversion tunnels, three dams and a weir.

Key Flood Protection issues

The key issue for flood protection is an increasing number of severe weather events as the impact of climate change continues to grow. This may require some raising of dam levels in the future to cope with increased levels of rainfall.

Infrastructure Strategy

Options for decision

Future planning for flood protection has been considered in relation to the key decision drivers and strategies outlined earlier and the following options developed.

The Drivers	The Options	
Taking care of what we have **Resilience and responding to climate change**	Over time climate change is predicted to increase the intensity of rainfall and flooding. This will mean that our flood protection dams will get pushed to their limit more frequently and our level of service will gradually erode unless we increase the height of the dams. This is a long-term issue that is likely to take several decades to occur so it isn't urgent that the Council acts immediately. Council has two options: 1. Upgrade the dams now. Because limited investigations have been undertaken it is not possible to estimate the likely costs. 2. Monitor the effects of climate change over the long-term on the level of service the dams provide and plan for their upgrade in about 20 or 30 years time.	**Preferred Option** Our preferred option is **Option 2** - monitor over the long-term and plan for upgrade in 20 or 30 years time.
Planning for growth **Meeting the needs of our community and reducing our impact on the environment**	The southern catchments of Inglewood are identified for residential urban development. However, some of this land is prone to flooding due to overland flow from the rural portions of the catchments. A concept has been developed to construct an interceptor drain to divert this flow into the streams and bypass the town and land that is to be developed. Council has several options: 1. Do nothing and restrict urban development in the southern catchments. 2. Continue to plan for the interceptor drain now but delay development and don't build it within the 10 years of this LTP. * 3. Plan for and build the interceptor drain within the next 10 years in order to allow development to occur in Inglewood.* * Costs are not currently available for this option as it is in an early stage of development. Costs will be available before a decision to proceed is made.	**Preferred Option** Our preferred option is **Option 2** - plan for an interceptor drain now but don't build it until after the first decade and when full costings are available.

Transportation

The transport network currently includes 1,285 kilometres of sealed roads, includes rural roads and urban streets. There are 166 bridges, 97 culverts, 521 kilometres of footpaths and 365 retaining walls. These transport assets are contained in close to 220,218 hectares of road reserve across the district.

In general, the district's transport assets are in good condition. Compared with other parts of New Zealand, our roads have relatively low traffic volumes so roading failure as a result of wear generally only occurs in high stress areas. This is typically where heavy vehicles turn at key intersections and along some key arterial and primary collector roads. Most road surface failure is the result of age related degradation.

Key Transportation issues

1. **Natural topography and layout of infrastructure.** The district's natural topography and the layout of infrastructure makes it more challenging to move east to west, creating network pinch points particularly at river crossings. The coastline and river valleys provide walking and cycling connections to central locations. However, our topography, provides challenges for our walkers and cyclists.
2. **The layout of our city and land use.** The city centre is dissected by state highways, making walking and cycling to our coast and outer suburbs more challenging. Freight from Port Taranaki is trucked through the city centre and residential areas, impacting the quality of these areas. Employment and residential growth in the city are focused to the east of the city. The layout and nature of our towns and city and our roading infrastructure encourages motor vehicle use which is a significant contributor to district wide emissions. There are limited public transport and rail options.
3. **The safety of the network .**The number of serious and fatal crashes in the district has been increasing. Previously our focus has been on addressing specific crash types, however it is now recognised that due to the widespread nature and location of the crashes in the district, a 'safe system' approach to address our complex network is required.
4. **The contribution of the transport network to the regional economy.** The transport network contributes to our regional economy and provides a vital link for employment and for significant industry across Taranaki. Investment to maintain these links is essential to ensure that economic opportunities are not lost through deterioration of the network.

Infrastructure Strategy

Options for decision

Options for dealing with the above issues have been developed in the context of our four decision making drivers and the strategies outlined earlier in this document.

The Drivers	The Options	
Taking care of what we have	There are no major issues for decision on resilience of the existing assets.	
Resilience and responding to climate change	Transport networks are vital connections and one of the big risks to the resilience of our road network is severance caused by the loss of bridges that cross key rivers. This includes the Waiwhakaiho River. To address this we could: 1. Do nothing. 2. Plan for a second bridge across the river during the 10 years of the LTP and construct it during years 11 to 20 of the Infrastructure Strategy at a cost of $7.3m. 3. Plan for, and build, a second bridge during the 10 years of the LTP at a cost of $7.3m. Note: The second bridge also addresses capacity issues caused by growth.	**Preferred Option** Our preferred option is **Option 2** - plan for a second bridge across the river during years one to 10 and construct it during years 11 to 20.
Planning for growth	We know that parts of our transportation network are getting busier and starting to struggle with the volume of traffic. We have several options to address this issue and stop it getting worse as our population continues to grow: 1. Undertake a $2.3m programme of intersection upgrades (traffic signalisation and roundabouts) to tackle the known trouble spots. 2. Prepare a growth model of the district's transportation network so that we can be more proactive when planning road upgrades ahead of problems emerging (cost $0.7m). 3. Work more closely with the Taranaki Regional Council to support and promote the greater use of public transport. 4. Build on our Let's Go programmes and invest $7.5m in our cycling and walking networks so that our community has alternative travel options to using a car. 5. Do all of the above options. 6. Do a combination of options 1 to 4.	**Preferred Option** Our preferred option is **Option 5** - do all of options 1 to 4.

Infrastructure Strategy

The Drivers	The Options	
Meeting the needs of our community and reducing our impact on the environment	For a number of years Taranaki's road toll has been increasing with more and more serious and fatal accidents occurring. To address this we could increase our investment and do any combination of the following: 1. Make safety improvements to a number of key intersections across the district estimated to cost about $6.3m. 2. Undertake a speed limit review and lower speeds on many of our urban and rural roads. The cost of the review largely involves staff time that is already budgeted. The cost of implementing any speed limit changes is currently unknown as it depends on the outcome of the review. However, Council already has budgets for replacing speed limit signage. 3. Do both options 1 and 2.	**Preferred Option** Our preferred option is **Option 3** - make safety improvements and undertake a speed limit review.

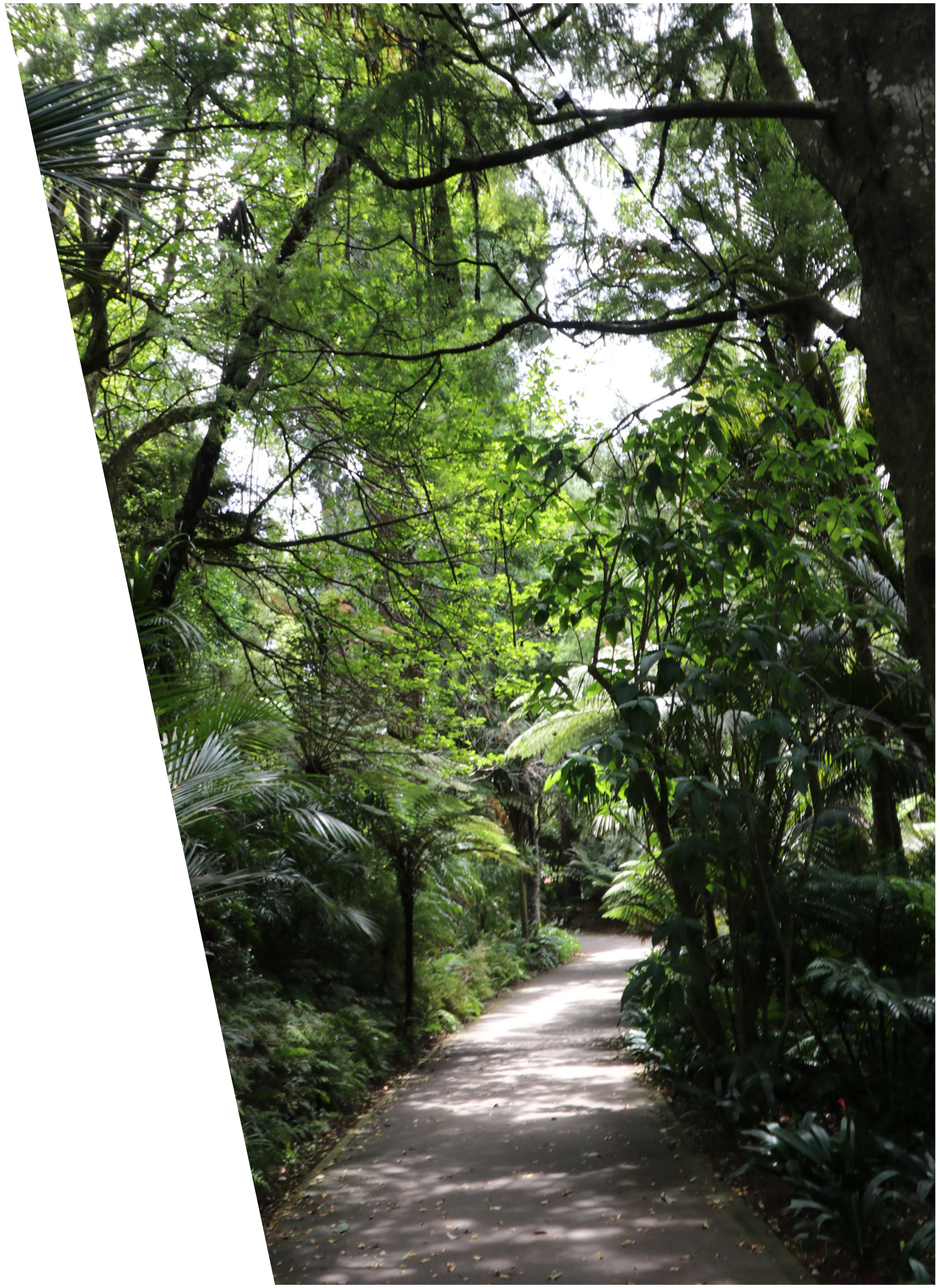
Parks and Open Spaces

Parks and Open Spaces contribute to our Sustainable Lifestyle Capital vision by achieving our goal of well being through a safe, creative, active and connected community and by nurturing our environment under the sustainability goal. It also supports economic prosperity through the goal of providing places where people want to work, live, learn and play.

Our parks and open spaces promote sustainability of the environment and strengthening of partnerships, through managing and protecting our natural landscape, untouched native forest (remnant stands and regenerating), and coastal environments. They also provide opportunities for people to be active, whether it be along our walkways, within sports parks, playgrounds or other uses. Sport and recreation activities are an essential part of many people's lives. Participation in recreation and sport contributes to a healthy community, provides ways for people to interact with each other and improves social cohesion.

New Plymouth District is unique for its diversity of recreation and open spaces including beaches, walkways, rivers and streams, recreational trails, neighbourhood parks, swimming pools, playgrounds, skateparks, sports parks, the mountain and cemeteries. The access that is available to these recreation and open spaces, to Taranaki Maunga and to the sea forms part of the district's identity. These are important features that attract people to New Plymouth.

Most of these facilities are directly planned for and managed by NPDC and include 1,600 hectares of local, historic, coastal, esplanade and recreation reserves and 82 kilometres of walkways, along with the associated playgrounds, public toilets and public art. Pukekura Park and Brooklands Zoo are two of our major facilities that fall within this category of assets.



Infrastructure Strategy

Key Parks and Open Space issues

New Plymouth wants to maintain and build on its unique diversity of recreation and open spaces. Our key issues for the future will be:

1. **Ensuring that we continue the provision of parks and open spaces in new growth areas**. While developers contribute to the provision of parks and walkways in the area of their development, we need to ensure that the provision is appropriately located, the public continues to have access to significant waterways and there are safe connections to and from open space areas.
2. **Taking care of our existing assets.** Most of the parks and open spaces assets are in reasonable condition but there is some deterioration in some park structures such as bridges, stock fencing and similar assets that will require renewal.
3. **Parks and open spaces contribute to community resilience.** Our parks play an important role in community resilience in times of stress such as natural disasters or pandemics. Parks and open spaces will be vulnerable with the predicted effects of climate change, i.e. increases in severe weather events and rising sea level. This may cause potential increases in plant pests and diseases and damage to coastal infrastructure.
4. **Extending our network of walking tracks.** We have an extensive network of walking tracks and there is a desire to continue to improve these through extensions, additional connections and improved accessibility. A key area of focus is our maunga to moana connections as shown on the map.
5. **Meeting the changing needs of our community.** As some of our facilities require renewal (e.g. Brooklands Zoo and Bellringer Pavilion) there is an opportunity to reconsider the focus of the facility in the context of the changing needs of the community.
6. **The role of parks and open spaces in improving environmental outcomes.** Appropriate planting programmes and pest management in our parks and open spaces can play an important role in helping to mitigate climate change through the sequestering of carbon. Our parks also contribute to improving biodiversity. New Plymouth City is the most biodiverse city in New Zealand currently with 8.9 per cent of its urban area vegetated and is well placed to meet evolving national targets of 10 per cent.

━ Existing & Under Construction

- New Plymouth Coastal Walkway
- Huatoki
- Rotokare/Barrett Domain
- Herekawe
- Mangaotuku
- Te Henui
- Waitara Heritage Trail
- Lake Mangamahoe
- Trimble Park/Joe Gibbs Reserve
- Waiwhakaiho Walkway
- Mangati

• • • Short-Medium Term (2021-2031)

- NP Coastal Walkway Extension — Waitara to Bell Block
- Waiwhakaiho Corridor Planning/ Acquisition
- Kaitake Trail
- Centennial Park to Ōākura Planning

✱ Safer Shared Pathway Commuter Routes

• • • Long-Term (2031-2051)

- White Cliffs Walkway
- Centennial Park to Ōākura Acquisition/Construction
- Ngāmotu to Centennial Park
- Waiwhakaiho Corridor Construction

Maunga to Moana connections

Options for decision

Options for dealing with these issues have been developed in the context of our four decision making drivers and the strategies outlined earlier in this document.

The Drivers	The Options	
Taking care of what we have	We have an extensive parks network with varied levels of investment over time. This is particularly the case for some of our assets, namely our bridges, structures and stock fencing. To address this we could: 1. Continue to spend the same as the 2020/21 financial year ($1.3m) and accept the risk that some of the district's older park bridges and structures will deteriorate and need to be closed. 2. Increase our average annual renewals expenditure to $3.9m so that we can properly maintain our parks assets and ensure public access to the community.	**Preferred Option** Our preferred option is **Option 2** - increase our average renewals expenditure to $3.9m.
	The main lake in Pukekura Park was partially desilted in 2020 with approximately 9,000 cubic metres of silt and organic matter removed. Whilst this successfully improved the water quality there is still another 9,000 cubic metres of silt left in the lake and, over time, more silt will be washed down the streams that feed into the lake and add to this. The Council has a number of options available: 1. Spend about $2.5m to desilt the remainder of the lake. 2. Set up a reserve that the Council pays into each year so that there is a fund to undertake lake desilting every five years in order to keep the lake in good condition in the long-term. 3. Spend about $0.5m to improve the silt traps that will slow down the rate at which silt enters the lake as well as making other improvements to the lake's water quality such as constructing ecological habitats for the native species that live in the lake. 4. Do a combination of the above options.	**Preferred Option** Our preferred option is **Option 4** - do both options 2 and 3.
Resilience and responding to climate change	There are no major issues for decision on resilience of the existing assets.	
Planning for growth	Council will continue to provide new parks and open spaces in development areas, working with developers. No specific options for decision.	

Infrastructure Strategy

The Drivers	The Options	
Meeting the needs of our community and reducing our impact on the environment	**Tracks and Trails** Council has a long-term aspiration of creating walking and cycling connections between the Maunga and Moana (refer to map on page 52). This will allow accessibility to key natural and cultural assets, linking to and leveraging existing attractions, open spaces and walking and cycling networks. The options are: 1. Increase focus on tracks and trails and continue with the full range of projects. 2. Prioritise projects that contribute to or complete the proposed maunga to moana (Taranaki Traverse) and provide links between townships in close proximity to New Plymouth such as Waitara and Ōākura and delay other projects to beyond year 10: a) Years 1 to 10 - develop the Coastal Walkway extension to Waitara and Kaitake Trail and initiate planning for the Waiwhakaiho River link and allow for strategic land purchase ($36m). b) Years 11 to 30 - develop remaining planned areas and commence development of the Waiwhakaiho River link and plan for the White Cliffs and Fort St George walkways ($30.1m). 3. Maintain existing range of tracks and trails but do not implement further extensions and connections. 4. Maintain existing range of tracks and trails in the first 10 years and then roll out full range of projects in years 11 to 30.	**Preferred Option** Our preferred option is **Option 2** - prioritise implementation of the tracks and trails projects that contribute to a staged maunga to moana programme.
	Planting our Parks Parks and open spaces can play an important part in sequestering carbon. Planting will also contribute to biodiversity outcomes as Council strives to have 10 per cent of its urban area planted with native vegetation. The 'planting our parks' programme has the following options: 1. Maintain existing urban vegetation cover but do not extend further (status quo). 2. Fund 34 hectares of Planting our Parks over 20 years at an operational cost of $0.17m per year from forestry reserve funding. 3. Roll out the programme over a shorter timeframe, i.e. 10 years at an operational cost of $0.34m per year from forestry reserve funding.	**Preferred Option** Our preferred option is **Option 2** - Planting our Parks programme $0.17m per year for 20 years.

Infrastructure Strategy

The Drivers	The Options	
Meeting the needs of our community and reducing our impact on the environment	**Facility improvements** Brooklands Zoo attracts over 113,000 visitors every year and has consistently high levels of community satisfaction. However, some of the enclosures and facilities are ageing and will need to be replaced. There is an opportunity to provide an enhanced visitor experience, create space for a gift shop, improve back of house operational facilities, improve animal welfare standards and offer education on Taonga species and wildlife rehabilitation. We could: 1. Continue with the current arrangements for the Zoo undertaking like for like renewals of the facilities and enclosures at a cost of $1.1m. 2. Undertake a strategic review of the Zoo's operations to inform future investment of renewals at a cost $1.2m (includes $50,000 for review) with any new development delayed beyond the first decade. 3. Undertake a strategic review of the Zoo's operations to inform any further development and then implement the new development (high level estimate up to $6.5m). We will fund $3.5m and will also look to secure additional external funding of around $3m to complement and enhance any strategic upgrades to Brooklands Zoo.	**Preferred Option** Our preferred option is **Option 3** - undertake a strategic review of the Zoo's operation to inform further development.

Waste Management and Minimisation

This service includes recycling, food scraps and landfill collection from more than 29,500 residential and school premises each year. It also includes transfer stations, the Resource Recovery Facility (which includes the Junction zero waste hub), closed landfills and behaviour change programmes to encourage waste minimisation in the district.

Council has an aspirational vision to achieve zero waste by 2040. The Waste Management and Minimisation Plan adopted in 2017 supports this goal. Many of the projects included below are focused on ensuring we continue to make progress towards the vision.

Key Waste Management and Minimisation issues

The key issues that need to be addressed for waste management and minimisation over the next 30 years are:

1. **Continuing to drive waste reduction and recycling activities.** We have committed to continuing to drive down the amount of waste to landfill and achieving this avoids having to find new landfill options as the district grows. There will be a particular focus on business and commercial activities and improving community engagement and participation in waste reduction initiatives.
2. **Managing historic landfills.** Events in other parts of New Zealand (e.g. the west coast of the South Island) have shown the consequences for the environment when historic landfills are impacted by storm events and erosion. We have a number of these historic dump sites and priority sites (particularly those on the coast and close to riverbanks) are being assessed for risk and to have mitigation strategies developed.
3. **Responding to national legislative changes.** Under the Waste Minimisation Act 2008 there will be increases and expansion of the landfill waste levy, and establishment of mandatory product stewardship on priority products such as electronic waste and tyres.
4. **Considering longer term options for alternatives to landfilling,** particularly as we progress our zero waste initiatives and need to find waste minimisation solutions for more difficult waste streams that produce high emissions.

Infrastructure Strategy

Options for decision

Options for dealing with these issues have been developed in the context of our four decision making drivers and the strategies outlined earlier in this document.

The Drivers	The Options	
Taking care of what we have **Resilience and responding to climate change**	There are a number of historic community dump sites in the district. Fourteen of these have been identified as being at risk of either coastal or river erosion. The historic dump site at Battiscombe Terrace in Waitara has already been exposed due to storm surges and coastal erosion. So some protection work will definitely be necessary at least at this site. Work has already commenced to assess the risk and assess options for protection of individual sites if it is deemed necessary. Until this work is complete it is not possible to accurately budget for any necessary protection works. 1. Continue to assess the risk and needs of the sites and then seek additional funding once the scope of the protection works are known. 2. Continue to assess the risk and needs of the individual sites and budget $0.8m for some protection works, accepting the risk that this may not be sufficient to cover the cost of all of the required work and further funding may be needed.	**Preferred Option** Our preferred option is **Option 2** - continue to assess the risk and needs of individual sites and provide budget of $0.8m for some protection works.
Planning for growth	Council will continue to implement its Waste Management and Minimisation Plan to offset the district's growth through reduced demand for disposal to landfill.	
Meeting the needs of our community and reducing our impact on the environment	Council's Waste Management and Minimisation Plan sets a goal of zero waste to landfill by 2040. In order to achieve this, additional reuse and recycling services will be required on top of the zero waste education programmes and other services Council currently offers. The following options will contribute towards this goal: 1. Construct a commercial and industrial materials recovery facility, at a cost of approximately $1.7m to improve access to recycling services for commercial/industrial businesses in the district. 2. Build on the early success of stage 1 of the master plan for the Junction (formerly the community reuse and recycling centre) by building a permanent building and expanding the education services offered there for a cost of about $3.8m over 10 years. 3. Do both options 1 and 2.	**Preferred Option** Our preferred option is **Option 3** - implement both options 1 and 2.

Puke Ariki and Community Libraries

Puke Ariki's central library, five community libraries, mobile library, museum and visitor information centre connect Taranaki residents and out of region visitors to a wealth of knowledge, exhibitions, experiences and resources. We protect and promote access to the heritage of the district and our country. We provide an accessible mix of print and digital lending and reference resources to meet the changing needs of our community.

Key Puke Ariki and Community Libraries issues

Council's strong network of libraries is serviced by the central hub at Puke Ariki, community libraries and associated community facilities at Bell Block, Waitara, Ōākura, Inglewood and Urenui. We also make the service more accessible to the community through our mobile library. Looking to the future of the service, there are a number of relevant issues:

1. **Providing for our growing population.** Our growing population will place pressure on our community libraries and facilities. For example, Bell Block will be a focus for growth over the next 10 years and a redevelopment will be required to service this community when it reaches it development potential.
2. **Libraries connect communities.** Libraries are people centred places that can provide more than just library needs. They are important anchors in our town centres and can provide many services to the community.
3. **Responding to technology and societal changes.** Technology is advancing at a rapid rate. Libraries can merge physical and digital excellence, technology and learning and foster innovation and social enterprise.

The Puke Ariki and Community Libraries Strategy prepared in 2019 as an internal document, identified the role of libraries in building vibrant and connected communities. The goals in this strategy identify the key purpose of our libraries. The Puke Ariki and Community Libraries Strategy has identified the need for Council to consider:

1. Redeveloping Puke Ariki to better utilise the available space.
2. Providing new or expanded library facilities in the communities of Bell Block, Waitara, Ōākura and Inglewood, including considering wider customer service activities.

Infrastructure Strategy

Options for decision

The key focus areas for Puke Ariki and Community Libraries relate to the strategies for the drivers of planning for growth and meeting the needs of our community and reducing our impact on the environment.

The Drivers	The Options	
Taking care of what we have	There are no major issues for decision on renewals of the existing assets.	
Resilience and responding to climate change	There are no major issues for decision on resilience of the existing assets.	
Planning for growth **Meeting the needs of our community and reducing our impact on the environment**	New Plymouth is growing and there will be increased demand for library services. The needs of the community are also changing with technology and societal needs. The options for how we manage our libraries are: 1. Maintain the current network of libraries and undertake a like with like replacement programme. 2. Continue to deliver library services using our existing facilities in the next 10 years and plan for a long-term redevelopment investment programme for our libraries as follows: a) Redevelop the Bell Block Library in years 11 to 15 to ensure it provides a fit for purpose facility for this larger community ($9m). b) Redevelop the Waitara Library in years 11 to 15 to provide for additional growth and a community hub ($8m). c) Redevelop the Ōākura Library ($2.6m), the Inglewood Library ($0.6m) and Puke Ariki ($10m) in years 16 to 20. 3. Accelerate a redevelopment investment programme for our libraries to maximise their potential as community spaces with the following priorities: a) Redevelop the Bell Block Library in year 4 to ensure it can provide for the growing community ($9m). b) Redevelop the Waitara Library in years 5 and 6 to provide for growth and add value to the local community ($8m). c) Redevelop the Ōākura ($2.6m), Inglewood ($0.6m) and Puke Ariki ($10m) libraries in years 11 to 15.	**Preferred Option** Our preferred option is **Option 2,** with Option 3 for the Waitara library redevelopment included in years 5 and 6 - continue to deliver library services using our existing facilities in the next 10 years and plan for a long-term redevelopment investment programme. $8m in years 5 and 6, $9m in years 11 to 15 and $13.2m in years 16 to 20.

Venues and Events

Venues and events includes a number of assets which support a wide range of community activities, i.e.

- TSB Stadium.
- TSB Showplace.
- TSB Bowl of Brooklands.
- Todd Energy Aquatic Centre.
- Four community pools.

We also operate the Yarrow Stadium which is owned by the Taranaki Regional Council.

These assets and the community activities that they support are significant contributors to the Council's goals of:

1. Community - achieving well-being through a safe, creative, active and connected community while embracing Te Ao Māori; and
2. Prosperity - growing a resilient, equitable and sustainable economy where people want to work, live, learn and play and invest across our district.

Key Venues and Events issues

The key issues for Venues and Events assets are:

1. **Capacity and fit for purpose.** As the district's population grows and changes, ensuring that the assets continue to meet the needs of the community.
2. **Remaining life of the assets.** Some of these facilities are coming to the end of their lives and decision needs to be made on renewing or replacing them.
3. **Sporting facilities.** There is a shortfall of fit for purpose sporting facilities particularly around indoor court space, movement facilities and specialist turf facilities and aquatic space. This will have wide impacts on community well-being.

Multi-sport hub

Sport Taranaki have led the development of a Master Plan for a multi-sport hub on the New Plymouth Racecourse site. The Master Plan will provide for the community sporting needs of the district and look to increase the range of community recreation activities and participation. The multi-sport hub is phased for delivery relative to the highest sports needs starting with a hockey turf, to be followed by a hub building with six new courts and movement areas and then outdoor courts, fields and specialist turf areas.

The multi-sport hub has been planned alongside the continued use of the racecourse and is phased over the first eight years of the LTP. As this is a community driven project the Council has committed one third funding to the build of the project.

Todd Energy Aquatic Centre

The future of the Todd Energy Aquatic Centre needs to be planned for in the long-term. A concept plan was developed in 2017 for the existing site to redevelop a fit for purpose facility. This would better meet the needs for lane swimming and learn to swim facilities as well as casual swimming, all of which currently compete for space.

The extent and nature of any redevelopment needs to sit in the context of the district's and wider region's aquatic network. The outdoor pool has an estimated life of 10 years and a renewals programme is in place to ensure the facility continues to deliver for the community.

Infrastructure Strategy

Options for decision

In the context of these key issues and major proposals, the options for decision relate to planning for growth and meeting the needs of our community and reducing our impact on the environment decision drivers.

The Drivers	The Options	
Taking care of what we have	There are no major issues for decision on renewals of the existing assets.	
Resilience and responding to climate change	There are no major issues for decision on resilience of the existing assets.	
Planning for growth **Meeting the needs of our community and reducing our impact on the environment**	**Multi-sport hub master plan** The current TSB Stadium is at capacity and over allocated with events use often competing with community sports. A proposed master plan for a multi-sport hub will provide increased capacity for future growth and the changing needs of the community. The options for a multi-sport hub are: 1. Maintain the current TSB Stadium facility and review sporting needs and requirements in 10 years. 2. Develop the multi-sport hub at the New Plymouth Racecourse using a phased approach that delivers: • A hockey turf in year 3. • A hub building in year 6. • Courts, fields and an artificial turf in year 8. • Cost of $39.6m over years 1 to 10. 3. As for option 2 but deliver a hub building earlier in year 4 (cost of $38.5m). This cost reduction from option 2 reflects the difference in inflation.	**Preferred Option** Our preferred option is **Option 3** - provide one third funding for a multi-sport facility with a hub building in year 4 at a cost of $38.5m in years 1 to 10.
	Aquatic Centre Master Plan There is a network of aquatic facilities across the district where there is demand for improved levels of service. The Todd Energy Aquatic Centre is not meeting community demand for lane swimming, casual swimming or learn to swim as there is competition for space. The options for aquatic facilities are: 1. Maintain the current Todd Energy Aquatic Centre and review aquatic needs during the next 10 years and reconsider the proposed $36.1m Todd Energy Aquatic Centre redevelopment that sits in years 11 to 15. 2. Redevelop the Todd Energy Aquatic Centre in the first 10 years ($36.1m 2019).	**Preferred Option** Our preferred option is **Option 1** - maintain the current Todd Energy Aquatic Centre and review needs during the next 10 years.

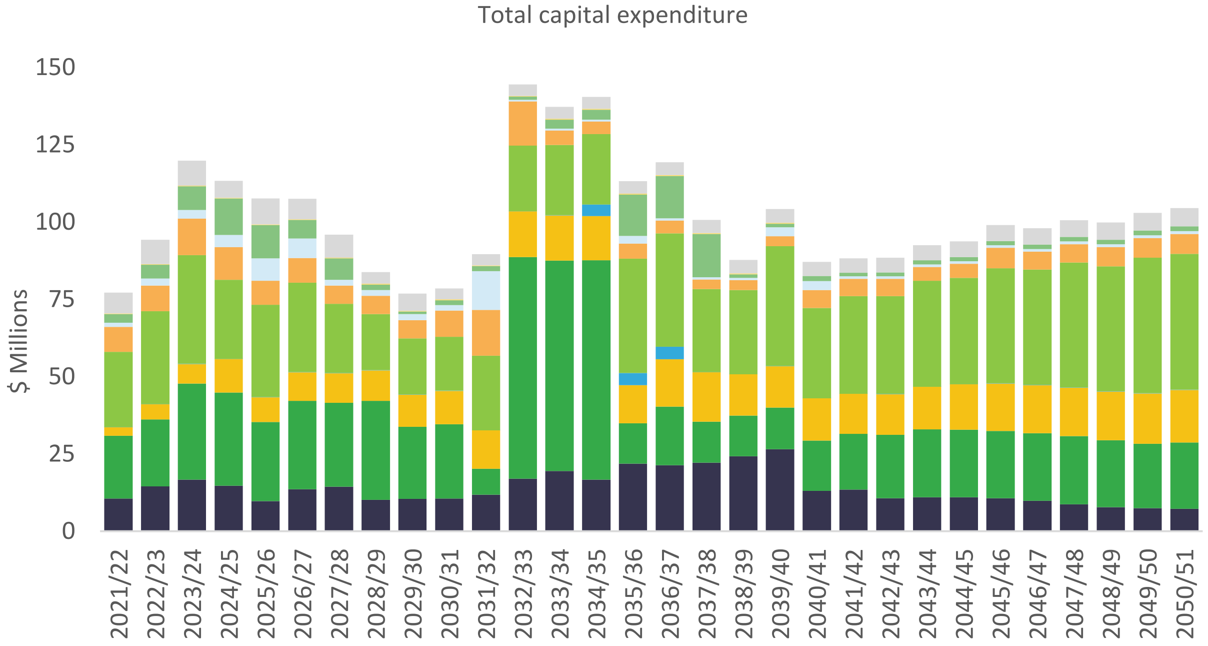
Infrastructure Strategy

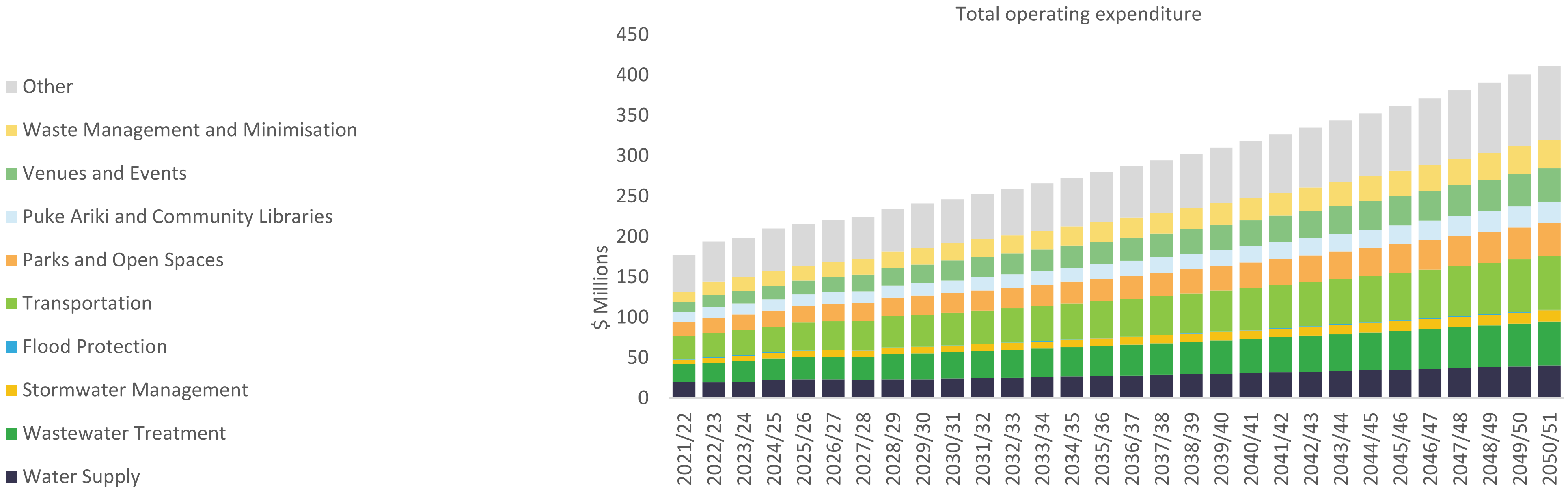
Our Plan

Based on the preferred options outlined in the above section we have forecast our capital and operating expenditure over the 30 years of the Infrastructure Strategy and this is set out in the graphs.

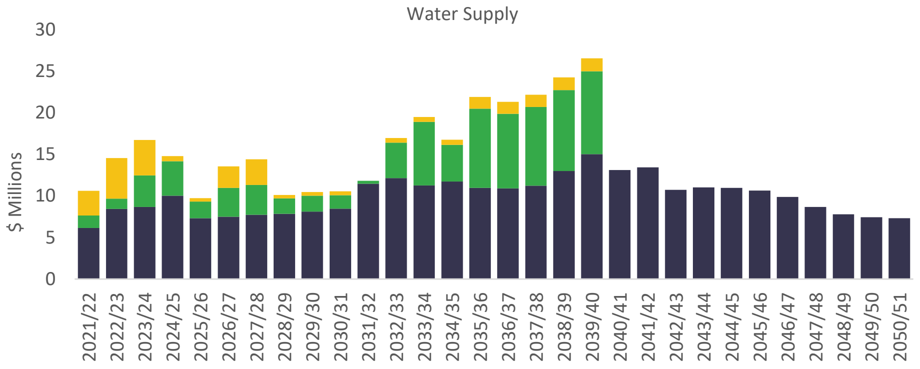
Capital expenditure is further analysed by type:

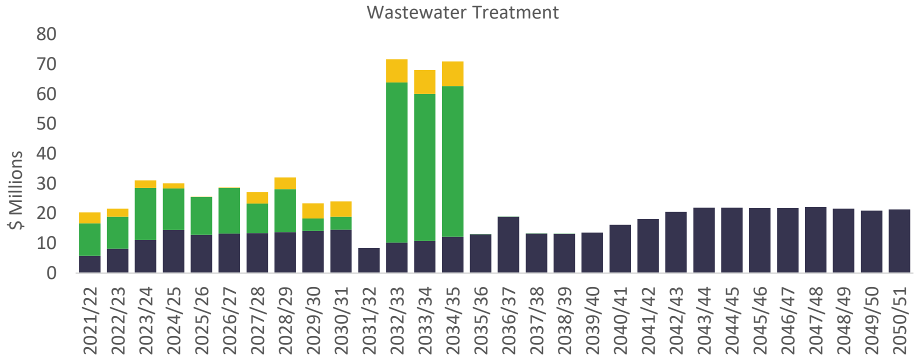
- Renewal – replacing or extending the life of our existing assets.
- Increased level of service – improving the level of service that we provide to the community.
- Growth – providing additional capacity for a growing community.

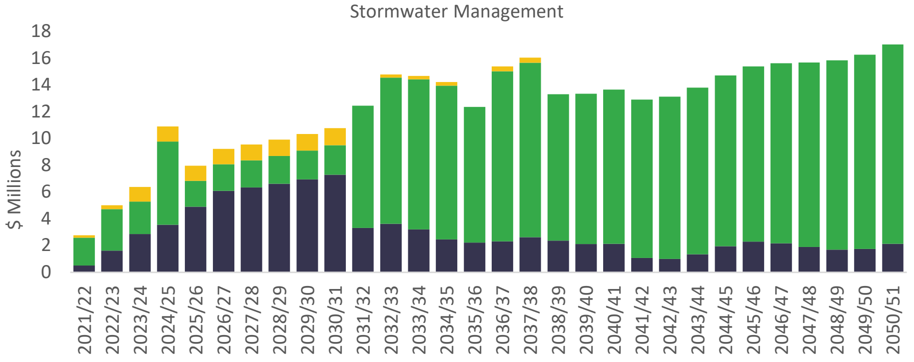


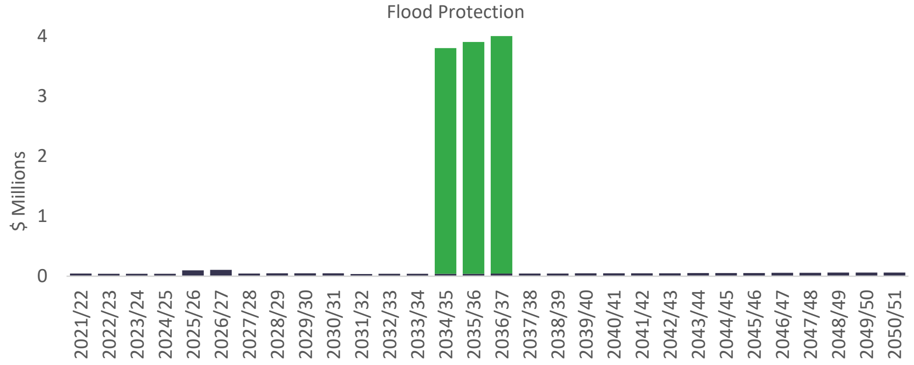


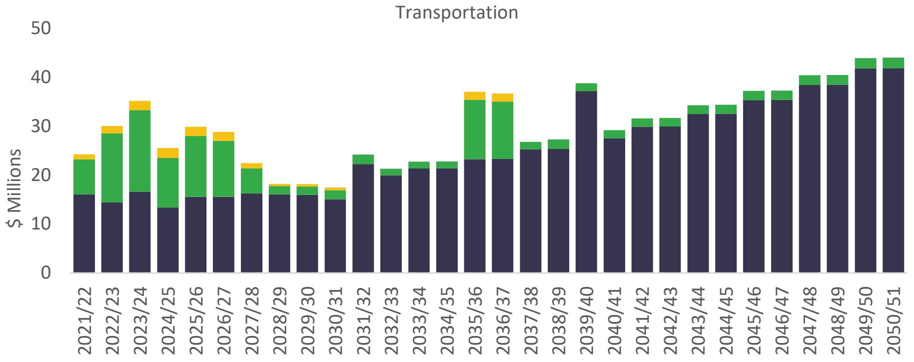
Infrastructure Strategy

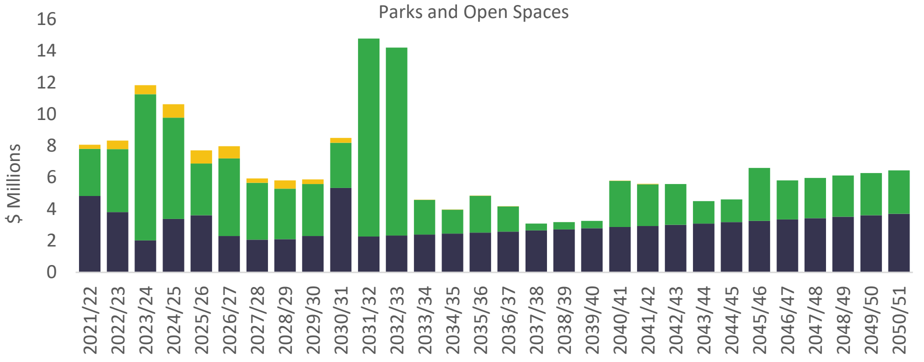






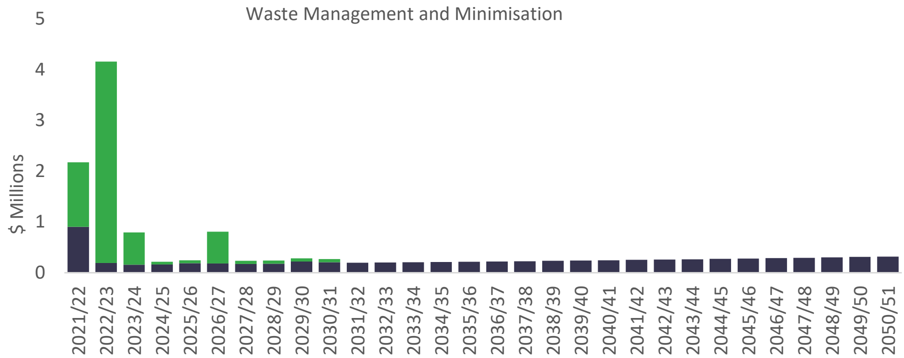


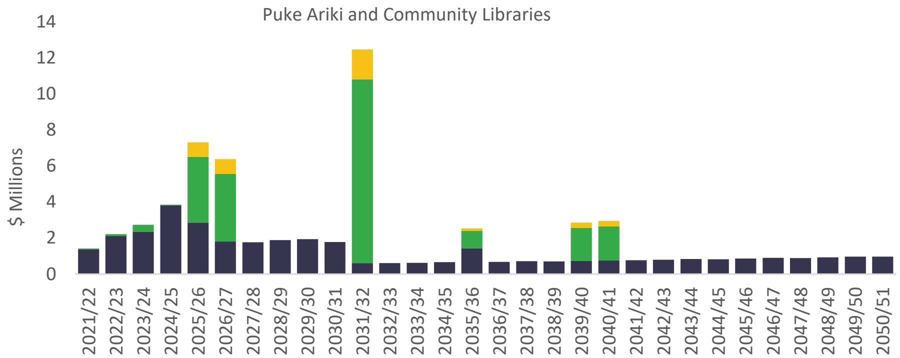


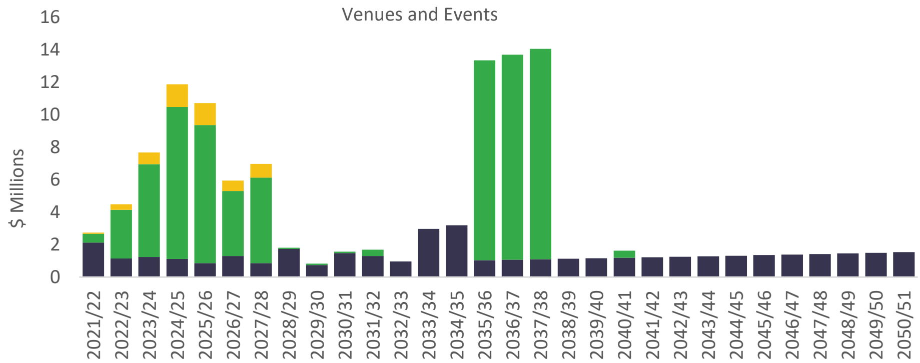


■ Renewal 🟩 Level of service 🟨 Growth

Infrastructure Strategy







■ Renewal ■ Level of service ■ Growth

Infrastructure Strategy

Assumptions

This Infrastructure Strategy is based on the following assumptions about the life cycle of significant infrastructure assets.

Assumption - Life cycle of assets	Uncertainty/Risk
The Three Waters – water supply, wastewater and stormwater • Water and wastewater treatment plants. These assets (excepting some mechanical equipment and pumping stations – see below) have a long life cycle (80 years) and all of the current assets are within the first half of this life cycle. It is therefore, not expected that any replacement will be required within the 30 year timeframe of this strategy. • Mechanical equipment. These assets are subject to more wear and tear and therefore have a shorter design life. Renewal programmes will be based on more sophisticated assessment of condition and run times of equipment rather than just age. • Wastewater pump stations. The design life cycle of these pumps will extend through the 30 year timeframe, however, with new expectations of performance it is likely that many of the existing pump stations will no longer be fit for purpose and require upgrade before the end of their lives. • Reticulation networks. Due to several years of underinvestment in renewals, the average age (from a condition perspective) of the network is getting older and the condition deteriorating. Increased investment is proposed to address this.	There is a high degree of certainty on all of these assets, except wastewater pump stations which are considered medium-high certainty. The associated risk is an increased cost of reactive maintenance from unanticipated failure of the assets, as well as not meeting the community expectations of levels of service.
Flood protection These assets are earthworks based and have a long life cycle. Business as usual renewals is all that is required to maintain the effectiveness of the assets over the 30 year period.	There is high level of certainty on the life of these assets and no significant risk identified.
Transportation • Bridges. Most of the road bridges in the network were built around the same time. As a consequence about 40 bridges will come to the end of their design life in the next 10 years and about half of our bridge stock will have reached the end of their design lives within 20 years. There is an opportunity to implement a programme of large component replacement to extend the life of some of these bridges rather than demolish and rebuild, but this is not viable for all bridges. • Roading network. Local roads are largely in good condition and the renewal programme will be reduced to a more appropriate level, releasing capacity to increase renewals of arterial roads. • Rural roads. Short-term, high use activity on specific rural roads (e.g. logging of a particular area for a short period) will be monitored and renewals carried out at the conclusion of such activity.	There is a high level of certainty on the overall roading network, but moderate on the condition of the bridges. The risk associated with bridge renewals is that more fundiing than currently forecast may be required. Note: The rural road renewal programme is based on the current forestry harvest programme. Any change in that programme will require changes to the renewal expenditure profile.
Waste Management and Minimisation The Bonny Glen landfill has a 30 year agreement in place to take the landfill waste of the district. Land has been secured for a further landfill should this be required.	The level of certainty is high and the risk would be needing to find an alternate approach earlier.
Other asset groups There are no significant issues related to other assets for life cycle planning. Routine renewals or upgrades for growth and level of service changes will be considered as necessary.	

Demand for services is driven by a range of factors. The assumptions for these factors are covered below.

Assumption - Demand for services	Uncertainty/Risk
Population change Over the 30 year period of the strategy, population is expected to grow by 21 per cent. The rate of growth is expected to be slightly higher in the first 10 years and decline slightly in the remaining years. The population will continue to age with 27 per cent aged over 65 by the end of the period versus 20 per cent currently. Overall, the population is expected to continue to predominately be European and Māori, however there will be a small drop in the proportion of Europeans and similar increase in the Asian community.	There is a low level of uncertainty for ethnicity and age changes, but overall population growth has a medium level of uncertainty as it is driven by net migration as well as natural population growth (births and deaths). The key risk is with provision of infrastructure for residential development.
Economic activity A conservative growth track going into 2022 has been assumed, with growth holding just below the one per cent per quarter level. The growth is expected to continue into 2023/24 before dropping back to pre Covid-19 pandemic levels of around 1.9 per cent to 2.7 per cent per annum. International tourism is expected to recover to pre Covid-19 forecast levels by 2027/28 and domestic tourism to be stronger in the first two years before returning to normal growth patterns.	There is a medium-high level of uncertainty due to the impact of national and global economies and politics. Closure of the borders by the Covid-19 pandemic puts international tourism in the high uncertainty category. The predominant risks are: a) Improved infrastructure provision for increased activity (e.g. roading) – this can be managed through monitoring changes in activity. b) New infrastructure for development areas.
Rate and location of residential and commercial development Residential development is driven by both population growth and change in household size. A decline in average household size in New Plymouth is expected, driven by an ageing population, growing life expectancy and societal trends. The average household size in New Plymouth is projected to decline from an estimated 2.4 individuals per household in 2021 to 2.3 individuals in 2051. Commercial development will be driven by the level of economic activity. The District Plan identifies areas of new growth for both residential and commercial development and has new growth areas as well as some inward growth to deal with the expected growth over the period of the strategy.	There is a medium level of uncertainty with the speed of growth as reflected in the population growth and economic activity assumptions. Infrastructure provision for new growth areas will only happen in sequence with growth.

Infrastructure Strategy

This strategy is assumed to deliver existing or improving levels of service across our infrastructure assets. Reductions in levels of service are not planned for. The key focus of investment varies in each asset category depending on the current condition and challenges faced.

Assumption - Levels of service	Uncertainty/Risk
Water supply Investment focused on renewals and resilience will ensure water quality and consistency of supply service levels can be maintained. Capacity for growth will primarily be created through demand management.	There is a medium level of uncertainty for the levels of service assumptions. They rely on the levels of expenditure being maintained over the long-term and this is subject to review every three years.
Wastewater Investment focused on renewals and resilience will ensure continuity of service levels can be maintained. The impact of wastewater on the environment will be improved through investment in projects to reduce wastewater overflows.	
Stormwater and flood protection Investment in stormwater is focused on improving levels of service through renewals and resilience projects and addressing those areas most vulnerable to flooding.	
Transportation Service levels for transportation will be improved in the areas of safety (particularly at intersections), resilience (though the second crossing of the Waiwhakaiho River) and demand management (through increased provision of walking and cycling infrastructure). Other service levels will be maintained at existing levels.	
Other infrastructure assets All other asset categories are expected to maintain or improve service levels. Improvements are planned through projects such as: • Upgrading the Brooklands Zoo. • Increasing biodiversity and plantings in parks. • Continuing to strive toward the zero waste target. • Implementing the Puke Ariki and Community Libraries Strategy. • Upgrading of the Todd Energy Aquatic Centre. • Support of a multi-sport hub.	

Scientific evidence is clear that the climate is changing and New Plymouth District will, over time, experience more impacts from climate change, climate hazards and climate extremes. The assumptions that have underpinned the development of this Infrastructure Strategy are covered below.

Assumption - Climate Change	Uncertainty/Risk
Ministry for the Environment forecasts • By 2040 the average temperature is forecast to be 0.7C to 1.1C warmer than 1995. By 2090 the average temperature is forecast to be 0.7C to 3.1C warmer than 1995, with five to 41 extra days per year where the maximum temperature exceeds 25C. • Winter rainfall is expected to increase by five to nine per cent by 2090. • The number of extreme wind and storm events is not expected to vary significantly, but there may be changes in their direction and intensity by 2090. • Sea-level rise by 2100 is expected to be between 0.3 to 1.0 metres above the 1995 level. Up to 2060, there is less uncertainty, and a narrower range of sea-level rise of 0.2 to 0.4 metres is expected.	
Impacts for New Plymouth District • Coastal hazards. Within the next 10 years there could be increased risk to coastal properties, roads and infrastructure from coastal erosion and storm inundation. While the entire coast is at risk from coastal erosion, the risks from coastal inundation are localised to areas of developed low-lying coastal land around river mouths, such as Waitara, Puke Ariki landing and Ōākura. • Flooding. With increasing rainfall intensity it is likely that increased flooding will occur in some areas. • Drought. With increasing water demand and the increasing likelihood of extended dry periods during summer months, the district is at risk of not meeting water supply levels of service at certain times of year.	There is significant uncertainty in the short-term and long-term implications of climate change. However, it is unlikely that any of the investment undertaken will be an over-investment in the long-term. There is risk that climate hazards occur earlier than current forecasts meaning, for instance, that stormwater asset capacity has not been increased early enough. This will result in infrastructure failure (whether temporary or permanent), requiring additional resource and financing.

Council Services

How to read this section

This section is an overview of the activities and budget for NPDC's 16 groups of services. It also lists the projects NPDC will undertake as part of the Long-Term Plan (LTP) 2021-2031. For each service, we've outlined the following information:

What we do: A summary of what the service delivers to our community.

Why we do it: The reasons we provide the service in relation to our community outcomes and well-beings. Also, the various legislative requirements that each activity must meet, where applicable.

How we pay for it: The particular rating and funding methods we will use to pay for the service.

Looking ahead: Describes the changes and challenges considered that may impact on the delivery of the service over the life of this plan.

The changes we have made: Any changes to the level of service we provide in the LTP 2021-2031.

Significant effects on community well-being: A summary of any negative effects the service may have on any aspect of economic, environmental, cultural or social well-being in our community. Also, how we intend to mitigate or minimise these effects.

Our commitment to you: A description of the key levels of service we will deliver. For each level of service, we also provide the performance measures and targets that we aim for.

Our performance measurement framework is a mix of in-house surveys, and an external survey conducted by an independent research company. We also measure against national and industry standards, contract performance indicators and statistics. In addition to our future performance targets (the first three years in detail and an outline for the following seven years), we also give the actual achievement for 2019/20, where available, for comparison.

We monitor the measurement framework regularly during the year and report the results in our Annual Report at the end of each financial year.

Funding Impact Statement: This is an overview of the expected costs and funding of each service. The first year of each financial plan includes the current 2020/21 year. Further budget figures are for the forecasted financial plan.

Projects: This is a summary of the more significant capital projects that we will undertake over the life of this plan.

How our services contribute to our goals

The table below shows the contribution each Council service makes toward the goals of NPDC's strategic framework (our community outcomes). A medium rating indicates that the activity **contributes** to the outcome. A high rating indicates the activity makes a **strong contribution** to the outcome.

	Partnerships	Delivery	Community	Sustainability	Prosperity
Community Partnerships	High	Medium	High	Medium	Medium
Customer and Regulatory Solutions	Medium	Medium	High	Medium	High
Economic Development	High	Medium	Medium	Medium	High
Emergency Management and Business Continuance	High	High	High	Medium	Medium
Flood Protection and Control Works		Medium	Medium	Medium	Medium
Governance	High	High	High		
Govett-Brewster Art Gallery/Len Lye Centre	Medium	Medium	High		Medium
Management of Investments and Funding	Medium	High	Medium	Medium	Medium
Parks and Open Spaces	Medium	Medium	High	High	Medium
Puke Ariki and Community Libraries	Medium	Medium	High		Medium
Stormwater Management		Medium	High	Medium	Medium
Transportation	Medium	Medium	Medium	Medium	High
Venues and Events	Medium	Medium	High		Medium
Waste Management and Minimisation	Medium	Medium	Medium	High	Medium
Wastewater Treatment		Medium	Medium	High	Medium
Water Supply		Medium	High	Medium	High

Community Partnerships

What we do

We offer advice, support and partnerships to encourage a strong and connected community. We also provide a Central City Facilitator and a Housing for the Elderly service.

The Community Partnerships team supports community organisations, educational institutions, iwi, business and central government agencies to plan for and respond to the changing needs of our community. We are a conduit between the Council and the community, keeping aware of the evolving needs of the community, and communicating those needs to councillors and staff.

Our team also manages and distributes NPDC's community grants funding scheme. This includes annual contestable funding for projects and initiatives that meet set criteria, and multi-year partnerships with aligned organisations and groups. We also manage relationships with our funding partners, such as New Plymouth Partners, Toi Foundation and Taranaki Electricity Trust.

The Central City Facilitator is charged with championing a vibrant central city. This role is about encouraging people into the city centre to help revitalise the area and support local business.

Our Housing for the Elderly scheme provides affordable housing for eligible elderly people in the district. We also visit our tenants regularly to support and monitor their well-being.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

Community Partnerships actively contributes to each of the five goals by supporting community and other organisations to make a significant contribution to the social, economic, environmental and cultural well-being of the district.

Our service is about building and supporting a strong and connected community. This means a community with a strong sense of identity that is sustainable and self-reliant; a community that uses the strengths and abilities of its people to overcome challenges. A strong community has the resources it needs to prosper.

Our support of community initiatives promotes a safe, creative, active and connected community, while embracing Te Ao Māori. Our Housing for the Elderly scheme contributes to the social and economic well-being of our elderly communities. Our support of a vibrant Central Business District is crucial to business success, employment and culture, promoting social, economic and cultural well-being in the district.

How we pay for it

Community Partnerships is funded through general rates, with the exception of the Housing for the Elderly scheme, which is self-funded. All maintenance, upkeep and other services related to this scheme are funded from rental income.

Looking ahead

Covid-19 will continue to be a challenge as the community looks toward economic recovery over the next few years.

The region's growing population is also likely to increase demand for community services and initiatives in the district. An increasingly ageing population and a higher proportion of Māori youth in the district may increase demand for social and community services in these sectors. We will respond to these demographic changes by continuing our work with youth provider Zeal to engage the voice of young people. We will also continue to fund capacity building services and service contracts that reflect NPDC's decisions and commitments. This includes the YMCA, Surf Lifesaving New Zealand, and North Taranaki Sport and Recreation.

To ensure an effective response to the needs of our communities, we will continue to encourage collaboration between the different groups and agencies involved in community initiatives throughout the district. We will also continue ongoing relationships with other council groups, government agencies, and community and stakeholder groups to support community minded initiatives and decision making. This includes ongoing advice and support for groups and individuals whose work aligns with NPDC's strategic vision for the district. As part of community grants funding, we will also continue to allocate a start-up fund to support new, creative and collaborative community initiatives.

The district's ageing population means we can expect further increased demand for our Housing for the Elderly service. While we do not propose changes to this scheme, we will continue to work on improving and growing the service within the current model.

Community Partnerships

The changes we have made

Changes to levels of service over the life of this plan include new funding for age friendly initiatives, Creative Taranaki and the New Plymouth Partners Programme. Other changes include a commitment to funding Surf Lifesaving New Zealand patrols in the district for the life of this plan, rather than through the current multi-year, contestable funding arrangement. This includes extending the funded patrol period by one month.

We have also committed to directly fund youth services provider, Zeal Taranaki, in years one to three of the plan. This is in addition to our current multi-year funding. This will provide Zeal with more certainty, enabling them to retain and grow their presence in the New Plymouth CBD.

Increased community funding related to the Covid-19 'Get Back On Our Feet programme' will continue in years one and two of the plan, but at reduced levels. Community funding allocations will return to pre Covid-19 levels in 2023/24.

Significant effects on community well-being

The Community Partnerships service actively supports the social, economic, environmental and cultural well-being of our community. There are no significant negative effects of this service.

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Build strategic relationships that support collaboration, capability and capacity in the community sector.	The percentage of partners satisfied with NPDC's advice and involvement in community initiatives.	86%	95%	95%	95%	95%
	The percentage of residents satisfied with NPDC's advice and support to community groups (satisfaction survey*).	95%	90%	90%	90%	90%
Provide a 'start-up' fund to support creativity and collaboration in new community initiatives.	The number of initiatives receiving 'start-up' financial support.	3	3	3	3	3
Provide effective funding support for community organisations and initiatives.	The percentage of key performance indicators achieved by recipients of NPDC's grants (as set out in funding contracts).	98%	95%	95%	95%	95%
Effectively coordinate and administer the Housing for the Elderly service.	The percentage of tenants satisfied with the service.	96%	90%	90%	90%	90%

* All satisfaction survey targets are excluding 'don't know' responses.

Community Partnerships

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	3.71	4.87	5.36	5.43	5.46	5.66	5.79	5.93	6.11	6.28	6.42
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06	0.06
Fees and charges	1.12	1.16	1.24	1.31	1.29	1.37	1.44	1.55	1.98	1.98	1.98
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	0.05	0.15	0.25	0.35	0.47	0.58	0.71	0.83	0.95	1.07
Total operating funding (A)	4.88	6.14	6.81	7.05	7.17	7.55	7.87	8.24	8.98	9.27	9.53
Applications of operating funding											
Payments to staff and suppliers	(3.68)	(4.46)	(4.96)	(5.17)	(5.31)	(5.54)	(5.84)	(6.16)	(6.43)	(6.72)	(7.01)
Finance costs	(0.01)	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(0.74)	(1.27)	(1.35)	(1.37)	(1.37)	(1.47)	(1.49)	(1.51)	(1.58)	(1.62)	(1.62)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(4.43)	(5.73)	(6.31)	(6.54)	(6.68)	(7.01)	(7.33)	(7.67)	(8.01)	(8.34)	(8.62)
Surplus/(deficit) of operating funding (A - B)	**0.45**	**0.41**	**0.50**	**0.51**	**0.48**	**0.54**	**0.54**	**0.57**	**0.97**	**0.94**	**0.90**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(0.03)	0.13	1.47	(0.03)	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(0.03)	0.13	1.47	(0.03)	(0.02)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	(0.15)	(1.49)	-	-	-	-	-	-	-	-
- to replace existing assets	(0.11)	(0.13)	(0.11)	(0.10)	(0.15)	(0.12)	(0.13)	(0.14)	(0.14)	(0.14)	(0.14)
(Increase)/decrease in reserves	(0.32)	(0.26)	(0.37)	(0.38)	(0.31)	(0.39)	(0.38)	(0.41)	(0.81)	(0.77)	(0.73)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.43)	(0.54)	(1.97)	(0.49)	(0.46)	(0.51)	(0.51)	(0.55)	(0.94)	(0.91)	(0.88)
Surplus/(deficit) of capital funding (C-D)	**(0.45)**	**(0.41)**	**(0.50)**	**(0.51)**	**(0.48)**	**(0.54)**	**(0.54)**	**(0.57)**	**(0.97)**	**(0.94)**	**(0.90)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Community Partnerships

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.21	0.21	0.24	0.24	0.24	0.27	0.27	0.27	0.29	0.29	0.29
less deferred/unfunded	(0.03)	(0.06)	(0.10)	(0.09)	(0.06)	(0.11)	(0.11)	(0.10)	(0.12)	(0.12)	(0.12)
Net funding transferred to renewals reserves	**0.18**	**0.15**	**0.15**	**0.16**	**0.18**	**0.16**	**0.16**	**0.16**	**0.16**	**0.16**	**0.16**

Customer and Regulatory Solutions

What we do

Our service develops, implements and enforces national and local rules that protect the natural and built environment, and public and environmental health.

As the first point of contact for the public, the Customer Services team assists people by telephone, email, or in person at the Civic Centre. We manage the collation and production of Land Information Memoranda reports and make public bookings for three community halls. We also provide case management for cross-council projects and events involving multiple NPDC teams.

Regulatory Services process building, land use, and subdivision consents. We also process food, alcohol, health and encroachment licences, and issue dog licences. We monitor and enforce legislation and bylaws, including parking and noise nuisances. We work with other teams to develop the District Plan and other policies that guide development of the district.

As a Building Consent Authority our building team processes building consents, and provides inspection services through to code of compliance status. As a Territorial Authority (TA), we inspect dangerous and insanitary buildings. We also manage complaints and disputes regarding buildings, and certain earthquake-prone building processes under the Building Act 2004. We are audited biennially to ensure quality standards are foremost in our day to day activities.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. The Customer and Regulatory Solutions service contributes to all of these well-beings.

Our Customer Services team supports out community by ensuring our customers have access to the information and services they need. Enforcing environmental health legislation means businesses selling food and alcohol meet their public health obligations and people in the community can enjoy a lifestyle free of nuisance or risk. Animal control activities, including regulating dog ownership and owner education, protects people and wildlife from nuisance or injury caused by dogs and other animals. Enforcing parking and freedom camping regulations ensures fair, safe and easy access to the city, its suburbs and towns. All of these activities contribute to the social and environmental well-being of our community.

Enforcing resource consents, building controls and other regulations contributes to the district's environmental well-being by helping mitigate the potential negative effects of growth and development. It also ensures there is adequate land in the right places for residential, commercial, industrial and agricultural use. Our work ensures buildings in the New Plymouth District are safe, healthy and durable and that our people can use and escape buildings without endangering their safety or health, contributing to social well-being. It also ensures that building design, construction and use supports and promotes sustainable development. The national framework for building control is part of the purpose of the Building Act 2004. It has four main drivers which align with NPDC's strategic vision.

Our district planning, regulatory monitoring and enforcement activities also support sustainable management of the district's economic and environmental resources.

How we pay for it

This service is funded through general rates, fees and charges, and enforcement revenue.

Looking ahead

Our district is growing and we are planning ahead. One of the challenges of an increasing population is the increased demand for resource and building consents and their associated inspection and compliance processes. In keeping up with demand, our service will continue to meet the expectations of our customers, ensuring our responses are timely and integrated. Catering for future development, population growth and changing demographics will require effective resourcing. Increased demand for consents also increases demand on the input of iwi groups during the Resource Management Act process. Providing resourcing to iwi will help strengthen NPDC's iwi-based partnerships.

The district's increasing population means this service is experiencing increased demand for public advice and associated services. In meeting this demand, we will make education a priority. In areas such as animal control, our officers will continue to work with schools, businesses and community groups to provide education around dog safety.

Customer and Regulatory Solutions

We will also look at ways to encourage responsible dog ownership and reduce the number of unregistered and menacing dogs in the community. An increasing population will also impact parking demand. We will continue to monitor inner city and suburban parking trends to ensure our parking system is fair, affordable, accessible and fit for the district.

We will also look to technology to improve the accessibility and efficiency of our service, making more services accessible online, including through social media. We are working on smart systems to improve our planning and building control services. This includes online and digital services for all of our regulatory functions, with a focus on lodging and processing consents, and managing inspections. Our goal is to provide our communities with fast, efficient service, whether it be online, in person or by phone.

Potential changes included in the Proposed District Plan will also impact this service. The Proposed District Plan was publicly notified in September 2019 and the hearing and appeals processes are currently in progress.

The changes we have made

Budgets for the Customer and Regulatory Solutions service reflect population growth projections for the district and the associated increased demand on services. Inclusion of additional funding in years two to five will increase the capacity of iwi to participate in the resource management process, strengthening our partnerships with iwi.

We propose to provide for the first one hour of metered parking as free parking and extend metered parking in the New Plymouth CBD from 5pm to 7pm Monday to Saturday from 1 October 2021.

Significant effects on community well-being

Many of the positive effects our service has on community well-being are outlined in the 'Why we do it' section. The following table identifies any potential negative effects of our service and strategies we will use to mitigate them.

Well-being	Impact
Social and economic	Legislative requirements and NPDC regulatory provisions may affect or constrain the ability of individuals or groups to undertake desired activities. This can be partially mitigated by: • Involving, informing and educating the community on the purpose of any existing and proposed policy and regulation. • Having a fair and transparent consent and enforcement process.

Customer and Regulatory Solutions

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Animal control processes contribute to a safe and healthy community.	The percentage of animal control emergency situations[1] responded to within two hours.	100%	100%	100%	100%	100%
	The percentage of known dogs registered.	97%	95%	95%	95%	95%
	The percentage of residents satisfied with animal control activities (satisfaction survey*).	92%	90%	90%	90%	90%
Respond to logged complaints in a timely manner.	The percentage of formal complaints that receive an interim reply or are resolved within five working days.	90%	90%	90%	90%	90%
Process requests for official information within timeframes set under Local Government Official Information and Meetings Act (1987).	The percentage of requests for official information completed within statutory timeframes.	98%	100%	100%	100%	100%
Conduct licensing inspections in accordance with statutory requirements.	All businesses required to be licensed are inspected in accordance with statutory requirements.	100%	100%	100%	100%	100%
Process consent applications within statutory timeframes.	The percentage of building applications processed within statutory timeframes (consents and code compliance certificates).	92%	100%	100%	100%	100%
	The percentage of non-notified resource management consents processed within statutory timeframes.	94%	100%	100%	100%	100%

[1] Animal control emergency situations: assisting emergency services, attacks by dogs, stock on roads and injured animals.

* All satisfaction survey targets are excluding 'don't know' responses.

Customer and Regulatory Solutions

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	4.59	2.21	2.83	2.58	2.70	2.86	2.74	2.84	3.19	3.42	3.31
Targeted rates	-	0.04	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.05	0.05
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	4.99	9.25	9.28	9.46	9.92	10.07	10.29	10.43	10.60	10.79	11.09
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	0.32	0.81	0.79	0.79	0.79	0.79	0.80	0.80	0.80	0.80	0.80
Total operating funding (A)	9.91	12.31	12.94	12.87	13.45	13.76	13.87	14.12	14.64	15.06	15.25
Applications of operating funding											
Payments to staff and suppliers	(7.84)	(8.70)	(8.96)	(8.73)	(8.98)	(9.12)	(9.18)	(9.36)	(9.69)	(9.87)	(10.15)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(5.34)	(3.93)	(4.13)	(4.29)	(4.25)	(4.47)	(4.54)	(4.64)	(4.82)	(5.06)	(4.97)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(13.18)	(12.63)	(13.09)	(13.02)	(13.24)	(13.59)	(13.72)	(14.00)	(14.51)	(14.94)	(15.12)
Surplus/(deficit) of operating funding (A - B)	**(3.27)**	**(0.32)**	**(0.15)**	**(0.15)**	**0.22**	**0.17**	**0.15**	**0.12**	**0.12**	**0.12**	**0.12**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	3.97	(0.03)	(0.03)	(0.03)	0.02	-	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	3.97	(0.03)	(0.03)	(0.03)	0.02	-	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	(0.05)	(0.04)	-	-	-	-	-
- to replace existing assets	(0.70)	(0.05)	(1.11)	(0.03)	(0.11)	(0.08)	(0.04)	(0.04)	(0.06)	(0.04)	(0.04)
(Increase)/decrease in reserves	-	0.40	1.30	0.22	(0.07)	(0.06)	(0.07)	(0.05)	(0.02)	(0.05)	(0.05)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.70)	0.35	0.18	0.19	(0.24)	(0.17)	(0.11)	(0.09)	(0.09)	(0.09)	(0.09)
Surplus/(deficit) of capital funding (C-D)	**3.27**	**0.32**	**0.15**	**0.15**	**(0.22)**	**(0.17)**	**(0.15)**	**(0.12)**	**(0.12)**	**(0.12)**	**(0.12)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Customer and Regulatory Solutions

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.66	0.66	0.69	0.69	0.70	0.76	0.76	0.76	0.83	0.83	0.83
less deferred/unfunded	0.04	(0.54)	(0.57)	(0.57)	(0.51)	(0.63)	(0.65)	(0.68)	(0.75)	(0.75)	(0.75)
Net funding transferred to renewals reserves	**0.70**	**0.12**	**0.13**	**0.12**	**0.18**	**0.13**	**0.11**	**0.09**	**0.09**	**0.09**	**0.09**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Parking equipment renewal	824,080	-	824,080	-	-	-	-	-	-	-	-
Dog Pound upgrade	189,950	-	-	-	108,650	81,300	-	-	-	-	-

Economic Development

What we do

We work collaboratively to identify and embrace opportunities for economic growth and diversification in the district.

NPDC works with the other Taranaki councils, central government, and a number of agencies in the region to develop and improve the local economy. This includes directly funding and overseeing the Venture Taranaki Trust, a Council Controlled Organisation responsible for promoting regional development and tourism in the district.

Our priorities for economic development are set out in *Tapuae Roa: Make Way for Taranaki* – the Regional Economic Development Strategy and Action Plan adopted in February 2018. Tapuae Roa takes a cross-regional approach, focusing on unlocking opportunities for economic growth in the region.

This work is complemented by the initiatives and outcomes identified in the *Taranaki 2050 Roadmap* and their associated pathway action plans. The *Taranaki 2050 Roadmap* helps direct the priorities for regional development in the region, with a particular focus on transitioning to a low emissions economy.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Economic development activities actively contribute to the social and economic well-being of our community.

Tapuae Roa's mission statement: 'Taranaki, where talent becomes enterprise – Kia eke panuku', captures the regional vision for Taranaki as a place that offers an attractive lifestyle for talented people, in a high value economy. Economic development activities that flow from, and contribute to, Tapuae Roa and Taranaki 2050, focus on innovation, resilience and sustainability through things like diversification and a successful transition to a low emissions economy. Our collaboration with others toward fulfilling this mission supports an innovative, resilient and prosperous district.

All of our activities support local business, making it easy to do business here and encouraging a diverse range of industries that will provide jobs for our people. Economic development helps create a vibrant economy and a district where people want to work, live, learn, play and invest.

How we pay for it

This service is funded by general rates (note that Venture Taranaki Trust also receives funding from central government, the South Taranaki and Stratford district councils and Taranaki Regional Council).

Looking ahead

The New Plymouth District has an incredible amount to offer. However, in an economy dominated by dairying and energy, we are susceptible to global factors and changes in government policy that are beyond our control. To build economic resilience we will continue to encourage economic diversity. We will also continue to look at ways to further our connection with national and international markets.

We will continue to support local business in the district and build the skilled labour force necessary to support our local industries. With a growing population and improved access to the district, we plan to capitalise on opportunities to attract relocation to the Taranaki region, building our labour force and supporting a more resilient economy. We also plan to capitalise on our reputation as a visitor destination as appropriate in a post Covid-19 environment. We will do this in a considered and collaborative way through the implementation of the *Tapuae Roa: Make Way for Taranaki Strategy and Action Plan* and *Taranaki 2050 Roadmap*.

The expected ongoing impacts of Covid-19 mean that economic development is even more critical to supporting the community, and forms a key part of the Taranaki Covid-19 recovery. This work aligns with our regional strategic vision and priorities. The first two years of the LTP 2021-2031 will be largely focused on the Covid Recovery Plan which looks to support the region in 'returning to better'.

The changes we have made

There are no changes to levels of service over the life of this plan.

Significant effects on community well-being

Our service supports innovative, resilient and sustainable communities that enjoy prosperity and success. There are no significant negative effects identified from this activity.

Economic Development

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve			
			Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Promote the New Plymouth District and the Taranaki region as a vibrant and desirable place to work, live, learn, play and invest.	The number of major events attracted or retained.	10	4	4	4	4
	Undertaking initiatives to support investment into Taranaki.	New measure	5	5	5	5
	The number of engagements[1] with visitor industry operators.	New measure	1,000	1,000	1,000	1,000
	The number of talent initiatives[2].	New measure	2	2	2	2
Facilitate, promote, and support sustainable business growth, innovation, investment and employment opportunities in Taranaki.	The level of annual investment in regional businesses (subject to central government policy).	$1,920,106	$1,000,000	$1,000,000	$1,000,000	$1,000,000
	The annual percentage of clients satisfied with Venture Taranaki business support services.	96%	>85%	>85%	>85%	>85%
	The level of annual investment[3] in the management capability of Taranaki's small and medium-sized businesses.	$393,920	$240,000	$240,000	$240,000	$240,000
	Number of enterprise referrals and connections made by Venture Taranaki staff.	New measure	200	200	200	200

[1] Engagement is defined as a significant interaction made with an external party.

[2] Talent initiatives are those that facilitate the retention, growth or attraction of talent (i.e. human resources) in/into Taranaki.

[3] Investment includes capability development and voucher funding as part of the nationwide Regional Business Partner Network.

Economic Development

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	3.93	4.16	4.29	4.40	4.51	4.65	4.75	4.86	4.57	4.68	4.78
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	3.93	4.16	4.29	4.40	4.51	4.65	4.75	4.86	4.57	4.68	4.78
Applications of operating funding											
Payments to staff and suppliers	(3.40)	(3.40)	(3.48)	(3.59)	(3.67)	(3.77)	(3.87)	(3.96)	(3.63)	(3.73)	(3.83)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(0.62)	(0.70)	(0.75)	(0.75)	(0.75)	(0.82)	(0.83)	(0.84)	(0.88)	(0.89)	(0.89)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(4.02)	(4.10)	(4.23)	(4.34)	(4.42)	(4.59)	(4.70)	(4.80)	(4.51)	(4.62)	(4.72)
Surplus/(deficit) of operating funding (A - B)	**(0.09)**	**0.06**	**0.05**	**0.06**	**0.09**	**0.05**	**0.06**	**0.06**	**0.06**	**0.06**	**0.06**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	-	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in reserves	0.09	(0.04)	(0.04)	(0.04)	(0.07)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	0.09	(0.04)	(0.04)	(0.04)	(0.07)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Surplus/(deficit) of capital funding (C-D)	**0.09**	**(0.06)**	**(0.05)**	**(0.06)**	**(0.09)**	**(0.05)**	**(0.06)**	**(0.06)**	**(0.06)**	**(0.06)**	**(0.06)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Economic Development

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-
less deferred/unfunded	0.07	0.04	0.04	0.04	0.07	0.04	0.04	0.04	0.04	0.04	0.04
Net funding transferred to renewals reserves	**0.07**	**0.04**	**0.04**	**0.04**	**0.07**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**

Emergency Management and Business Continuance

What we do

We identify and understand local hazards and risks, building capability and capacity to respond to and recover from emergencies.

As a member of the Taranaki Civil Defence Emergency Management Group (CDEM Group), NPDC works with the three Taranaki councils, the community, and other agencies to plan for and manage responses to emergency events. We also educate our communities about potential hazards and about how to prepare and recover from emergencies associated with these hazards.

We make sure the information we have about hazards and risks in the district is up to date, and review a range of Council plans in accordance with that information.

We also manage NPDC's internal emergency management response outside of civil defence activation, including business continuance. Our systems and processes ensure NPDC can continue to operate as well as possible during an emergency, major or minor.

NPDC also administers the Taranaki Emergency Management Office on behalf of the four local authorities in Taranaki.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

Our Emergency Management and Business Continuance service contributes to all of these goals. Our partnership with government agencies and community stakeholders ensures a strong regional response to civil defence emergencies. All of our work supports community resilience helping our people prepare for, respond to, and recover from natural disasters.

Ensuring NPDC services are maintained or restored as quickly as possible following an emergency event, reduces the effect emergency events can have on our residents' quality of life. This supports the social, economic and cultural well-being of our communities.

CDEM Group activities are also driven by legislation including the Civil Defence Emergency Management Act 2002. This Act requires councils to take responsibility for the reduction of, readiness for, response to, and recovery from risks and events associated with emergency management.

How we pay for it

Our service is funded through general rates. We also receive grants from the other local authorities in Taranaki to fund the Taranaki Emergency Management office.

Looking ahead

Our service continually works to ensure our internal emergency response and business continuity plans and processes are aligned and up to date. We test these plans and processes annually, addressing any opportunities for improvement. Over the life of this plan we will continue to identify hazards, including potential impacts of climate change and Covid-19 developments. We will continue to assess and plan for risk reduction/resilience, and update and review emergency management and business continuity plans.

Our work with the CDEM Group will continue and this group will provide support and direction in a civil defence and emergency management event. We will also continue to liaise with the National Emergency Management Agency to apply any changes to the Civil Defence and Emergency Management Act 2002.

The changes we have made

We plan to purchase trailer-mounted generators to provide power critical infrastructure and/or operations centres in an emergency event. This will allow additional flexibility and agility to our response requirements.

There are no other changes to levels of service over the life of this plan.

Significant effects on community well-being

All of our activities are about protecting people and property in the event of an emergency or a widespread event. There are no significant negative effects identified from this activity. However, the public may perceive a negative impact to their well-being when a response is implemented.

Emergency Management and Business Continuance

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Ensure NPDC is ready for, can respond to, and can recover from emergencies.	Emergency processes and plans are reviewed and updated annually.	Realignment underway	Emergency plans are reviewed and updated as per exercise schedule	Emergency plans are reviewed and updated as per exercise schedule	Emergency plans are reviewed and updated as per exercise schedule	Emergency plans are reviewed and updated as per exercise schedule
	Recruit, train, and maintain a database of staff and volunteers capable of responding to an emergency.	New measure	Maintain 150 recruited and trained staff and volunteers	Maintain 150 recruited and trained staff and volunteers	Maintain 150 recruited and trained staff and volunteers	Maintain 150 recruited and trained staff and volunteers
	Ensure the NPDC Emergency Operations Centre (EOC) is fit for purpose.	New measure	Complete monthly system checks and an annual EOC capability audit	Complete monthly system checks and an annual EOC capability audit	Complete monthly system checks and an annual EOC capability audit	NPDC EOC is a highly functioning operations centre for NPDC to coordinate any emergency from
	Develop and implement an NPDC emergency exercise programme.	New measure	Complete NPDC emergency exercise programme	Undertake two emergency exercises	Undertake two emergency exercises	All NPDC emergency plans are tested with exercises as part of an emergency exercise programme

Emergency Management and Business Continuance

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve			
			Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Assist the New Plymouth community in becoming ready for, responding to, and recovering from emergencies.	Civil Defence centres are identified, assessed and formalised with Memorandum(s) of Understanding.	New measure	4	6	8	8
	Engage with key community groups, and stakeholders (particularly iwi and hapū) to develop community emergency response capability.	New measure	Establish a team that can deliver a community-based emergency response capability	Establish a team that can deliver a community-based emergency response capability	Establish a team that can deliver a community-based emergency response capability	NPDC has three trained community-based response groups capable of assisting NPDC emergency response if required

Emergency Management and Business Continuance

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	1.17	1.39	1.49	1.54	1.58	1.63	1.64	1.65	1.73	1.76	1.78
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	1.45	1.48	1.57	1.61	1.63	1.62	1.63	1.63	1.73	1.76	1.79
Fees and charges	-	0.22	0.23	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	2.62	3.09	3.28	3.16	3.21	3.25	3.28	3.28	3.46	3.52	3.57
Applications of operating funding											
Payments to staff and suppliers	(2.02)	(2.25)	(2.37)	(2.17)	(2.20)	(2.21)	(2.25)	(2.28)	(2.36)	(2.41)	(2.46)
Finance costs	(0.05)	(0.04)	(0.03)	(0.04)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Internal charges and overheads applied	(0.51)	(0.69)	(0.73)	(0.74)	(0.74)	(0.79)	(0.80)	(0.81)	(0.85)	(0.87)	(0.87)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(2.58)	(2.97)	(3.13)	(2.94)	(2.98)	(3.03)	(3.08)	(3.12)	(3.24)	(3.30)	(3.36)
Surplus/(deficit) of operating funding (A - B)	**0.05**	**0.12**	**0.15**	**0.21**	**0.23**	**0.21**	**0.20**	**0.16**	**0.22**	**0.22**	**0.22**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(0.05)	(0.07)	(0.02)	0.78	(0.19)	(0.18)	(0.16)	(0.06)	0.06	(0.19)	(0.18)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(0.05)	(0.07)	(0.02)	0.78	(0.19)	(0.18)	(0.16)	(0.06)	0.06	(0.19)	(0.18)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	(0.05)	(0.03)	(0.12)	(0.98)	(0.02)	(0.02)	(0.02)	(0.08)	(0.27)	(0.01)	(0.03)
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in reserves	0.05	(0.02)	(0.01)	(0.02)	(0.02)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	-	(0.05)	(0.13)	(0.99)	(0.04)	(0.03)	(0.04)	(0.09)	(0.28)	(0.03)	(0.04)
Surplus/(deficit) of capital funding (C-D)	**(0.05)**	**(0.12)**	**(0.15)**	**(0.21)**	**(0.23)**	**(0.21)**	**(0.20)**	**(0.16)**	**(0.22)**	**(0.22)**	**(0.22)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Emergency Management and Business Continuance

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.03	0.03	0.04	0.05	0.05	0.06	0.06	0.06	0.07	0.07	0.07
less deferred/unfunded	(0.01)	(0.02)	(0.02)	(0.04)	(0.03)	(0.04)	(0.04)	(0.05)	(0.05)	(0.05)	(0.05)
Net funding transferred to renewals reserves	**0.02**	**0.02**	**0.01**	**0.02**	**0.02**	**0.01**	**0.01**	**0.01**	**0.01**	**0.01**	**0.01**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
NPDC civil defence resilience project	793,924	-	37,084	756,840	-	-	-	-	-	-	-

Flood Protection and Control Works

What we do

Our flood protection and control works provide flood protection systems to urban areas in the New Plymouth District. We monitor and maintain three flood protection dams and diversion tunnels.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

Reducing flood risk contributes to the goals of delivery, community, sustainability and prosperity by protecting people and property from the effects of flooding from rivers and streams in severe storm events.

This enables residents to continue with their daily lives after a significant rainfall event, which supports social well-being. Protecting our natural environment and outdoor lifestyle opportunities enhances environmental and economic well-being. Our work to reduce flood risk helps build resilience, protecting businesses and industry through measures such as the Huatoki Dam, which reduces flood impacts on the Central Business District.

How we pay for it

This service is funded through general rates. Capital improvements are loan funded, while the costs of renewing and replacing assets are covered by renewal reserves. The replacement value of flood protection assets is $21.5m.

Looking ahead

We recognise that climate change predictions of increased frequency and intensity of storm events will place increasing pressures on our flood protection and control works. We will continue to maintain the flood protection schemes and assets in the district, and monitoring the predicted impacts of climate change.

The District Plan deters property development in identified flood hazard areas in the district to minimise the impact of flooding on people and property.

The changes we have made

There are no proposed changes to levels of service over the life of this plan.

Flood Protection and Control Works

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects are identified in the following table.

Well-being	Impact
Social, economic and environmental	Flood infrastructure is not adequate to deal with severe storms and could fail and harm people and buildings. To reduce this risk, we will take the probability of severe storm events into account when designing the capacity of the protection systems and prepare contingency plans for such events. We will also identify at risk flood areas, taking steps to manage development in these areas.

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Effectively maintain NPDC's flood protection and control works.	Major flood protection and control works are maintained, repaired and renewed in accordance with asset management plans and annual works programme.	Achieved	Achieved	Achieved	Achieved	Achieved

Flood Protection and Control Works

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	0.30	0.29	0.30	0.38	0.53	0.34	0.32	0.33	0.34	0.35	0.35
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	0.30	0.29	0.30	0.38	0.53	0.34	0.32	0.33	0.34	0.35	0.35
Applications of operating funding											
Payments to staff and suppliers	(0.10)	(0.06)	(0.05)	(0.13)	(0.27)	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)	(0.07)
Finance costs	(0.01)	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(0.15)	(0.18)	(0.20)	(0.21)	(0.21)	(0.23)	(0.22)	(0.22)	(0.24)	(0.24)	(0.24)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(0.26)	(0.24)	(0.25)	(0.34)	(0.48)	(0.29)	(0.28)	(0.28)	(0.30)	(0.30)	(0.31)
Surplus/(deficit) of operating funding (A - B)	**0.04**	**0.05**	**0.05**	**0.04**	**0.05**	**0.05**	**0.05**	**0.05**	**0.05**	**0.05**	**0.05**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(0.01)	(0.01)	(0.01)	-	-	(0.01)	-	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	(0.01)	(0.01)	(0.01)	-	-	(0.01)	-	-	-	-	-
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	(0.03)	(0.05)	(0.04)	(0.04)	(0.04)	(0.10)	(0.11)	(0.05)	(0.05)	(0.05)	(0.05)
(Increase)/decrease in reserves	-	0.01	-	-	-	0.06	0.07	-	-	0.01	0.01
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.03)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Surplus/(deficit) of capital funding (C-D)	**(0.04)**	**(0.05)**	**(0.05)**	**(0.04)**	**(0.05)**	**(0.05)**	**(0.05)**	**(0.05)**	**(0.05)**	**(0.05)**	**(0.05)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Flood Protection and Control Works

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.12	0.12	0.13	0.13	0.13	0.14	0.14	0.14	0.15	0.15	0.15
less deferred/unfunded	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)	(0.10)	(0.10)	(0.10)	(0.12)	(0.12)	(0.12)
Net funding transferred to renewals reserves	**0.03**	**0.03**	**0.04**	**0.03**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**

Governance

What we do

We support the Mayor, councillors and community board members to be effective, representative and accountable decision makers. We also make sure people have easy access to the information they need to be involved in Council decision making.

The Governance service supports, facilitates and administers Council, committee and community board meetings and coordinates a range of civic functions. We also provide administrative services for Te Tai Pari Trust, a statutory organisation established by the New Plymouth District Council (Waitara Lands) Act 2018, which allocates funding from the Waitara Perpetual Community Fund. Every three years, we are responsible for managing local authority elections.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

Our work promotes the goals of partnership, delivery and community by ensuring robust decision making processes. We provide a democratic system of governance, through elections, representation reviews and consultation processes. Our work provides equal opportunities for everyone in our community to participate in decision making. This fulfils their democratic rights and contributes to the social well-being of our communities.

Elected members must represent their communities and make decisions in an open, transparent and accountable manner. NPDC's Governance service supports the Council to make quality decisions in accordance with statutory requirements. We are guided by the Local Government Act 2002, the Local Electoral Act 2001 and the Local Government Official Information and Meetings Act 1987.

How we pay for it

The Governance service is funded through general rates.

Looking ahead

Central government reviews of local government legislation are ongoing. Over the next 10 years there will likely be central government directives on the design and function of local government. This may include legislative changes that directly affect the role and functions of NPDC.

We will actively monitor and respond to any changes in legislation that affect how NPDC works and the services we provide.

Increasing interest in the Council's decision making process means we will also be looking at new ways for our communities to be involved in Council decision making.

We will continue in the CouncilMARK™ programme[1] with the first three yearly review occurring in 2021/22, and subsequently every three years.

The changes we have made

Following the passing of the New Plymouth District Council (Waitara Lands) Act 2018, our service has expanded to include provision of administrative support for the Te Tai Pari Trust.

We will provide $400,000 per annum shared equally amongst the community boards over years one to three to fund minor (with the exclusion of roading) projects.

Significant effects on community well-being

The Governance service supports an engaged community that can participate in the democratic process. There are no significant negative effects associated with this service.

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[1] The CouncilMARK™ programme incorporates an independent assessment system that assesses how councils are performing and the work they're undertaking to grow the value they deliver.

Governance

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Effectively manage local elections in accordance with statutory requirements.	Elections and polls comply with the provisions of the Local Electoral Act 2001 and are without successful petitions for inquiry into the conduct of elections.	Achieved	*	Full compliance	*	Full compliance
Ensure NPDC processes comply with statutory requirements.	The Long-Term Plan, Annual Plan and Annual Report are each adopted within statutory timeframes.	Achieved	Full compliance	Full compliance	Full compliance	Full compliance
	Meeting agendas are available as specified by legislation.	Achieved	Full compliance	Full compliance	Full compliance	Full compliance

* No triennial elections in this year.

Governance

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	4.38	4.29	4.10	4.11	4.28	4.47	4.38	4.56	4.77	4.78	4.88
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	0.01	0.01	0.08	0.01	0.01	0.10	0.01	0.01	0.11	0.01	0.01
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	4.39	4.29	4.18	4.11	4.29	4.56	4.38	4.56	4.88	4.79	4.89
Applications of operating funding											
Payments to staff and suppliers	(2.02)	(2.17)	(1.88)	(1.88)	(2.00)	(2.23)	(2.00)	(2.13)	(2.37)	(2.21)	(2.27)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(2.37)	(2.19)	(2.26)	(2.19)	(2.22)	(2.29)	(2.34)	(2.39)	(2.47)	(2.54)	(2.58)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(4.38)	(4.35)	(4.15)	(4.07)	(4.23)	(4.52)	(4.34)	(4.52)	(4.84)	(4.75)	(4.85)
Surplus/(deficit) of operating funding (A - B)	**0.01**	**(0.06)**	**0.04**	**0.04**	**0.06**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**	**0.04**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	-	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	-	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	(0.40)	(0.41)	(0.42)	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in reserves	(0.01)	0.47	0.39	0.39	(0.05)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.01)	0.07	(0.03)	(0.03)	(0.05)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)
Surplus/(deficit) of capital funding (C-D)	**(0.01)**	**0.06**	**(0.04)**	**(0.04)**	**(0.06)**	**(0.04)**	**(0.04)**	**(0.04)**	**(0.04)**	**(0.04)**	**(0.04)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Governance

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	-	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
less deferred/unfunded	0.05	0.02	0.01	0.01	0.02	-	-	-	-	-	-
Net funding transferred to renewals reserves	**0.05**	**0.03**	**0.03**	**0.03**	**0.05**	**0.03**	**0.03**	**0.03**	**0.03**	**0.03**	**0.03**

Govett-Brewster Art Gallery/Len Lye Centre

What we do

We provide the community access to innovative and provocative art created by national and international contemporary artists.

The Govett-Brewster Art Gallery is New Zealand's leading contemporary art museum, offering a dynamic range of exhibitions. The Gallery is recognised nationally and internationally for its quality programming and dedication to contemporary art, and art from New Zealand and the Pacific Rim. Our exhibitions are supported by a range of public and community events, education programmes, and other opportunities to engage with the art.

In 2015 the Govett-Brewster Art Gallery extended the building to home the Len Lye Centre, a facility of local, national and international significance. The Len Lye Centre is New Zealand's first institution dedicated to a single artist. It provides a continuous and accessible programme that explores the art and ideas of Len Lye, a pioneering filmmaker and kinetic sculptor.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

The Govett-Brewster Art Gallery/Len Lye Centre (the Gallery) actively contributes to NPDC's goals of partnerships, delivery, community and prosperity, by delivering high quality programming and partnership opportunities, and growing a nationally and internationally recognised brand.

The Gallery contributes to the cultural well-being of our communities by providing connection to the arts and safe, active and creative opportunities for a diverse range of audiences and visitor groups to participate. Our work also contributes by sharing and strengthening Te Ao Māori across all of our programmes. This supports the district's positioning as a lifestyle capital, with a globally recognised brand that encourages skills and people to the district.

The Gallery is a tourism anchor, attracting people to the district and supporting district and regional prosperity. It is a place of creative ideas and thinking, which are recognised components of innovation that have the potential to drive business growth in the district. The Gallery is a distinct drawcard attracting skills, talent and people to the district and contributing to the economic well-being of our communities.

How we pay for it

The Gallery service is primarily funded through general rates and fees and charges. We also receive rental income and profit share from the onsite café, Monica's Eatery, and generate commercial revenue through activities such as venue hire, cinema ticketing, exhibition tours, retail sales and guided tours. We fund further operations through fundraising, partnerships, donations, grants and sponsorship.

We use funding from the Govett-Brewster Foundation and from endowment funds to support art acquisitions and some aspects of Gallery programming. Every three years we apply for contestable Ministry of Education funding to deliver learning experiences outside the classroom (LEOTC). We also apply for Creative New Zealand funding to support our national and international artist residencies and other programmes.

Looking ahead

We will continue to develop exhibition, event and engagement programmes that reflect current creative practices, and provide opportunities for the community to engage with leading contemporary art, and meet with others.

Our programming will be responsive to the changing demographics of our community, with regular and one-off events targeting different community needs. We will also continue to host broader conversation events that help foster creativity, innovation, and inclusivity in the district.

We are committed to growing our visitor base, with a particular focus on out-of-district visitors. This will help stimulate economic activity and resilience in response to the impacts of Covid-19, and showcase New Plymouth as a world class visitor and investment destination. Over recent years, 33 per cent of overall visitors to the Gallery have been from out of the district, and we are confident we can increase this number.

We rely on external funding for acquisitions to the Gallery's permanent collection, and to cover a number of operational and programme related costs. Accessing external funding may become more difficult in the post-Covid landscape. We will continue to seek funding and partnerships to support our activities. We are also developing strategies to maximise revenue from our commercial activities, which include the cinema, exhibition tours, retail shop sales and venue hire.

Ministry of Education funding for our LEOTC programme is secured until December 2021 and we will seek further triennial funding in mid 2021. We have also secured triennial investment from Creative New Zealand's Toi Uru Kahikatea programme, from January 2020 to December 2022.

The changes we have made

In August 2018, we introduced a non-district resident entry fee of $15.00. Our operational budgets have been adjusted to reflect the impacts of this charge on both revenue and costs.

An annual reduction of $400,000 in operational costs is proposed in the LTP 2021-2031, which is a continuation of the adjustment made in the Annual Plan 2020/21.

Our targets for annual visitor numbers have also been adjusted to reflect a natural tapering of visitors following the 2015 opening of the Len Lye Centre, and the impacts of Covid-19 on tourism, namely the loss of international visitors.

Significant effects on community well-being

This service has many positive effects on community outcomes, as outlined in the 'why we do it' section above. There are no significant negative effects identified for this activity.

Govett-Brewster Art Gallery/Len Lye Centre

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Provide access to an engaging range of contemporary art from New Zealand and around the world.	The annual number of exhibitions on offer.	9	7	7	7	7
	The annual number of visitor entries.	52,260	60,000	65,000	70,000	80,000
	The annual number of audience engagement events[1].	New measure	50	55	60	75
	The percentage of residents satisfied with the service (satisfaction survey*).	64%	65%	65%	65%	65%
	The percentage of customers satisfied with their overall experience at the Govett-Brewster Art Gallery/Len Lye Centre (in-house surveys).	84%	82%	82%	82%	82%

[1] These include formal ticketed events such as the Monica Brewster evenings, free and paid gallery and exhibition tours, targeted free events such as Sense Art tours, Gallery Babes and Gallery Seniors, education programmes including Young Visionaries, family art and workshops, and other public talks, lectures, tours and workshops.

* All satisfaction survey targets are excluding 'don't know' responses.

Govett-Brewster Art Gallery/Len Lye Centre

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	4.30	4.30	4.49	4.59	4.67	4.83	4.96	5.03	5.27	5.32	5.42
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
Fees and charges	0.51	0.51	0.54	0.64	0.66	0.67	0.71	0.72	0.74	0.76	0.77
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	5.06	5.06	5.29	5.49	5.60	5.77	5.93	6.01	6.27	6.34	6.46
Applications of operating funding											
Payments to staff and suppliers	(3.46)	(3.46)	(3.58)	(3.69)	(3.75)	(3.87)	(3.98)	(4.05)	(4.23)	(4.26)	(4.36)
Finance costs	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(1.38)	(1.38)	(1.49)	(1.52)	(1.53)	(1.61)	(1.65)	(1.66)	(1.74)	(1.78)	(1.80)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(4.83)	(4.83)	(5.07)	(5.21)	(5.28)	(5.48)	(5.63)	(5.71)	(5.97)	(6.04)	(6.16)
Surplus/(deficit) of operating funding (A - B)	**0.23**	**0.23**	**0.23**	**0.28**	**0.31**	**0.29**	**0.30**	**0.30**	**0.30**	**0.30**	**0.30**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	0.06	0.06	0.06	0.06	0.07	0.07	0.07	0.07	0.07	0.69	0.08
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	0.06	0.06	0.06	0.06	0.07	0.07	0.07	0.07	0.07	0.69	0.08
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	(0.08)	(0.08)	(0.08)	(0.08)	(0.08)	(0.09)	(0.09)	(0.09)	(0.09)	(0.71)	(0.10)
- to replace existing assets	(0.13)	(0.13)	(0.14)	(0.14)	(0.48)	(0.16)	(0.16)	(0.46)	(0.18)	(0.64)	(0.19)
(Increase)/decrease in reserves	(0.08)	(0.08)	(0.07)	(0.12)	0.18	(0.11)	(0.12)	0.18	(0.10)	0.37	(0.08)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.29)	(0.29)	(0.29)	(0.35)	(0.38)	(0.36)	(0.37)	(0.37)	(0.37)	(0.99)	(0.38)
Surplus/(deficit) of capital funding (C-D)	**(0.23)**	**(0.23)**	**(0.23)**	**(0.28)**	**(0.31)**	**(0.29)**	**(0.30)**	**(0.30)**	**(0.30)**	**(0.30)**	**(0.30)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Govett-Brewster Art Gallery/Len Lye Centre

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.53	0.53	0.56	0.57	0.57	0.62	0.62	0.63	0.68	0.70	0.70
less deferred/unfunded	(0.27)	(0.27)	(0.30)	(0.30)	(0.27)	(0.35)	(0.34)	(0.35)	(0.41)	(0.42)	(0.42)
Net funding transferred to renewals reserves	**0.26**	**0.27**	**0.27**	**0.27**	**0.30**	**0.27**	**0.28**	**0.28**	**0.28**	**0.28**	**0.28**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Govett-Brewster Art Gallery/Len Lye collection storage	616,464	-	-	-	-	-	-	-	-	614,038	2,425

Management of Investments and Funding

What we do

Our role is to develop, manage and protect key NPDC funding sources.

Our service manages all NPDC owned investments. We also manage income not assigned to other Council activities and all of Council's borrowing. This includes:

- NPDC's Perpetual Investment Fund (PIF) managed by the New Plymouth PIF Guardians Ltd.
- One hundred per cent ownership of Papa Rererangi i Puketapu Limited, the Council Controlled Trading Organisation that runs the New Plymouth Airport.
- Administration of 1,500 property leases and agreements.
- Production forestry on NPDC owned land and two joint venture forestry investments.
- Minor equity investments in Civic Assurance Limited and the Local Government Funding Agency.
- Administering Waitara leasehold property leases and freeholding and administering the funds derived according to the New Plymouth District Council (Waitara Lands) Act 2018.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – p*artnerships, delivery, community, sustainability and prosperity.* These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Managing NPDC investments and borrowing responsibly contributes directly to this strategic framework.

Developing and protecting NPDC's income from rates and other funding contributes to the Council's financial capacity to develop the district and promote the social, economic, environmental and cultural well-being of our community.

How we pay for it

Our service is funded by returns from NPDC's investments, which are used to offset general rates. The contribution from the PIF is printed on each individual rates bill.

We also receive lease and freehold sale proceeds from the Waitara endowment land.

Looking ahead

NPDC's Treasury Management Policy dictates how we manage our borrowings. The majority of Council borrowing is at fixed interest rates. Currently, the average term is approximately six years, which ensures the interest rate remains on or below three per cent for the first six years of the LTP 2021-2031.

NPDC's external borrowings are currently around $218m. Based on future planned infrastructure investments, borrowing will increase over the life of this plan. However, our level of borrowing is moderate for a council the size of NPDC.

Over the life of the LTP, Papa Rererangi i Puketapu Limited will complete redevelopment of the carpark and grounds around Te Hono, the new airport terminal. The new airport was a major project, funded by NPDC borrowing and with risk similar to any major construction project. We anticipate landing charges and other commercial revenue will be sufficient to service the loan debt once the airport recovers from the economic impact of Covid-19. Assuming the forecast recovery is achieved, we expect a dividend in 2024.

Our intention is that returns from the PIF will be maintained at 3.3 per cent over the life of the LTP (plus Consumer Price Index inflation and management fees and costs). Although this service has been impacted by Covid-19, our long term investment strategies have reduced short-term effects.

NPDC expects Waitara leaseholders to continue to freehold, with around 100 leaseholders remaining by 30 June 2031. Over the life of this plan NPDC will distribute revenue in accordance with the New Plymouth District Council (Waitara Lands) Act 2018.

Management of Investments and Funding

The changes we have made

Our work with Waitara leaseholders is an additional activity since the last LTP. This work involves support with freeholding and distributing the associated funds in accordance with the New Plymouth District Council (Waitara Lands) Act 2018.

There are no other changes proposed to levels of service over the life of this plan.

Significant effects on community well-being

The activities of this service ensure responsible management of NPDC investments and borrowings. New Plymouth PIF Guardians Ltd ensures responsible investment of ratepayer funds that manages environmental, social, governance and cultural factors for better long term outcomes. The Waitara leasehold proceeds are distributed to various funds that benefit the well-being of the Waitara community. There are no significant negative effects identified from this activity.

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Manage the Perpetual Investment Fund (PIF) to provide sustainable NPDC revenue.	The annual return from the PIF received by NPDC.	Achieved	3.3% + CPI + management fees and costs	3.3% + CPI + management fees and costs	3.3% + CPI + management fees and costs	3.3% + CPI + management fees and costs
Manage NPDC's borrowing programme in accordance with the Liability Management Policy.[1]	Debt levels comply with limits set by policy.	All measures met	All measures met	All measures met	All measures met	All measures met

[1] The Liability Management Policy is incorporated within the Treasury Management Policy which was updated and approved by the Council on 2 June 2020.

Management of Investments and Funding

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	(9.62)	(6.71)	(10.48)	(9.22)	(12.12)	(8.04)	(11.32)	(5.26)	(5.45)	(6.19)	(6.06)
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1.68	1.29	3.85	1.24	4.86	2.87	1.89	1.88	1.87	3.31	1.87
Internal charges and overheads recovered	12.46	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	12.14	12.68	13.16	13.62	14.04	14.49	14.93	15.38	15.84	16.28
Total operating funding (A)	4.52	6.73	6.05	5.18	6.36	8.87	5.06	11.55	11.80	12.95	12.09
Applications of operating funding											
Payments to staff and suppliers	(19.92)	(6.77)	(7.47)	(7.19)	(9.43)	(8.11)	(6.14)	(6.06)	(5.93)	(6.85)	(6.21)
Finance costs	(0.40)	(1.91)	(2.00)	(2.83)	(2.47)	(2.17)	(3.85)	(3.61)	(3.25)	(3.19)	(2.98)
Internal charges and overheads applied	(0.76)	(0.81)	(1.33)	(0.71)	(0.72)	(0.64)	(0.80)	(0.61)	(0.66)	(0.61)	(0.59)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(21.09)	(9.49)	(10.79)	(10.73)	(12.62)	(10.92)	(10.80)	(10.28)	(9.85)	(10.65)	(9.77)
Surplus/(deficit) of operating funding (A - B)	**(16.57)**	**(2.76)**	**(4.75)**	**(5.55)**	**(6.26)**	**(2.05)**	**(5.74)**	**1.27**	**1.96**	**2.30**	**2.31**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	(0.88)	(1.90)	(1.35)	(3.75)	(1.71)	(2.75)	(2.22)	(6.00)	(6.55)	(6.55)	(6.55)
Gross proceeds from sale of assets	17.40	7.39	6.99	7.95	7.92	7.19	5.19	4.95	4.68	4.64	4.87
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	16.52	5.49	5.64	4.20	6.21	4.44	2.96	(1.05)	(1.87)	(1.91)	(1.68)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	-	-	-	-	-	-	-	-	-	-	-
(Increase)/decrease in reserves	0.06	(2.73)	(0.89)	1.36	0.05	(2.39)	2.77	(0.22)	(0.08)	(0.39)	(0.63)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	0.06	(2.73)	(0.89)	1.36	0.05	(2.39)	2.77	(0.22)	(0.08)	(0.39)	(0.63)
Surplus/(deficit) of capital funding (C-D)	**16.57**	**2.76**	**4.75**	**5.55**	**6.26**	**2.05**	**5.74**	**(1.27)**	**(1.96)**	**(2.30)**	**(2.31)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Management of Investments and Funding

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-
less deferred/unfunded	0.03	0.02	0.02	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.02
Net funding transferred to renewals reserves	**0.03**	**0.02**	**0.02**	**0.02**	**0.03**	**0.02**	**0.02**	**0.02**	**0.02**	**0.02**	**0.02**

Parks and Open Spaces

What we do

The Parks and Open Spaces team manages a diverse range of parks, public spaces and public assets in the district.

Our role is to provide, develop and maintain NPDC's recreational facilities and open spaces under the Local Government Act 2002, the Reserves Management Act 1977 and the Resource Management Act 1991. Our assets and services include:

- Pukekura Park.
- Brooklands Zoo.
- 1,600 hectares of local, historic, coastal, esplanade and recreation reserves.
- 49 playgrounds, 21 sports grounds and nine skatepark sites.
- 82 kilometres of walkways, including 12.7 kilometres of Coastal Walkway.
- Campgrounds.
- Public art and monuments.
- 50 public toilets.
- Street trees and urban streetscapes and pocket parks.
- A crematorium and 15 operational cemeteries.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Our Parks and Open Spaces service contributes to all of these goals.

There are a number of unique parks and open spaces in the district, including Taranaki Maunga, beaches, walkways, rivers and streams, recreational trails, neighbourhood parks, playgrounds, skateparks, sports parks and cemeteries. Our open spaces, the mountain and the sea are important features that form part of the district's identity and our urban parks and reserves include features of outstanding biodiversity. Our management and protection of the natural landscape, including untouched native bush, coastal areas and regenerating bushland, actively contributes to environmental well-being.

This service contributes to social and cultural well-being through our support of community activities, including providing spaces for community events and volunteering opportunities (such as planting our parks). A range of other open spaces provide opportunities to participate in recreation and sport, an essential part of many people's lives, and a way to encourage and improve social interaction and cohesion. The district's crematorium and cemeteries offer an appropriate and sensitive memorial space for families.

Maintaining quality campgrounds, leisure and sports parks, and facilities for outdoor events contribute to economic well-being, supporting tourism and encouraging people to events in unique spaces, such as WOMAD at the Bowl of Brooklands. We have an agile response to the changing recreational needs of our community, and provide new parks and reserves to support housing and other developments associated with population growth.

Open spaces and parks facilities encourage people to the district and hold a special place in the heart of those who live here, with survey results showing 90 per cent of New Plymouth residents use open spaces year after year. Our role in looking after these spaces enhances community identity and pride, contributing to the lifestyle opportunities that attract people to the district to work, live and play.

How we pay for it

Our service is funded through general rates and fees and charges. Capital improvements are loan funded, while renewal and replacement of assets is funded from NPDC's renewal reserves.

Looking ahead

Increases in both our resident population and visitor numbers will create more demand for more parks and open spaces and increase the number of people accessing facilities.

Growth areas for new developments and subdivision identified in both the Operative and Proposed District Plans will require new parks and open spaces to meet service level targets identified in our 30 year Open Space, Sport and Recreation Strategy (2015). NPDC also works with property developers to ensure they provide adequate neighbourhood parks in their developments and subdivisions, and that they allow continued public access to significant waterways.

Parks and Open Spaces

Key Council facilities will require improvements to meet demand, customer expectations and changing recreational needs. The district may also require new facilities. An increasing population also means NPDC will need to plan for increased demand for associated infrastructure and services, such as toilets and carparks in high use areas and visitor hotspots. We will continue to maintain existing parks and open spaces to a high standard, particularly as these facilities and amenities are used more frequently by a greater number of people.

With people living longer and remaining more active, the use of recreational space is changing and diversifying. This impacts both how facilities are used and the type of facilities in demand. Our ageing population means there is increased need for accessibility in our parks and open spaces. Changes in technology will impact the way we deliver services, including meeting expectations that connectivity and real time information be available in parks, and even a demand for virtual parks. Technological changes may increase overall demand on our service, as people have more leisure time available in the future.

Increased automation could also increase demand for automated services within our operations.

We have initiated a Planting our Place programme to improve sequestration (removal of carbon dioxide from the environment) and biodiversity across the district. The programme aims to increase the level of indigenous cover in the district from the current eight per cent, to the 10 per cent we need, which will require planting of a further 34 hectares over a 20 year period. Investment in biodiversity will continue over the life of this plan through our collaboration with Taranaki Regional Council in an ongoing comprehensive programme of plant and animal pest control.

The impacts of climate change such as variable weather patterns, an increased number of severe weather events and rising sea levels could result in increased coastal erosion, more plant growth and a potential increase in plant pests and diseases. Changes to legislation and compliance requirements may also impact delivery of this service, including costs. Managing these factors is part of our long-term planning for parks and open spaces.

The changes we have made

We have committed to increased funding for renewals. Operating expenditure has also increased to reflect both historic and projected future growth.

Capital expenditure projects to the value of $39.9m are proposed over the life of this plan for improvements to meet service levels, and the associated additional operating costs.

Planting our Place is a new programme introduced to deliver on NPDC’s Climate Action Framework by improving benefit carbon sequestration and biodiversity in the district and will continue over the life of this plan.

A planned strategic review of Brooklands Zoo will enhance the zoo’s contribution to biodiversity and improve habitats and facilities. We will also look to secure additional external funding of around $3m to complement and enhance any strategic upgrades to Brooklands Zoo.

Two new public toilets are also due for construction. We will determine a suitable location in, or close to, the New Plymouth CBD to construct a specialist accessible toilet facility in 2023/24. We also have incremental increases planned for the cleaning of public toilet facilities, which is a response to increased demand related to projected tourism increases and longer summers associated with climate change.

There will be LTP ongoing investigation and planning, in partnership with mana whenua, for Te Kohia in years one to three of this plan to assist with future decisions in relation to this project.

Parks and Open Spaces

Significant effects on community well-being

Our service has significant positive effects on community well-being offering recreation and leisure opportunities, access to nature and a range of other benefits. Our contribution to environmental, social and economic well-being is outlined in the section 'why we do it'. Potential negative effects of this service are identified in the following table.

Well-being	Impact
Social	Existing design of parks and open space could lead to crime and injury. This is mitigated through best practice crime prevention and injury prevention through environmental design.

Our commitment to you

			What we aim to achieve			
What we will do	How we will keep track	Latest result 2019/20	Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Maintain quality district parks, reserves and open spaces.	The percentage of residents satisfied with the quality of the district's parks and reserves, including the Coastal Walkway and Pukekura Park (satisfaction survey*).	98%	95%	95%	95%	95%
	The percentage of residents satisfied with the quality of the district's urban landscapes and streets (satisfaction survey*).	96%	95%	95%	95%	95%
	The percentage of residents satisfied with the quality of the district's sports parks (satisfaction survey*).	89%	85%	85%	90%	95%
	The percentage of residents satisfied with the quality of the district's playgrounds (satisfaction survey*).	96%	95%	95%	95%	95%
	The percentage of Brooklands Zoo visitors satisfied with the zoo (in-house survey).	100%	90%	90%	90%	90%
Maintain access to the district's parks, reserves and open spaces.	The percentage of households in the district that are within 500 metres of a park, reserve or neighbourhood open space.	84%	80%	80%	80%	80%
Provide quality public toilets across the district.	The percentage of the community satisfied with the quality of the district's public toilets (satisfaction survey*).	87%	80%	80%	80%	80%

* All satisfaction survey targets are excluding 'don't know' responses.

Parks and Open Spaces

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	15.09	17.14	17.92	18.65	19.49	20.21	20.85	21.56	22.34	23.06	23.62
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Fees and charges	2.10	2.15	2.24	2.29	2.34	2.41	2.46	2.52	2.57	2.62	2.70
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	17.20	19.30	20.17	20.95	21.84	22.63	23.33	24.09	24.93	25.69	26.33
Applications of operating funding											
Payments to staff and suppliers	(11.19)	(11.84)	(12.38)	(12.90)	(13.14)	(13.16)	(13.70)	(13.98)	(14.51)	(14.95)	(15.72)
Finance costs	(0.59)	(0.56)	(0.59)	(0.59)	(0.97)	(1.17)	(1.21)	(1.23)	(1.27)	(1.27)	(1.27)
Internal charges and overheads applied	(2.68)	(2.62)	(2.77)	(3.02)	(2.79)	(3.11)	(2.96)	(3.20)	(3.37)	(3.50)	(3.26)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(14.45)	(15.02)	(15.74)	(16.51)	(16.90)	(17.45)	(17.87)	(18.42)	(19.15)	(19.72)	(20.25)
Surplus/(deficit) of operating funding (A - B)	**2.74**	**4.28**	**4.43**	**4.44**	**4.94**	**5.19**	**5.46**	**5.68**	**5.78**	**5.98**	**6.08**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	1.50	1.54	0.05	-	-	-	-	-	-	-
Development and financial contributions	0.58	0.55	0.57	0.59	0.61	0.63	0.66	0.68	0.71	0.74	0.76
Increase/(decrease) in debt	0.64	0.46	1.56	8.25	5.30	1.92	3.30	1.21	0.93	0.56	0.03
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1.22	2.50	3.67	8.89	5.91	2.55	3.96	1.90	1.64	1.29	0.79
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	(0.27)	(0.55)	(0.57)	(0.84)	(0.83)	(0.78)	(0.28)	(0.52)	(0.30)	(0.30)
- to improve the level of service	(0.80)	(2.98)	(3.97)	(9.25)	(6.40)	(3.27)	(4.91)	(3.59)	(3.20)	(3.28)	(2.86)
- to replace existing assets	(1.52)	(4.83)	(3.82)	(2.02)	(3.39)	(3.61)	(2.30)	(2.07)	(2.09)	(2.31)	(5.33)
(Increase)/decrease in reserves	(1.64)	1.29	0.24	(1.49)	(0.23)	(0.03)	(1.43)	(1.63)	(1.61)	(1.39)	1.63
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(3.96)	(6.78)	(8.10)	(13.33)	(10.85)	(7.74)	(9.41)	(7.57)	(7.42)	(7.27)	(6.87)
Surplus/(deficit) of capital funding (C-D)	**(2.74)**	**(4.28)**	**(4.43)**	**(4.44)**	**(4.94)**	**(5.19)**	**(5.46)**	**(5.68)**	**(5.78)**	**(5.98)**	**(6.08)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Parks and Open Spaces

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	2.55	2.60	2.81	2.95	3.08	3.40	3.50	3.56	3.90	3.96	4.01
less deferred/unfunded	(0.31)	0.94	0.77	0.56	0.53	0.23	0.23	0.14	(0.20)	(0.26)	(0.31)
Net funding transferred to renewals reserves	**2.24**	**3.54**	**3.58**	**3.51**	**3.62**	**3.64**	**3.73**	**3.70**	**3.70**	**3.70**	**3.70**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Kaitake Trail	5,174,150	1,509,000	1,545,150	2,120,000	-	-	-	-	-	-	-
Kawaroa to Belt Road cliff erosion and seawall	6,365,100	603,600	-	4,240,000	1,521,500	-	-	-	-	-	-
Urenui swing bridge renewal and erosion protection	1,771,687	261,560	1,510,127	-	-	-	-	-	-	-	-
Rotomanu water outlet	251,500	251,500	-	-	-	-	-	-	-	-	-
Brooklands Zoo strategic implementation	3,636,404	37,251	553,193	569,100	2,213,231	41,239	42,268	43,489	44,279	45,474	46,882
Te Rewa Rewa co-management plan implementation	515,050	-	515,050	-	-	-	-	-	-	-	-
Onaero Recreation Reserve improvements	1,048,278	-	339,933	349,800	358,545	-	-	-	-	-	-
Pukekura Park water quality	530,000	-	-	530,000	-	-	-	-	-	-	-
Ōākura Cemetery extension development	64,660	-	-	64,660	-	-	-	-	-	-	-
Accessible beach access to Three Sisters	31,800	-	-	31,800	-	-	-	-	-	-	-
CBD strategy projects - implementation	11,729,996	-	-	-	1,552,142	1,591,000	1,630,714	1,671,428	1,714,857	1,761,142	1,808,714
Playground equipment renewal - Kawaroa Park	467,195	-	-	-	467,195	-	-	-	-	-	-
Accessible toilets - Accessibility Strategy	318,000	-	-	-	318,000	-	-	-	-	-	-
Rogan Street playground renewal	233,598	-	-	-	233,598	-	-	-	-	-	-
New play space development	673,952	-	-	-	217,989	225,171	230,792	-	-	-	-
Public toilets - Weld Road renewal	217,300	-	-	-	217,300	-	-	-	-	-	-
Urenui Cemetery extension	222,740	-	-	-	-	222,740	-	-	-	-	-
Inglewood link to Taranaki Traverse land purchase	684,900	-	-	-	-	-	684,900	-	-	-	-
Lepperton public toilets	399,525	-	-	-	-	-	399,525	-	-	-	-
Richmond Cottage seismic strengthening	171,225	-	-	-	-	-	171,225	-	-	-	-

Parks and Open Spaces

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Okato and Hickford Park playgrounds - sun shade sails	159,810	-	-	-	-	-	159,810	-	-	-	-
Ōākura Hall seismic strengthening	102,735	-	-	-	-	-	102,735	-	-	-	-
Inglewood Railway Station and yard land	947,700	-	-	-	-	-	-	947,700	-	-	-
Vicarage seismic strengthening	300,100	-	-	-	-	-	-	-	300,100	-	-
Mangorei Hall seismic strengthening	180,060	-	-	-	-	-	-	-	180,060	-	-

Puke Ariki and Community Libraries

What we do

We are an integrated knowledge hub comprising a museum, a central library, five community libraries, a mobile library, a digital library, and a visitor information centre.

Puke Ariki and the community libraries provide access to a wealth of quality physical and digital resources to both residents and visitors to the region. We offer a range of knowledge, exhibitions, experiences and information to meet the ever-changing needs of our people.

Our programming is based on literacy and digital needs, and on learning experiences that meet and reflect the needs of our people. We offer space for people to study and connect in a safe, neutral environment. Our dynamic people-orientated facilities, protect and promote access to the heritage of the district and to the national heritage of Aotearoa New Zealand.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

The Puke Ariki and Community Libraries service contributes to the goals of partnerships, delivery, community and prosperity. Our exhibitions, heritage collections, research facilities and public education programmes foster connection and a collective sense of identity in the community. We promote a strong sense of Taranaki culture and identity, offering experiences that nurture a greater understanding of Te Ao Māori, which contributes to social and cultural well-being in our community.

Our central and community library services build knowledge, skills and literacy within the community by providing learning opportunities to maximise the potential and connection of our communities. This also contributes to prosperity and economic well-being. The i-SITE visitor information centre and store provides valuable local knowledge that directs visitors to local attractions and encourages them to spend time in the district.

We also support and promote a range of local businesses who contribute to a diverse economy and support economic well-being.

How we pay for it

Puke Ariki receives its funding from general rates, fees and charges, and sponsorship and grants.

Looking ahead

Highly regarded by local, national and international visitors, the museum at Puke Ariki will continue to offer services that contribute to the district as a premier destination. We will continue to incorporate new developments in visitor engagement to maximise the exhibition experience.

We know that over 70 per cent of our museum visitors are from Taranaki and we are committed to building on this number. We will continue our long-term gallery refreshment programme, which includes regularly changing our heritage collection items, renewing appropriate exhibition furniture and integrating new technology.

In a changing digital and technological world, our library services and spaces are constantly evolving to meet our customers' expectations. An estimated 53 per cent of Puke Ariki's heritage collection is currently available digitally and we are seeing an increasing demand for these resources. We will meet this demand by providing selected digital products and experiences that enhance our existing programme as well as expanding the database. Part of this programme is the continual integration of new technology across all our library sites to ensure we are meeting community needs.

Our i-SITE is part of the nationwide visitor information brand which is under review. The i-SITE Future Network Strategy may impact on our i-SITE business model and operations. We expect to know the outcomes of the review by July 2021.

Puke Ariki and Community Libraries

The changes we have made

We have recently undertaken high level strategic planning for the development of our community libraries. Redevelopment of the Waitara community library is planned for years five and six and the Bell Block community library for years 11 to 15 of NPDC's Infrastructure Strategy.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. There are no significant negative effects identified from this activity

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Provide an accessible and informative point of contact and booking service for visitors to New Plymouth District.	The percentage of customers satisfied with the i-SITE Visitor Information Centre (in-house survey).	99% (target 95%)	98%	98%	98%	98%
Ensure library collections, including digital resources, are available to meet the needs of the community.	The number of items per capita is maintained.	New measure	3 to 3.5 items	3 to 3.5 items	3 to 3.5 items	3 to 3.5 items
Number of annual physical visits across Puke Ariki libraries (except during times of closure).	Average customers per week.	New measure	5,000 per week	> previous year	> previous year	> previous year
Provide access to online information using public computing devices.	Free WiFi available and access to online information using public computers and customer devices is available.	New measure	Free access at all libraries	Free access at all libraries	Free access at all libraries	Free access at all libraries
We offer widely accessible and engaging education programmes and public and community programmes.	The annual number of programmed learning opportunities on offer.	1,506	1,200	1,200	1,200	1,200
	The number of participants attending.	35,316	29,000	29,000	29,000	29,000
	The percentage of participants satisfied with programmes (in-house).	97%	95%	95%	95%	95%
Provide new, dynamic exhibitions regularly to ensure visitor engagement and repeat visits.	Refresh of permanent galleries.	New measure	1	1	1	1
	Temporary exhibitions annually.	New measure	2	2	2	2
	Additional exhibitions per year in other Gallery spaces.	New measure	4	4	4	4
Provide online access to the heritage collection through a variety of platforms.	Addition of digital product/experiences and other digital platform exhibitions per year.	New measure	4	4	4	4

Puke Ariki and Community Libraries

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	12.01	11.32	12.74	12.83	13.33	13.47	14.00	14.37	14.66	14.95	15.37
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0.30	0.56	0.56	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Fees and charges	0.30	0.48	0.41	0.46	0.42	0.47	0.43	0.48	0.44	0.44	0.45
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	12.62	12.36	13.72	13.70	14.15	14.35	14.83	15.25	15.51	15.80	16.22
Applications of operating funding											
Payments to staff and suppliers	(6.54)	(6.64)	(7.34)	(7.60)	(7.96)	(7.91)	(8.09)	(8.31)	(8.40)	(8.59)	(8.96)
Finance costs	(0.07)	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(3.75)	(3.32)	(3.87)	(3.60)	(3.63)	(3.80)	(3.85)	(3.95)	(4.11)	(4.21)	(4.26)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(10.37)	(9.96)	(11.21)	(11.20)	(11.59)	(11.71)	(11.94)	(12.25)	(12.51)	(12.80)	(13.22)
Surplus/(deficit) of operating funding (A - B)	**2.25**	**2.40**	**2.50**	**2.50**	**2.57**	**2.64**	**2.89**	**3.00**	**3.00**	**3.00**	**3.00**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	0.16	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	0.22	0.09	0.08	0.48	0.16	4.55	4.51	(0.19)	(0.18)	(0.16)	(0.15)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	0.38	0.09	0.08	0.48	0.16	4.55	4.51	(0.19)	(0.18)	(0.16)	(0.15)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	(0.80)	(0.82)	-	-	-	-
- to improve the level of service	-	(0.05)	(0.10)	(0.39)	(0.04)	(3.65)	(3.74)	-	-	-	-
- to replace existing assets	(0.94)	(1.38)	(2.12)	(2.35)	(3.81)	(2.85)	(1.81)	(1.77)	(1.89)	(1.94)	(1.78)
(Increase)/decrease in reserves	(1.69)	(1.06)	(0.37)	(0.25)	1.13	0.12	(1.03)	(1.05)	(0.93)	(0.89)	(1.06)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(2.63)	(2.49)	(2.59)	(2.98)	(2.72)	(7.19)	(7.40)	(2.81)	(2.82)	(2.83)	(2.84)
Surplus/(deficit) of capital funding (C-D)	**(2.25)**	**(2.40)**	**(2.50)**	**(2.50)**	**(2.57)**	**(2.64)**	**(2.89)**	**(3.00)**	**(3.00)**	**(3.00)**	**(3.00)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Puke Ariki and Community Libraries

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	2.08	2.08	2.20	2.21	2.21	2.51	2.60	2.60	2.82	2.82	2.82
less deferred/unfunded	(0.10)	0.19	0.11	0.03	0.11	(0.14)	(0.15)	(0.18)	(0.40)	(0.40)	(0.40)
Net funding transferred to renewals reserves	**1.98**	**2.27**	**2.31**	**2.24**	**2.32**	**2.36**	**2.45**	**2.42**	**2.42**	**2.42**	**2.42**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Waitara Library redevelopment	9,020,800	-	-	-	-	4,454,800	4,566,000	-	-	-	-

Stormwater Management

What we do

Our service collects and disposes of stormwater runoff from urban areas, and manages and maintains our stormwater network.

Stormwater is rainwater that flows from surfaces such as rooves, gardens, footpaths and roads. NPDC's stormwater drainage schemes include New Plymouth, Bell Block, Waitara, Inglewood, Urenui, Onaero, Lepperton, Egmont Village, Ōākura and Okato.

To manage stormwater in the district we operate and maintain 312 kilometres of stormwater pipes, and a number of detention areas and engineered wetlands.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity.* These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future.

An inadequate stormwater system can lead to ponding of water. This can damage property, pose risks to people's safety and create inflow into wastewater pipes, leading to wastewater overflows to the environment. Our service manages urban stormwater runoff by ensuring there is a consistent standard of design and protection to reduce these risks. This service also protects people and property from the effects of stormwater runoff and localised flooding after a significant rainfall event. This work contributes to the goals of delivery, community, sustainability and prosperity.

Effective stormwater management also protects our natural waterways from the negative impacts of pollution. Our planning for future challenges, such as an increased rainfall and climate change, minimises potential risks to property and industry. We accommodate development associated with population growth through providing new stormwater systems. All of this work supports social, economic and environmental well-being.

How we pay for it

Our service is funded through general rates. Capital improvements are loan funded while renewal and replacement of assets comes from NPDC's renewal reserves. The replacement value of stormwater assets is $347.5m.

Looking ahead

Population growth in the district means urban areas are expanding, resulting in greater amounts of paved areas such as roads. Increased areas of paved land and reduced areas of free draining grass or pasture leads to increased stormwater runoff. This runoff has the potential to overwhelm existing stormwater systems, increasing the risk of flooding. Taranaki is predicted to experience an increase in rainfall and high intensity storms related to climate change, which would also put increased pressure on our existing stormwater systems.

We know that in severe storms, flooding can make life difficult for people and businesses. It is important that our stormwater systems can reliably manage increased runoff so that the effect of any flooding event is minimised. Rules included in the District Plan place limits on how much of a property's total land area can be covered by buildings. The District Plan also requires all stormwater generated on a property to be disposed of onsite. Prior to development of new subdivisions, NPDC works with property developers to make sure the overland flowpaths of stormwater are considered in design and planning.

We are investing in modelling to better predict stormwater patterns and the effects of flooding in the district. This will help us identify options for improving stormwater systems in those areas that need it. We will use this information to develop a series of stormwater catchment management plans which will identify where development is risky and which techniques and options will be most effective in minimising future flooding.

Following a drinking water contamination event in Havelock North in 2016, central government has launched a programme of water service delivery reform in New Zealand, with an expressed aim to develop larger water supply entities (for drinking water, wastewater and stormwater). NPDC is providing information to central government and participating in a stimulus programme, accepting a $10.1m grant to spend on three waters infrastructure. The Stormwater Management service will receive about $2.5m of this stimulus programme. NPDC and the other two district councils in Taranaki have reviewed proposed delivery structures for new three water services, but have made no commitment to reform at this stage.

The changes we have made

Changes in this LTP include increased funding of renewals. There are also service level capital expenditure projects of $26.2m proposed over the life of this plan. This expenditure includes a significant commitment to improving stormwater infrastructure within Waitara.

We will also build and maintain a stormwater network model to help us with future stormwater planning and decisions. This modelling requires additional funding for across years three to 10 of this plan. Other proposed stormwater projects include Egmont Road and stormwater upgrades at Govett Avenue, Doralto Road and South Road.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects of the service are identified in the following table.

Well-being	Impact
Social and economic	Existing systems may not be adequate to provide for increasingly heavy rain and may lead to increased property damage and transport disruption. We mitigate this by ensuring a consistent standard of design and level of protection, and we are investing in modelling to assist in predicting impacts of flooding and options for improving systems in those areas that need it.
Environmental and cultural	Discharge of stormwater can affect water quality. This is damaging to the environment and degrades iwi cultural values. We mitigate this by requiring onsite disposal of stormwater where possible, and by providing pond and wetland treatment facilities such as those at Peringa Park and Mangati Stream.

Stormwater Management

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve			
			Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Provide a stormwater management system that protects people and property.	The number of flooding events in the district per financial year.	0	0	0	0	0
	The number of habitable floors affected in each flooding event (per 1,000 properties connected to NPDC's stormwater system).	0	1 or less	1 or less	1 or less	1 or less
Comply with all resource consents for discharges from our stormwater system.	The number of abatement notices received.	6	0	0	0	0
	The number of infringement notices received.	0	0	0	0	0
	The number of enforcement orders received.	0	0	0	0	0
	The number of convictions received.	0	0	0	0	0
Respond to service requests in a timely manner.	The median response time to a flooding event (from the time that NPDC receives notification to the time service personnel reach the site).	0.54 hours	one hour	one hour	one hour	one hour
Ensure customers are satisfied with the performance of our stormwater system.	The number of complaints received about the performance of NPDC's stormwater system (per 1,000 properties connected).	2.55 (target 7 or less)	8 or less	8 or less	8 or less	7 or less

Stormwater Management

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	1.81	2.26	2.84	4.48	10.43	10.26	12.73	10.80	10.93	11.04	11.14
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	1.82	2.27	2.86	4.49	10.44	10.28	12.75	10.81	10.94	11.06	11.15
Applications of operating funding											
Payments to staff and suppliers	(0.74)	(0.78)	(1.36)	(1.69)	(1.35)	(1.40)	(1.51)	(1.27)	(1.30)	(1.34)	(1.38)
Finance costs	(0.18)	(0.16)	(0.18)	(0.18)	(0.60)	(0.78)	(0.88)	(0.90)	(0.85)	(0.81)	(0.77)
Internal charges and overheads applied	(0.48)	(0.66)	(0.72)	(0.74)	(0.75)	(0.80)	(0.77)	(0.78)	(0.82)	(0.84)	(0.83)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(1.40)	(1.60)	(2.26)	(2.61)	(2.70)	(2.99)	(3.16)	(2.95)	(2.97)	(2.99)	(2.99)
Surplus/(deficit) of operating funding (A - B)	**0.42**	**0.67**	**0.59**	**1.88**	**7.74**	**7.28**	**9.59**	**7.87**	**7.97**	**8.07**	**8.17**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	0.23	0.32	0.33	0.35	0.36	0.37	0.39	0.40	0.42	0.43	0.45
Increase/(decrease) in debt	1.62	1.53	2.65	2.77	6.54	2.16	2.23	2.26	2.22	2.20	2.17
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	1.85	1.85	2.99	3.11	6.90	2.53	2.62	2.66	2.64	2.63	2.62
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	(0.09)	(0.18)	(0.28)	(1.09)	(1.12)	(1.12)	(1.15)	(1.18)	(1.21)	(1.24)	(1.28)
- to improve the level of service	(1.54)	(2.07)	(3.11)	(2.41)	(6.23)	(1.94)	(1.99)	(2.04)	(2.09)	(2.15)	(2.20)
- to replace existing assets	(0.33)	(0.51)	(1.61)	(2.86)	(3.55)	(4.90)	(6.08)	(6.33)	(6.61)	(6.94)	(7.30)
(Increase)/decrease in reserves	(0.30)	0.24	1.42	1.37	(3.75)	(1.85)	(2.98)	(0.98)	(0.70)	(0.37)	(0.01)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(2.27)	(2.52)	(3.58)	(5.00)	(14.64)	(9.81)	(12.20)	(10.53)	(10.61)	(10.70)	(10.79)
Surplus/(deficit) of capital funding (C-D)	**(0.42)**	**(0.67)**	**(0.59)**	**(1.88)**	**(7.74)**	**(7.28)**	**(9.59)**	**(7.87)**	**(7.97)**	**(8.07)**	**(8.17)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Stormwater Management

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	3.65	3.69	3.96	4.02	4.14	4.56	4.62	4.67	5.12	5.17	5.23
less deferred/unfunded	(3.38)	(3.43)	(3.77)	(2.53)	3.15	2.19	4.45	2.64	2.19	2.14	2.08
Net funding transferred to renewals reserves	**0.27**	**0.27**	**0.19**	**1.49**	**7.29**	**6.75**	**9.06**	**7.31**	**7.31**	**7.31**	**7.31**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Waitara stormwater upgrades	20,188,890	2,030,108	3,103,735	2,181,857	2,186,440	1,670,550	1,712,250	1,755,000	1,800,600	1,849,200	1,899,150
Stormwater network modelling	9,271,000	-	-	1,060,000	1,086,500	1,113,700	1,141,500	1,170,000	1,200,400	1,232,800	1,266,100
Egmont Road stormwater	2,824,900	-	-	-	2,824,900	-	-	-	-	-	-
Govett Avenue/Doralto Road/South Road stormwater upgrades	977,850	-	-	-	977,850	-	-	-	-	-	-

Transportation

What we do

We manage an efficient transport network enabling the safe and effective movement of people, goods and services around the district.

Transportation operates and maintains the district's existing transport network, and plans and prepares for future growth and development in the district.

Working within a complex mix of policy, legislation, and national and regional strategies, we develop, maintain and renew assets in the network. We also conduct traffic management on all roads except state highways. Our service includes:

- 1,285 kilometres of roads.
- 521 kilometres of footpaths.
- 166 bridges and 97 culverts
- Over 8,000 street lights.
- Over 11,000 traffic signs.
- Five tunnels.
- Cycleways, bus shelters, traffic lights, and traffic management.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity.* These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Providing a transport network that enables access for people, goods and services both across the district and in and out of the region contributes to all of these goals.

Our service enables safe travel for vehicles while providing and promoting alternative transportation for cyclists and pedestrians. Our work actively contributes to social, environmental and economic well-being in the district. Well designed and maintained roads and footpaths offer safe public places, promoting community cohesion and a sense of place. Our ongoing planning and development of walking and cycling networks, and our support of public transport contributes to environmental well-being by encouraging a reduction in private vehicle use and the associated carbon emissions. Providing and maintaining quality roads and footpaths also supports industry and development, contributing to economic well-being.

Our network planning requires partnerships with tangata whenua and other transport network owners such as the Taranaki Regional Council and our funding partner, Waka Kotahi NZ Transport Agency. This work is about future proofing, safety and preparing for growth, all of which contributes to community well-being now and in the future.

How we pay for it

Our service is funded through general rates, a targeted rate, and road user revenue collected and distributed by Waka Kotahi NZ Transport Agency. Capital improvements are loan funded, while asset renewals and replacements are funded from renewal reserves and financial assistance, such as subsidies. The replacement value of roading assets is $1 billion.

Looking ahead

The district's growing population means we can expect an increase in the flow of both goods and people on the district's transportation networks. This is likely to result in greater wear on roads, increase the risk of crashes and congestion, and create user frustration in peak periods, especially on key corridors. As more lifestyle properties develop in rural areas, people will expect improvements to rural roads. There is already a greater number of heavy vehicles on our roads, accelerating damage and risk in some places.

We know there are limitations to our existing network, and that some key and strategic arterial routes will not support future growth in the district. For example, the one way state highway system creates a separation between the Central Business District and urban New Plymouth. Additionally, the single crossing point over the Waiwhakaiho River via State Highway 3 restricts movement from east to west. New Plymouth also risks disconnection from the north should the river crossing fail. Roading infrastructure can also be impacted by extreme weather events which are predicted to occur more regularly as a result of climate change.

Transportation

With population growth expected to result in new subdivisions on urban fringes, and more intensive living within New Plymouth's urban boundary, we will be using modelling to understand the implications of growth on our service. We will use this research to provide for the movement of people and goods at peak times, ensuring travel time is not adversely affected as the population and economy grows. As part of this network modelling, we will also consider a second crossing of the Waiwhakaiho River, and investigate east to west routing options.

In response to population growth, an ageing population, new subdivisions on urban fringes, and a growing expectation for improved alternative transport, we will also invest in cycling and pedestrian facilities and bus services. This will improve provisions for alternative modes of transport, including mobility scooters, to ensure the network is safe for all users. We will also continue to maintain and upgrade infrastructure to keep the network operating, and provide additional capacity where needed.

The changes we have made

We have committed to increase the funding of renewals. Service level capital expenditure projects of $74.6m are proposed over the life of this plan.

This includes improvement projects in walking and cycling provisions, in bridges, bridge barriers and tunnels, and in overall road safety.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects of the service are identified in the following table.

Well-being	Impact
Social	When there are limited opportunities for vulnerable users to cross major roads and access community facilities such as schools and parks the transport network can sever communities. We mitigate this by providing safe pedestrian crossing facilities on desirable routes, by delivering education programmes to schools, and by continued investment in a well connected, sustainable transport network.
Economic	The cost of maintaining and operating the transport network is increasing. We mitigate this by preparing the Transportation Asset Management Plan which aligns to good practice asset management principles.
Environmental	By maintaining safe roads we are supporting the use of motor vehicles. The use of these vehicles has a negative impact on the environment and can impact health outcomes. We mitigate this by developing infrastructure that will support a shift to sustainable transport modes. We also offer education around sustainable transport such as the Let's Go campaign.
Cultural	Construction of transport projects has the potential to impact on cultural values. This is mitigated by engaging effectively with iwi and others when proposing transport options.

Transportation

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Provide a local roading network that is safe for all road users.	The change from the previous financial year in the number of fatality and serious injury crashes on the district's local roading network.	25	Reducing	Reducing	Reducing	40% reduction from 2019/20 baseline
Provide good quality district roads.	The average quality of ride on the district's sealed local road network, as measured by smooth travel exposure.	85%	88%	89%	90%	90%
	The percentage of residents satisfied with the overall quality of the district's roads (satisfaction survey*).	81%	85%	85%	85%	85%
Appropriately maintain the district's sealed roads.	The minimum percentage of the sealed local road network that is resurfaced.	4%	4%	4%	4%	4%
Provide a high quality and safe footpath network.	The percentage of footpaths that meet the levels of service and service standards in current condition surveys, as set out in the Transportation Asset Management Plan.	88%	More than 90% of footpath length surveyed in good or excellent condition	More than 90% of footpath length surveyed in good or excellent condition	More than 90% of footpath length surveyed in good or excellent condition	More than 90% of footpath length surveyed in good or excellent condition
	Footpath length recorded as failed.	0.3%	Less than 1% of footpath length recorded as failed	Less than 1% of footpath length recorded as failed	Less than 1% of footpath length recorded as failed	Less than 1% of footpath length recorded as failed
Respond to service requests in a timely manner.	The percentage of roading and footpath related customer service requests responded to within target timeframes.[1]	98%	95%	95%	95%	95%
Provide a quality and safe cycle network.	The percentage of residents satisfied with the quality and safety of the district's cycle network (satisfaction survey*).	84%	85%	85%	85%	85%

[1] Service request timeframes:
- one day for an electrical fault with traffic signals, flooding, diesel spills, chemical spills or a slip to be cleared.
- three days for street lighting faults and potholes.
- five days for traffic counts, bus shelter repairs, road marking enquiries, culvert maintenance, rubbish bins, reinstatement of footpaths and debris in the roadside channel.
- ten days for road surface faults, kerb and channel repairs, new kerb and channel, missing road signs and vegetation clearing.

* All satisfaction survey targets are excluding 'don't know' responses.

Transportation

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	9.63	14.27	15.12	15.40	16.53	17.78	18.75	19.02	19.63	19.82	19.87
Targeted rates	4.39	4.45	4.61	4.79	4.95	5.13	5.31	5.49	5.69	5.90	6.11
Subsidies and grants for operating purposes	4.11	5.83	4.59	4.37	5.36	5.58	5.71	5.77	5.96	6.28	6.60
Fees and charges	0.35	0.85	1.53	1.58	1.63	1.69	1.74	1.80	1.86	1.92	1.99
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	0.53	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Total operating funding (A)	19.02	25.97	26.42	26.72	29.04	30.75	32.08	32.66	33.72	34.50	35.15
Applications of operating funding											
Payments to staff and suppliers	(9.32)	(13.03)	(13.12)	(12.62)	(12.58)	(13.07)	(13.32)	(13.51)	(13.92)	(14.54)	(15.25)
Finance costs	(1.01)	(1.09)	(1.63)	(2.10)	(2.72)	(3.27)	(3.91)	(4.34)	(4.73)	(4.78)	(4.81)
Internal charges and overheads applied	(2.44)	(3.28)	(3.77)	(3.93)	(3.92)	(4.22)	(4.02)	(4.11)	(4.36)	(4.47)	(4.39)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(12.77)	(17.41)	(18.51)	(18.65)	(19.21)	(20.56)	(21.25)	(21.96)	(23.02)	(23.79)	(24.45)
Surplus/(deficit) of operating funding (A - B)	**6.25**	**8.57**	**7.91**	**8.08**	**9.83**	**10.19**	**10.83**	**10.70**	**10.70**	**10.70**	**10.70**
Sources of capital funding											
Subsidies and grants for capital expenditure	8.63	10.38	9.82	11.17	10.11	14.02	13.31	10.46	8.34	8.29	7.83
Development and financial contributions	0.32	0.09	0.09	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.13
Increase/(decrease) in debt	3.03	4.61	8.29	10.64	6.28	5.45	4.62	0.77	(1.19)	(1.14)	(0.95)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	11.98	15.08	18.21	21.91	16.49	19.58	18.04	11.34	7.27	7.28	7.01
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	(1.44)	(1.08)	(1.49)	(1.90)	(2.03)	(1.92)	(1.84)	(1.03)	(0.48)	(0.50)	(0.57)
- to improve the level of service	(4.66)	(7.09)	(14.06)	(16.61)	(10.12)	(12.40)	(11.44)	(5.13)	(1.65)	(1.70)	(1.84)
- to replace existing assets	(16.62)	(16.06)	(14.43)	(16.61)	(13.37)	(15.55)	(15.53)	(16.26)	(16.06)	(15.96)	(15.05)
(Increase)/decrease in reserves	4.48	0.59	3.85	5.13	(0.80)	0.10	(0.07)	0.38	0.22	0.18	(0.26)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(18.23)	(23.65)	(26.13)	(29.99)	(26.32)	(29.77)	(28.88)	(22.05)	(17.97)	(17.98)	(17.71)
Surplus/(deficit) of capital funding (C-D)	**(6.25)**	**(8.57)**	**(7.91)**	**(8.08)**	**(9.83)**	**(10.19)**	**(10.83)**	**(10.70)**	**(10.70)**	**(10.70)**	**(10.70)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Transportation

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	11.30	11.39	12.29	12.53	12.75	14.06	14.28	14.41	15.72	15.76	15.80
less deferred/unfunded	(6.10)	(3.85)	(4.62)	(5.07)	(5.13)	(6.26)	(6.25)	(6.46)	(7.77)	(7.81)	(7.85)
Net funding transferred to renewals reserves	**5.19**	**7.54**	**7.66**	**7.46**	**7.61**	**7.81**	**8.03**	**7.95**	**7.95**	**7.95**	**7.95**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Coastal Walkway extension to Waitara	28,310,399	3,892,214	3,976,186	5,893,600	2,987,875	5,145,294	6,415,230	-	-	-	-
Te Rewa Rewa bridge repaint	1,509,000	1,509,000	-	-	-	-	-	-	-	-	-
David Street - Tukapa Street signalisation	784,680	784,680	-	-	-	-	-	-	-	-	-
Mangorei Road (Tupuhi Place to Mangorei School) kerb and channel	251,500	251,500	-	-	-	-	-	-	-	-	-
Waiwhakaiho pedestrian bridge to The Valley	1,309,763	150,900	1,158,863	-	-	-	-	-	-	-	-
Lorna Street - Devon St West signalisation	744,413	100,600	643,813	-	-	-	-	-	-	-	-
Parklands Avenue - Mangati Road intersection roundabout	100,600	100,600	-	-	-	-	-	-	-	-	-
Hobson Street - Devon St East intersection improvements	657,095	90,540	566,555	-	-	-	-	-	-	-	-
Gover Street - Liardet Street central block traffic calming	2,175,456	70,420	880,736	789,700	434,600	-	-	-	-	-	-
Brois Street - Govett Avenue intersection roundabout	65,390	65,390	-	-	-	-	-	-	-	-	-
Bayly Street kerbing and drainage improvements (Waitara)	761,069	50,300	710,769	-	-	-	-	-	-	-	-
SH3 Inglewood pedestrian crossing signals	436,829	40,240	396,589	-	-	-	-	-	-	-	-
Inglewood Windsor Walkway safety improvements	339,210	30,180	309,030	-	-	-	-	-	-	-	-
Mill Road (Harris - Huatoki Reserve) walking improvements	25,150	25,150	-	-	-	-	-	-	-	-	-
Dixon Street to Corbett Park Walkway	824,080	-	824,080	-	-	-	-	-	-	-	-
Raleigh Street - Tate Road intersection	327,5554	-	36,054	291,500	-	-	-	-	-	-	-
Airport Drive - Parklands Avenue intersection	2,689,750	-	-	1,060,000	1,629,750	-	-	-	-	-	-

Transportation

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Brooklands Road - Hori Street - Upjohn Street intersection safety improvements	1,442,169	-	710,769	731,400	-	-	-	-	-	-	-
Strandon Village placemaking	463,545	-	463,545	-	-	-	-	-	-	-	-
Tukapa Street - Saunders Avenue intersection traffic signalisation	453,244	-	453,244	-	-	-	-	-	-	-	-
Otararoa Road geometric improvement	522,525	-	257,525	265,000	-	-	-	-	-	-	-
Pohutukawa Place walking and drainage improvements	226,622	-	226,622	-	-	-	-	-	-	-	-
Waitara festive lighting	206,020	-	206,020	-	-	-	-	-	-	-	-
Belair Avenue - Omata Road intersection roundabout	1,395,733	-	123,612	1,267,145	4,976	-	-	-	-	-	-
Colson Road extension (Smart Road - Egmont Road)	4,442,158	-	103,010	-	162,975	751,748	1,084,425	2,340,000	-	-	-
Wairau Road footpath	82,408	-	82,408	-	-	-	-	-	-	-	-
Sisson Terrace widening	67,987	-	67,987	-	-	-	-	-	-	-	-
Wills Road widening	507,455	-	46,355	461,100	-	-	-	-	-	-	-
Welcome to Waitara signage	25,753	-	25,753	-	-	-	-	-	-	-	-
Junction Street bridge upgrade	2,581,100	-	-	2,581,100	-	-	-	-	-	-	-
Waitaha Stream underpass	742,000	-	-	742,000	-	-	-	-	-	-	-
Surrey Hill Road, Kaitake Trail (Wairau Road to Kaitake Road)	678,400	-	-	678,400	-	-	-	-	-	-	-
Surrey Hill Road, Kaitake Trail (Kaitake Road to trail entrance)	583,000	-	-	583,000	-	-	-	-	-	-	-
Devon St East - Currie Street intersection improvements	174,900	-	-	174,900	-	-	-	-	-	-	-
Henwood Road bridge (over SH3) traffic signalisation	541,925	-	-	53,000	488,925	-	-	-	-	-	-
North Egmont carpark	1,195,150	-	-	-	1,195,150	-	-	-	-	-	-
Waiwhakaiho cycleway (Mangorei Road to Lake Mangamahoe)	1,072,598	-	-	-	529,669	542,929	-	-	-	-	-
Huatoki Street shared pathway (Vogeltown School - Brois Street)	434,600	-	-	-	434,600	-	-	-	-	-	-
Breakwater Road - Ngamotu Road - Centennial Avenue intersection improvements	271,651	-	-	-	270,588	1,063	-	-	-	-	-
Huatoki Street bridge upgrade	1,610,241	-	-	-	184,705	1,425,536	-	-	-	-	-
Upjohn Street shared pathway (Evelyn Street - Brooklands Road)	1,234,491	-	-	-	157,543	1,076,948	-	-	-	-	-
Coronation Avenue - Rogan Street intersection traffic signals	1,254,945	-	-	-	141,245	1,113,700	-	-	-	-	-
Clemow Road cycleway (Rotokare - Devon St East)	1,010,340	-	-	-	124,948	885,392	-	-	-	-	-
Inglewood CBD upgrade	108,650	-	-	-	108,650	-	-	-	-	-	-
Cumberland Street (Arawa Street - Heta Road) shared pathway	86,920	-	-	-	86,920	-	-	-	-	-	-
Morley Street - Vivian Street intersection traffic signalisation	501,165	-	-	-	-	501,165	-	-	-	-	-
Record Street shared pathway (Clemow Road to Coastal Walkway)	1,525,580	-	-	-	-	161,487	1,364,093	-	-	-	-
Bishop Road extension (Egmont Road - Henwood Road)	3,430,643	-	-	-	-	94,665	1,580,978	1,755,000	-	-	-
Cumberland Street - Coronation Avenue intersection traffic signal	654,895	-	-	-	-	48,893	606,002	-	-	-	-
Elliot Street precinct	142,688	-	-	-	-	-	142,688	-	-	-	-

Venues and Events

What we do

We attract and manage a diverse range of events in the district, manage Council-owned venues and operate and manage the district pools.

Our Events team plans and delivers the annual TSB Festival of Lights, the Home and Lifestyle Expo and a number of civic and community events, including local Waitangi Day celebrations. We also facilitate a number local events in other parts of the district.

We also secure and manage a diverse programme of events at the TSB Bowl of Brooklands, TSB Showplace, TSB Stadium and Yarrow Stadium. All of our events work is aligned with, and supportive of, the *2020-2030 Taranaki Regional Events Strategy.*

This service is also responsible for the Todd Energy Aquatic Centre and other community pools. The Aquatic Centre provides for a range of ages and activities, including learn to swim and fitness classes. The district's four community pools are seasonal, operating over the summer months. NPDC also provides financial support for the Bell Block Community Pool.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity.* These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. The Venues and Events service plays an important part in achieving NPDC's strategic vision.

The Venues and Events service supports an innovative and resilient district. Our strong operational excellence and quality infrastructure means we provide a viable, sustainable and accessible service, contributing to the goals of community and prosperity. Our diverse programme of high quality and affordable events and activities offers opportunities for our community to participate or spectate, to be creative, active and connected in a safe and inclusive environment, all of which supports social and cultural well-being.

We also build and nurture strong partnerships with our sponsors and naming rights partners, funding bodies, relevant central government agencies, related industry bodies, tangata whenua and private enterprise. Taking advantage of funding, cost reduction or programme opportunities ensures our facilities and activities offer high quality experiences for our community.

Presenting major concerts, and sports and other events attracts visitors to the district, supporting diversification in the tourism market and a prosperous local economy. Venues and events engage a significant number of local suppliers and casual staff, all of which contributes to economic growth and prosperity in the district.

How we pay for it

Our service is funded through general rates, user fees and charges, grants and donations, and sponsorship.

Looking ahead

The Venues and Events service will be challenged by a number of factors during the life of this plan. These include an increasing population, an ageing population, an increased number of visitors to the district as a tourist destination, and ageing infrastructure. Other challenges relate to customer expectations, user satisfaction, meeting safety standards and providing accessibility.

Community use of the Todd Energy Aquatic Centre is very high and congested during peak times, particularly throughout the winter months when the outdoor pool is closed. Meeting customer expectations is not always possible, especially in relation to the indoor pool. Our ageing population will also create more demand for accessibility, and pool heating for all seasonal community pools, including the flagship Todd Energy Aquatic Centre. Meeting these demands requires a strong programme of capital renewal and operational maintenance.

Improvements to highways and the redevelopment of our airport has created better access to the region, which may increase visitor numbers and provide opportunities to secure more events. There is increased competition from other regions in attracting major events. This means we need to ensure we have the operational capability and staff to manage and deliver new business and meet changes in industry standards.

Venues and Events

Currently the TSB Stadium and TSB Showplace are operating at close to full capacity. Yarrow Stadium is expected to return to full operations in 2023/24. The reintroduction of Yarrow Stadium to full operational capability will have a positive impact on the events calendar.

There is a shortfall in the district's sporting facilities, particularly in indoor court space, movement facilities (such as gym sports) and specialist turf facilities. There are significant benefits to combining a range of sport facilities in a single multi-use location. NPDC is contributing funding toward a multi-sport hub which would provide opportunities to attract events such as tournaments, and support the wider community to be active and healthy.

Feedback from the community includes requests for a wider seasonal spread of events, family focused New Year's Eve events, and expansion of the Festival of the Lights to include the Central Business District. Communities in the district's smaller centres have also requested expansion of events activities to include their towns.

Our heavy reliance on sponsorship to support our service is a challenge in a fiscally constrained environment. The events activity is committed to growing a highly successful community events programme that meets community expectations and attracts sponsorship and other funding in a competitive market.

The changes we have made

Service level capital expenditure projects of $36.7m are proposed over the life of this plan, with $38.5m going toward building a multi-sport hub. Construction of the hub building is planned to commence in year four.

Our programme of events aims to meet community demand for more diverse and inclusive content. This will continue, with a stronger focus on joint ventures with local and national event organisers post Covid-19. A New Year's Eve event initiated in 2020 will be continued into this LTP 2021-2031, with 50 per cent of costs funded through sponsorship. Plans for a winter event are also included. Yarrow Stadium will return to full operations in 2023/24.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects of the service are identified in the following table.

Well-being	Impact
Social	There is a risk of inappropriate behaviour associated with patrons of events such as vandalism or other incidents. NPDC works closely with the Police and contracted security providers to ensure risk assessments and planning for major events includes appropriate security arrangements.
Environmental	Staging events can create noise, traffic congestion, and the inconvenience of road closures. All events are managed within existing resource consent conditions. All major event planning includes traffic management plans and all road closures are approved by NPDC after the community has been notified and consulted. Events can also generate additional waste. This is mitigated by a zero waste policy for all major events. Recycling receptacles are provided at all NPDC event venues to minimise the residual waste. There are risks associated with water safety and hygiene at our district pools. We maintain water safety and hygiene at the district pools by ensuring staff are appropriately trained and that we consistently meet Poolsafe accreditation standards.

Venues and Events

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Provide high quality pools that encourage community participation in aquatic activities.	The percentage of residents satisfied with NPDC's swimming facilities (satisfaction survey*).	97%	94%	94%	95%	98%
	The number of pool patrons per year.	325,520	390,000	390,000	390,000	390,000
Provide a range of appealing events at high quality venues.	The percentage of residents satisfied with NPDC's events (satisfaction survey*).	95%	95%	95%	95%	96%
	The percentage of residents satisfied with NPDC's events venues (satisfaction survey*).	93%	93%	93%	94%	95%
Provide a network of high quality venues that create opportunities for the community to attend arts, cultural, sporting and recreation activities.	The number of attendees and events/bookings across all venues.	241,246 998	260,000 attendees 1,000 events	280,000 attendees 1,000 events	280,000 attendees 1,000 events	300,000 attendees 1,200 events

* All satisfaction survey targets are excluding 'don't know' responses.

Venues and Events

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	9.44	8.72	9.53	10.48	11.38	12.12	13.88	15.23	16.39	17.47	18.60
Targeted rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	0.71	0.82	0.84	1.01	1.21	1.04	1.01	1.21	1.03	1.03	1.23
Fees and charges	2.13	3.44	4.39	4.73	5.20	4.94	5.10	5.57	5.33	5.46	5.98
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	12.28	12.97	14.76	16.22	17.79	18.09	19.99	22.01	22.75	23.96	25.81
Applications of operating funding											
Payments to staff and suppliers	(8.02)	(8.44)	(10.12)	(11.34)	(12.26)	(11.56)	(12.64)	(14.27)	(14.61)	(15.59)	(17.63)
Finance costs	(0.08)	-	-	-	(0.54)	(0.84)	(1.13)	(1.35)	(1.35)	(1.35)	(1.35)
Internal charges and overheads applied	(3.49)	(2.61)	(2.70)	(2.82)	(2.77)	(2.88)	(2.94)	(2.97)	(3.14)	(3.37)	(3.17)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(11.59)	(11.05)	(12.81)	(14.16)	(15.58)	(15.27)	(16.71)	(18.59)	(19.09)	(20.30)	(22.15)
Surplus/(deficit) of operating funding (A - B)	**0.69**	**1.92**	**1.95**	**2.06**	**2.21**	**2.82**	**3.29**	**3.43**	**3.66**	**3.66**	**3.66**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	0.03	0.03	0.03	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Increase/(decrease) in debt	0.95	0.07	2.92	6.17	10.25	8.91	3.29	4.59	(1.68)	(1.68)	(1.68)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	0.95	0.10	2.95	6.20	10.28	8.94	3.33	4.63	(1.64)	(1.64)	(1.63)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	(0.07)	(0.35)	(0.71)	(1.41)	(1.36)	(0.64)	(0.85)	-	-	-
- to improve the level of service	(0.01)	(0.55)	(3.01)	(5.73)	(9.35)	(8.50)	(4.00)	(5.27)	(0.08)	(0.08)	(0.08)
- to replace existing assets	(0.61)	(2.12)	(1.14)	(1.23)	(1.12)	(0.86)	(1.30)	(0.86)	(1.74)	(0.75)	(1.48)
(Increase)/decrease in reserves	(1.02)	0.72	(0.40)	(0.58)	(0.62)	(1.03)	(0.67)	(1.08)	(0.21)	(1.20)	(0.46)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(1.64)	(2.02)	(4.90)	(8.26)	(12.50)	(11.76)	(6.61)	(8.06)	(2.02)	(2.02)	(2.02)
Surplus/(deficit) of capital funding (C-D)	**(0.69)**	**(1.92)**	**(1.95)**	**(2.06)**	**(2.21)**	**(2.82)**	**(3.29)**	**(3.43)**	**(3.66)**	**(3.66)**	**(3.66)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Venues and Events

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	1.38	1.39	1.53	1.65	1.85	2.18	2.24	2.32	2.44	2.44	2.44
less deferred/unfunded	0.25	0.44	0.33	0.16	0.05	(0.28)	(0.27)	(0.38)	(0.50)	(0.50)	(0.50)
Net funding transferred to renewals reserves	**1.64**	**1.83**	**1.86**	**1.81**	**1.90**	**1.90**	**1.97**	**1.95**	**1.95**	**1.95**	**1.95**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Multi-sport hub	38,455,982	503,000	2,484,560	5,106,557	10,037,758	9,716,220	4,571,321	6,036,566	-	-	-
Fitzroy Pool accessibility upgrade	153,310	50,300	103,010	-	-	-	-	-	-	-	-
TSB Showplace Level 1 stalls upgrade	1,254,060	-	618,060	636,000	-	-	-	-	-	-	-
Furnishing and fittings for Yarrow Stadium redevelopment	530,000	-	-	530,000	-	-	-	-	-	-	-
Okato Pool accessibility upgrade	159,000	-	-	159,000	-	-	-	-	-	-	-
TSB Stadium scoreboards	137,800	-	-	137,800	-	-	-	-	-	-	-
Todd Energy Aquatic Centre service level improvements	597,575	-	-	-	597,575	-	-	-	-	-	-
Inglewood pool shading	77,959	-	-	-	-	77,959	-	-	-	-	-
TSB Showplace - TSB Theatre seats replacement	840,280	-	-	-	-	-	-	-	840,280	-	-

Waste Management and Minimisation

What we do

We promote zero waste and waste minimisation in the district. We also manage kerbside collection, and operate four rural transfer stations and the New Plymouth Resource Recovery Facility.

Our kerbside contractors collect around 6,000 tonnes of recyclable materials, 1,600 tonnes of food scraps and 6,500 tonnes of landfill waste from more than 29,500 residential premises (and schools) in defined areas of the district each year.

The Resource Recovery Facility and our four rural transfer stations handle non-hazardous solid waste, including around 500 tonnes of green waste, 1,000 tonnes of recyclable materials and 16,700 tonnes of landfill waste per year.

The Resource Recovery Facility includes the Junction Zero Waste Hub and a transfer station run by a private operator. This facility also accepts 2,500 tonnes of recycling from the Stratford and South Taranaki districts. The Junction Zero Waste Hub diverts more than 40 tonnes of reusable or upcycled items and provides over 52 education tours and workshops per year. The facility's transfer station also accepts electronic waste for recycling and consolidates and transports landfill waste to a Class 1 landfill outside the Taranaki Region.

We deliver behaviour change and waste minimisation educational programmes to various communities, businesses and schools across the district, focusing on waste reduction, reuse and recycling.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals –*partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Our service actively contributes to all these goals.

Our service supports households and businesses to minimise the amount of waste disposed to landfill. Our kerbside collection services enable people to easily and conveniently divert waste from landfill. We also deliver services to recover valuable resources from waste disposed to landfill, for reuse or recycling without significant impact on the environment and public health, all of which contributes to the social and environmental well-being of our community.

Encouraging waste minimisation and better waste management practices also supports sustainability, protecting the environment for current and future generations. This includes the 2020 closure of the Colson Road Landfill, which is currently being capped to an environmentally acceptable standard and managed alongside other closed landfills in the district.

We work in partnership with community organisations to deliver contracts at The Junction Zero Waste Hub. We also offer opportunities for businesses to provide services that complement those of NPDC. This encourages and supports new business, contributing to economic well-being.

How we pay for it

Our service is funded through general rates, a targeted rate (kerbside collection), waste levies, revenue from the sale of recyclable commodities and from user charges at our transfer stations and the Resource Recovery Facility.

Capital improvements are funded from development reserves, while the renewal and replacement of assets is funded from NPDC's renewal reserves.

Looking ahead

The community has expressed a strong desire for NPDC to lead waste reduction and sustainable use of resources in the district. As a result we have adopted Zero Waste 2040, an aspirational goal to have no rubbish or waste going into our landfill by 2040.

New Plymouth's growing population may result in an increased volume of waste generated in the district. At the same time, the costs of disposing waste to landfill are increasing. New waste related infrastructure and services will focus on cost effective ways to reduce, reuse and recycle household and commercial waste. This includes expanding services at the Junction Zero Waste Hub and commercial and industrial material recovery facility.

Research indicates a link between volumes of waste going to landfill and economic performance, with higher levels of waste gong to landfill linked to improved economic performance. We will be looking to implement plans for increased waste minimisation in the district, which will decouple the region's economic performance with unacceptable increases in the volume of waste going to landfill.

Waste Management and Minimisation

We have made progress on a number of initiatives targeted toward our goals of zero waste, as per our 2017 Waste Management and Minimisation Plan. Over the next three years we plan to:

- Expand our infrastructure and services to provide waste minimisation services for the commercial sector.
- Increase community engagement through the reuse and upcycling of waste, and behaviour change programmes.
- Improve local recycling locally (how we do it and what we recycle), and renew our regional waste service contract.
- Implement a zero waste action plan for NPDC facilities and procurement.
- Review the 2017 Waste Management and Minimisation Plan (review planned for 2023).
- Investigate the frequency and impact of illegal dumping and ways to reduce it.

The changes we have made

To deliver on the 2017 Waste Management and Minimisation Plan, service level capital expenditure projects of $7.1m are proposed over the life of this plan. This includes establishing a commercial and industrial material recycling facility in year one, and constructing a permanent building for The Junction Zero Waste Hub recycling facility in year two. We will also establish an organic processing facility in years two and three. Colson Road Landfill closure works will be completed in year one.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects are identified in the following table.

Well-being	Impact
Social	The increased cost of waste disposal may result in inappropriate disposal of waste through illegal dumping. We mitigate this through our community engagement programmes and increased accessibility of services.
Economic	There is an increasing cost of waste disposal that can affect households and businesses, but we mitigate this by providing accessible, cost effective reuse and recycling alternatives to landfill disposal.
Environmental	The disposal of solid waste in landfills has the potential to release substances including greenhouse gases and leachate, causing harm to the environment and community. We mitigate this by firstly aiming to divert materials from landfill. When landfilled we minimise such negative effects through the use of a landfill with best management practice to minimise impacts on the environment.
Cultural	The disposal of waste to landfill also has the potential to impact on cultural values, but this is mitigated through best practice landfill management, as well as increased engagement with different cultures on waste minimisation options.

Waste Management and Minimisation

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Encourage district-wide waste minimisation.	The reduction in total landfill waste generated per capita in the district (measured as a year on year percentage).	New measure	1%	5%[1]	10%	5%
	The reduction in landfill waste generated per household (measured as a year on year percentage).	4% (target 10%)	5%	5%	5%	5%
Comply with all resource consents related to waste management and minimisation.	The number of abatement notices received.	0	0	0	0	0
	The number of infringement notices received.	0	0	0	0	0
	The number of enforcement orders received.	0	0	0	0	0
	The number of convictions received.	0	0	0	0	0
Ensure customers are satisfied with our waste management and minimisation service.	The number of complaints about the Council's waste management and minimisation service received (per 1,000 customers).	1.92	2 or less	2 or less	2 or less	2 or less

[1] Commencement of Commercial and Industrial Materials Recovery Facility.

Waste Management and Minimisation

Funding Impact Statement	**A/Plan 2020/21 ($m)**	**Budget 2021/22 ($m)**	**Budget 2022/23 ($m)**	**Budget 2023/24 ($m)**	**Budget 2024/25 ($m)**	**Budget 2025/26 ($m)**	**Budget 2026/27 ($m)**	**Budget 2027/28 ($m)**	**Budget 2028/29 ($m)**	**Budget 2029/30 ($m)**	**Budget 2030/31 ($m)**
Sources of operating funding											
General rates, uniform annual charges, rates penalties	2.83	4.10	3.93	3.93	3.98	4.13	4.30	4.39	4.68	5.00	5.14
Targeted rates	4.94	5.07	5.21	5.57	5.87	5.99	6.18	6.37	6.58	6.80	7.02
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2.52	3.18	7.68	8.53	8.97	9.08	9.18	9.31	9.44	9.53	9.68
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	10.30	12.35	16.82	18.03	18.82	19.20	19.66	20.07	20.70	21.33	21.85
Applications of operating funding											
Payments to staff and suppliers	(8.80)	(10.08)	(13.94)	(14.69)	(15.37)	(15.82)	(16.22)	(16.62)	(17.13)	(17.71)	(18.24)
Finance costs	(0.12)	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads applied	(1.32)	(1.76)	(2.04)	(2.08)	(2.10)	(2.15)	(2.17)	(2.18)	(2.30)	(2.35)	(2.35)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(10.25)	(11.84)	(15.99)	(16.77)	(17.47)	(17.98)	(18.38)	(18.81)	(19.43)	(20.06)	(20.58)
Surplus/(deficit) of operating funding (A - B)	**0.05**	**0.51**	**0.83**	**1.26**	**1.35**	**1.22**	**1.28**	**1.27**	**1.27**	**1.27**	**1.27**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	0.42	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase/(decrease) in debt	0.05	(0.22)	(0.16)	(0.22)	(0.23)	(0.25)	(0.26)	(0.24)	(0.24)	(0.24)	(0.24)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	0.05	0.20	(0.16)	(0.22)	(0.23)	(0.25)	(0.26)	(0.24)	(0.24)	(0.24)	(0.24)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	(0.05)	(1.27)	(3.97)	(0.63)	(0.05)	(0.06)	(0.63)	(0.06)	(0.06)	(0.06)	(0.06)
- to replace existing assets	(0.13)	(0.91)	(0.19)	(0.16)	(0.16)	(0.19)	(0.18)	(0.18)	(0.18)	(0.22)	(0.21)
(Increase)/decrease in reserves	0.08	1.47	3.48	(0.25)	(0.90)	(0.73)	(0.21)	(0.79)	(0.79)	(0.74)	(0.75)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(0.10)	(0.71)	(0.67)	(1.04)	(1.12)	(0.97)	(1.02)	(1.03)	(1.03)	(1.03)	(1.03)
Surplus/(deficit) of capital funding (C-D)	**(0.05)**	**(0.51)**	**(0.83)**	**(1.26)**	**(1.35)**	**(1.22)**	**(1.28)**	**(1.27)**	**(1.27)**	**(1.27)**	**(1.27)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Waste Management and Minimisation

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	0.44	0.46	0.50	0.51	0.51	0.62	0.63	0.63	0.68	0.68	0.68
less deferred/unfunded	0.23	0.13	0.07	0.08	0.16	(0.05)	(0.05)	(0.05)	(0.10)	(0.10)	(0.10)
Net funding transferred to renewals reserves	**0.67**	**0.59**	**0.57**	**0.59**	**0.67**	**0.57**	**0.57**	**0.58**	**0.58**	**0.58**	**0.58**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Colson Road Landfill closure works	715,266	715,266	-	-	-	-	-	-	-	-	-
Establish commercial and industrial material recycling facility	657,874	657,874	-	-	-	-	-	-	-	-	-
Construction of The Junction permanent building	3,347,763	308,741	3,039,022	-	-	-	-	-	-	-	-
Historic landfill erosion protection	508,011	252,467	255,544	-	-	-	-	-	-	-	-
Organic waste processing facility	1,149,492	-	568,734	580,758	-	-	-	-	-	-	-
Transfer Station location	570,750	-	-	-	-	-	570,750	-	-	-	-

Wastewater Treatment

What we do

This service collects and treats domestic and industrial wastewater, returning clean water to the environment and converting treated sludge into a commercially sold bio fertiliser.

Our activities include operating and maintaining a network of infrastructure to collect and treat sewage from the urban areas of New Plymouth, Bell Block, Waitara, Inglewood and Ōākura.

The wastewater network comprises a centralised treatment plant, 33 pump stations and 685 kilometres of sewer network. On average, we handle 25 million litres of wastewater each day, servicing more than 27,000 properties. We also monitor the flow of trade waste into the network.

Part of the treatment process includes using a thermal dryer to convert treated by-products into a commercial biosolid fertiliser called Bioboost, which is available commercially.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity.* These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Our service actively contributes to all these goals.

The collection and treatment of wastewater in a safe and efficient manner actively supports the goals of delivery, community, sustainability and prosperity. Our activities protect the health of our people and reduce potentially significant harmful environmental issues caused by sewage. This supports a liveable environment for our community, contributing to social and environmental well-being.

Providing wastewater treatment infrastructure for industry and to accommodate population growth and development in the district is also critical to the district's economic well-being and prosperity.

How we pay for it

Our service is funded through a targeted rate paid by ratepayers connected to the wastewater system. We also charge industrial and commercial users for trade waste discharges. Capital improvements are funded by loans, while the renewal and replacement of wastewater assets is funded from renewal reserves. The replacement value of the wastewater assets is $641m.

Looking ahead

Predicted growth in the district's population will increase the demand for wastewater services as housing in existing urban areas becomes more intensified, and there is an increase in new subdivisions. An anticipated increase in tourist numbers will also create additional demand on this service, particularly during summer months.

In response to population growth, the District Plan is focused on encouraging development in or near areas of New Plymouth that already have a reticulated wastewater system. This encourages the use of existing infrastructure, reducing the need for investment in expanding the network. We will continue to complete network renewals and improvements to deal with any network deficiencies. This includes implementing measures to prevent system overflows that can cause contamination in our rivers and coastal waters.

We are investing in wastewater network modelling to better understand the implications of population growth, and the benefits that particular improvements to the wastewater system will provide. The LTP 2021-2031 includes plans for network improvements, including renewals, replacements and upgrades to sewer pipes.

Central government has allocated NPDC $37m to replace the ageing Thermal Drying Facility (which turns biosolids into fertiliser). The new facility will run on both natural gas and hydrogen. This will assist with Covid-19 recovery by creating new jobs. This work is currently underway and is expected to be completed in 2023.

Wastewater Treatment

Following a drinking water contamination event in Havelock North in 2016, central government has launched a programme of water service delivery reform in New Zealand, with an expressed aim to develop larger water supply entities (for drinking water, wastewater and stormwater).

NPDC is providing information to central government and participating in a stimulus programme, accepting a $10.1m grant to spend on three waters infrastructure. The Wastewater Treatment service will receive about $6.6m of this stimulus programme.

The changes we have made

We have committed to an increase in the funding of renewals over the life of this plan. We also have service level capital expenditure projects of $114.2m included in this plan. These projects include replacing the thermal drying facility, and addressing issues in the wastewater systems serving the Urenui township, and both the Urenui and Onaero campgrounds.

In addition to completing projects in response to growth, we will also continue a programme of pump station upgrades, including initiatives to prevent overflow. We will build and maintain a wastewater network model to help inform future wastewater planning and decisions.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects are identified in the following table.

Well-being	Impact
Social, environmental and cultural	Managing wastewater comes with the risk of system overflows into rivers and streams which can affect the environmental, social and cultural well-being of the community. We minimise the likelihood of such overflows through regular inspections of equipment, maintenance programmes, renewal and lining of old and/or leaky pipes. We also use sound design, construction and operations practices.
Economic	Without a reliable wastewater service local industry would not be able to provide services and jobs. We mitigate this risk by ensuring resilience in our networks such as redundancy in our plant and equipment. We also support local agricultural industry by producing a fertiliser from the biosolids produced during wastewater treatment.

Wastewater Treatment

Our commitment to you

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Provide an effective wastewater treatment and disposal system.	The number of dry weather sewerage overflows per 1,000 connections to the wastewater system.	1.07	1.5	1.5	1.5	1.5
Comply with all resource consents for wastewater discharge from our system.	The number of abatement notices received.	3	0	0	0	0
	The number of infringement notices received.	0	0	0	0	0
	The number of enforcement orders received.	0	0	0	0	0
	The number of convictions received.	0	0	0	0	0
Respond to customer and maintenance requests in a timely manner.	The median response time to sewerage overflow callouts (from the time NPDC receives notification to the time that service personnel reach the site).	0.64	1 hour or less	1 hour or less	1 hour or less	1 hour or less
	The median resolution time for sewerage overflow callouts (from the time NPDC receives notification to the time that service personnel confirm resolution of the fault or interruption).	2.33 No callouts	4 hours or less for sewers <250 dia 8 hours or less for sewers ≥250 dia	4 hours or less for sewers <250 dia 8 hours or less for sewers ≥250 dia	4 hours or less for sewers <250 dia 8 hours or less for sewers ≥250 dia	4 hours or less for sewers <250 dia 8 hours or less for sewers ≥250 dia
Ensure customers are satisfied with the wastewater treatment and disposal service	The total number of complaints received about sewerage odour; system faults or blockages; or NPDC's response to issues with the sewerage system (per 1,000 connected properties).	6.52	13 or less	13 or less	13 or less	13 or less

Wastewater Treatment

Funding Impact Statement	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	14.38	15.12	19.73	21.31	22.88	25.02	26.82	28.64	31.28	34.40	37.01
Subsidies and grants for operating purposes	-	0.50	-	-	-	-	-	-	-	-	-
Fees and charges	2.15	2.40	2.41	2.41	2.41	2.41	2.41	2.42	2.42	2.42	2.42
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	16.53	18.03	22.13	23.72	25.29	27.43	29.23	31.05	33.70	36.82	39.43
Applications of operating funding											
Payments to staff and suppliers	(5.50)	(6.57)	(7.13)	(7.73)	(8.95)	(7.49)	(7.72)	(7.66)	(7.64)	(8.00)	(8.49)
Finance costs	(2.53)	(1.68)	(1.74)	(1.76)	(1.70)	(2.06)	(2.52)	(2.94)	(3.35)	(3.47)	(3.59)
Internal charges and overheads applied	(3.46)	(4.93)	(5.40)	(5.62)	(5.66)	(6.10)	(5.82)	(5.97)	(6.25)	(6.40)	(6.38)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(11.49)	(13.18)	(14.28)	(15.11)	(16.30)	(15.65)	(16.06)	(16.57)	(17.24)	(17.87)	(18.46)
Surplus/(deficit) of operating funding (A - B)	**5.04**	**4.85**	**7.85**	**8.61**	**8.99**	**11.78**	**13.17**	**14.48**	**16.46**	**18.95**	**20.98**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	10.46	5.97	14.15	9.75	-	-	-	-	-	-
Development and financial contributions	0.75	1.51	1.57	1.63	1.69	1.75	1.82	1.89	1.96	2.04	2.11
Increase/(decrease) in debt	0.16	1.69	3.76	8.68	11.29	16.45	11.07	9.25	13.63	3.72	3.55
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	0.91	13.66	11.30	24.46	22.74	18.21	12.89	11.14	15.59	5.76	5.67
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	(1.11)	(3.62)	(2.75)	(2.56)	(1.73)	(0.13)	(0.14)	(3.86)	(3.92)	(5.07)	(5.23)
- to improve the level of service	(1.37)	(10.89)	(10.69)	(17.38)	(13.88)	(12.67)	(15.27)	(9.89)	(14.38)	(4.17)	(4.28)
- to replace existing assets	(4.81)	(5.80)	(8.16)	(11.11)	(14.45)	(12.80)	(13.26)	(13.38)	(13.72)	(14.13)	(14.56)
(Increase)/decrease in reserves	1.34	1.81	2.46	(2.02)	(1.67)	(4.38)	2.61	1.51	(0.03)	(1.34)	(2.58)
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(5.95)	(18.51)	(19.15)	(33.07)	(31.72)	(29.99)	(26.06)	(25.62)	(32.05)	(24.71)	(26.65)
Surplus/(deficit) of capital funding (C-D)	**(5.04)**	**(4.85)**	**(7.85)**	**(8.61)**	**(8.99)**	**(11.78)**	**(13.17)**	**(14.48)**	**(16.46)**	**(18.95)**	**(20.98)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Wastewater Treatment

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	9.23	9.48	10.25	10.59	10.85	12.01	12.26	12.55	13.86	14.01	14.17
less deferred/unfunded	(6.95)	(7.18)	(7.92)	(7.94)	(8.37)	(6.52)	(5.71)	(2.95)	(2.26)	(0.42)	1.43
Net funding transferred to renewals reserves	**2.28**	**2.29**	**2.34**	**2.65**	**2.49**	**5.49**	**6.54**	**9.60**	**11.60**	**13.60**	**15.60**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Thermal Drier Facility Crown Infrastructure funded	45,082,575	10,412,100	7,468,225	15,794,000	11,408,250	-	-	-	-	-	-
Wastewater network modelling	4,807,934	2,579,384	1,957,190	271,360	-	-	-	-	-	-	-
West Quay Pump Station upgrade	1,414,139	1,414,139	-	-	-	-	-	-	-	-	-
Waitara wastewater pumping system upgrade	5,694,110	553,300	563,465	742,000	3,835,345	-	-	-	-	-	-
Urenui and Onaero sewer system	29,174,300	503,000	515,050	530,000	1,629,750	3,341,100	5,707,500	5,850,000	3,601,200	3,698,400	3,798,300
Mangati Pump Station emergency storage	5,225,250	-	2,575,250	2,650,000	-	-	-	-	-	-	-
Lorna Street sewer upgrade	257,525	-	257,525	-	-	-	-	-	-	-	-
Inglewood Dump Station	77,258	-	77,258	-	-	-	-	-	-	-	-
Wastewater pipe bridge upgrade programme	1,642,200	-	-	-	217,300	222,740	228,300	234,000	240,080	246,560	253,220
Wastewater Pump Station overflow prevention	821,065	-	-	-	108,710	111,431	114,213	117,513	119,646	122,875	126,679
Corbett Park Pump Station upgrade	5,568,500	-	-	-	-	5,568,500	-	-	-	-	-
Shearer Reserve Pump Station upgrade	3,341,100	-	-	-	-	3,341,100	-	-	-	-	-
Inglewood oxidation ponds and pump station upgrade	5,707,500	-	-	-	-	-	5,707,500	-	-	-	-
Bell Block trunk sewer - capacity upgrade	6,934,500	-	-	-	-	-	3,424,500	3,510,000	-	-	-
Waimea Valley sewer extension	4,147,996	-	-	-	-	-	-	2,055,345	2,092,651	-	-
Upgrading of Huatoki Valley sewer main	1,170,000	-	-	-	-	-	-	1,170,000	-	-	-
Junction growth area sewer upgrade	585,000	-	-	-	-	-	-	585,000	-	-	-
Te Henui Pump Station upgrade	12,004,000	-	-	-	-	-	-	-	12,004,000	-	-
Eastern sewer network realignment	9,995,856	-	-	-	-	-	-	-	-	4,921,735	5,074,121

Water Supply

What we do

We treat and distribute water sourced from rivers and groundwater bores in the district to provide our community with a reliable and sustainable supply of fresh water.

There are four separate water supplies in the district - New Plymouth (including Omata, Bell Block, Waitara and Urenui), Inglewood, Ōākura and Okato. Combined, these facilities supply approximately 33.2 million litres of water per day to just over 30,000 households and businesses in defined urban and rural areas.

Our service develops, operates and maintains infrastructure associated with these water supplies, which includes treatment plants, pump stations, pipe networks and storage facilities such as reservoirs.

We ensure our water supplies comply with the New Zealand Drinking-water Standards and that water is used sustainably, particularly when demand is high. We also make sure there is water available for firefighting in urban areas.

Why we do it

NPDC's strategic vision for a Sustainable Lifestyle Capital is supported by five goals – *partnerships, delivery, community, sustainability and prosperity*. These goals (our community outcomes) promote the social, economic, environmental and cultural well-being of the New Plymouth District both now and for the future. Our service actively contributes to all these goals.

Our service supports the goals of delivery, community, sustainability and prosperity by ensuring eligible properties can connect with a safe, reliable and affordable water supply and that there is an adequate supply of water for urban firefighting. Our compliance with resource consents for water takes, and our sustainable management of water resources for future generations also contribute to environmental well-being.

Water supply is critical to many business operations and a diverse range of industries in the district. Our continued investment in resilient water supply infrastructure supports industry, growth and development across the district, actively contributing to the social and economic well-being of our communities.

How we pay for it

This service is currently funded through a targeted rate which will remain in place until the end of 2023/24. From 2024/25 we will use water meters to charge users directly on a per use basis. In addition some properties will be charged by restricted flow tariffs.

Capital improvements are funded by loans, while the renewal and replacement of assets is funded from renewal reserves. The replacement value of water supply assets is $339m.

Looking ahead

New Plymouth residents consume up to 60 per cent more water than residents in comparable disticts. This significantly higher consumption rate, together with a growing population and an expanding urban area, means we can expect demand for water from the Waiwhakaiho River to exceed its capacity for supply within the next 15 years. Additionally, Ministry for the Environment predictions suggest that by 2090, Taranaki could experience double the amount of time it currently spends in drought. An increase in visitor numbers could also put pressure on demand for water, with most tourists visiting during the summer months, when supplies are more affected by prolonged periods of dry weather. NPDC plans to take the lead in water sustainability. We want to provide a consistent supply of high quality water across our district. With current consumption rates, we need to find ways to reduce water consumption, or find an additional supply of water to meet demand, at significant cost to the community.

We are revising and developing a Water Master Plan for the district to improve the resilience of our water supply. The Master Plan focuses on understanding the conditions and operations of our water network. It also focuses on the implications of growth and the benefits particular system improvements and investment may have. We know we need to invest in water infrastructure to allow development in new areas of our district. We also know some of our older asbestos cement mains pipes are reaching the end of their useful life and that some of our existing infrastructure needs upgrading to make sure that it can keep up with demand and firefighting requirements. The Master Plan provides for new infrastructure to service future growth and will assist our understanding of when and how a new water supply may be required, including provision of water for firefighting and improvements required to meet levels of service.

Water Supply

A key component of the Water Master Plan is a Water Conservation Strategy, which proposes a 25 per cent reduction in gross water consumption by 2030. This goal requires greater community awareness of water consumption and support for households to make changes to their daily water use habits. We will continue to increase our efforts to educate the community on ways to save water and support behaviour change. We will also introduce universal water metering so ratepayers will pay for only the water they use. To further reduce water consumption, we will increase our management of leaks, and reduce water pressure in some areas.

Following a drinking water contamination event in Havelock North in 2016, central government has launched a programme of water service delivery reform in New Zealand, with an expressed aim to develop larger water supply entities (for drinking water, wastewater and stormwater). NPDC is providing information to central government and participating in a stimulus programme, accepting a $10.1m grant to spend on three waters infrastructure. The Water Supply service will receive about $1m of this stimulus programme.

NPDC and the other two district councils in Taranaki have also reviewed possible delivery structures for three water services but have made no commitment to reform at this stage.

The changes we have made

We have committed to an increase in the funding of renewals. To deliver on the Water Master Plan, service level capital expenditure projects of $34.1m are proposed over the life of this plan.

Water meter installation is proposed for years one and two, with mock billing occurring in year three and a shift to volumetric charging from year four.

Significant effects on community well-being

Our service can have a range of effects on the community. Many of the positive effects are outlined in the section 'why we do it'. Potential negative effects are identified in the following table.

Well-being	Impact
Social	Without access to a safe water supply we put the health of our community at risk. We mitigate this by operating our water supply to meet the New Zealand Drinking-water Standards.
Economic	Without a reliable water supply local industry would not be able to provide services and jobs. We mitigate this risk by providing resilience in our networks such as new water storage tanks at Henwood and Mountain roads.
Environmental and cultural	Extracting water from streams and underground aquifers reduces the amount of water available for sustaining the life in our rivers and streams and for cultural purposes. This is mitigated by operating demand management measures such as water restrictions during dry periods, by reducing pressure to minimise leakage and consumption, by promoting efficient water use, and by regular inspection and maintenance of pipework. We will look to the introduction of water meters to assist with water conservation.

Water Supply

Our commitment to you

			What we aim to achieve			
What we will do	**How we will keep track**	**Latest result 2019/20**	**Target 2021/22**	**Target 2022/23**	**Target 2023/24**	**By 2030/31**
Provide water that is safe to drink.	Our level of compliance with Part 4 of the Drinking-water Standards (bacteria compliance criteria).	Full compliance	Full compliance	Full compliance	Full compliance	Full compliance
	Our level of compliance with Part 5 of the Drinking-water Standards (protozoal compliance criteria).	Full compliance	Full compliance	Full compliance	Full compliance	Full compliance
Maintain the reticulated water network in good condition.	The percentage of real water loss from NPDC's networked reticulation system.[1]	16.3%	20% or less	20% or less	20% or less	20% or less
Respond to faults and unplanned interruptions to the water supply network in a timely manner.	The median response time to urgent callouts (from the time that NPDC receives notification to the time that service personnel reach the site).	0.52	1 hour or less	1 hour or less	1 hour or less	1 hour or less
	The median resolution time for urgent callouts (from the time NPDC receives notification, to the time that service personnel confirm resolution of the fault or interruption).	1.82 No callouts	4 hours or less for mains <250 dia 8 hours or less for mains ≥250 dia	4 hours or less for mains <250 dia 8 hours or less for mains ≥250 dia	4 hours or less for mains <250 dia 8 hours or less for mains ≥250 dia	4 hours or less for mains <250 dia 8 hours or less for mains ≥250 dia
	The median response time to non-urgent callouts (from the time NPDC receives notification to the time that service personnel reach the site).	49.55	70 hours or less	70 hours or less	70 hours or less	70 hours or less
	The median resolution time for non-urgent callouts (from the time NPDC receives notification to the time that service personnel confirm resolution of the fault or interruption).	89.65	116 hours or less	116 hours or less	116 hours or less	116 hours or less

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[1] Water loss calculation: We calculate the percentage of water loss by dividing the annual volume of water loss by the total amount of treated water supplied for the year (obtained from water meter records from the Water Treatment Plant). To calculate the annual volume of water loss, we determine the minimum night flow (the average flow between 2am and 4am for the lowest 20 days of the year divided by the number of connections) and subtract the legitimate night usage per property (assumed to be six litres per property per hour). The difference is the estimated volume of water loss per property.

To get the annual volume of water loss, we multiply the estimated volume of water loss per property by the number of connections, and then multiply that figure by 365.

Water Supply

What we will do	How we will keep track	Latest result 2019/20	What we aim to achieve Target 2021/22	Target 2022/23	Target 2023/24	By 2030/31
Ensure customers are satisfied with our water supply service.	The total number of complaints (per 1,000 connections) received about any of the following: • drinking water clarity, taste or odour; • drinking water pressure or flow; • continuity of supply; and • NPDC's response to any of these issues.	13.01	16 or less	16 or less	16 or less	16 or less
Manage demand to minimise the impact of water supply activities on the environment.	• The average consumption of drinking water per day, per resident, within New Plymouth District.	284 litres per day	300 litres per day	300 litres per day	300 litres per day	300 litres per day
	• The number of abatement notices received.	0	0	0	0	0
	• The number of infringement notices received.	0	0	0	0	0
	• The number of enforcement orders received.	0	0	0	0	0
	• The number of convictions received.	0	0	0	0	0

Water Supply

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted rates	12.79	14.82	15.91	17.06	19.33	19.99	24.67	23.90	24.40	24.88	26.16
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	0.23	0.22	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-	-	-	-	-	-	-	-
Total operating funding (A)	13.02	15.04	16.14	17.29	19.56	20.21	24.90	24.12	24.63	25.11	26.38
Applications of operating funding											
Payments to staff and suppliers	(4.21)	(7.22)	(5.66)	(6.30)	(7.99)	(8.16)	(8.03)	(6.65)	(6.74)	(6.94)	(7.87)
Finance costs	(1.51)	(1.49)	(1.70)	(1.79)	(1.73)	(1.70)	(1.79)	(1.87)	(1.79)	(1.69)	(1.57)
Internal charges and overheads applied	(3.06)	(4.37)	(4.77)	(4.97)	(5.00)	(5.39)	(5.14)	(5.27)	(5.52)	(5.65)	(5.62)
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(8.78)	(13.08)	(12.14)	(13.06)	(14.71)	(15.24)	(14.96)	(13.80)	(14.05)	(14.28)	(15.06)
Surplus/(deficit) of operating funding (A - B)	**4.23**	**1.96**	**4.00**	**4.23**	**4.85**	**4.97**	**9.94**	**10.33**	**10.57**	**10.83**	**11.32**
Sources of capital funding											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	0.33	0.46	0.48	0.50	0.52	0.54	0.56	0.58	0.60	0.62	0.65
Increase/(decrease) in debt	4.33	4.76	4.36	10.24	9.57	3.88	3.03	3.48	(1.08)	(1.01)	(1.45)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	4.66	5.22	4.83	10.73	10.09	4.42	3.58	4.06	(0.48)	(0.39)	(0.80)
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	(3.21)	(2.98)	(4.85)	(4.26)	(0.60)	(0.41)	(2.58)	(3.10)	(0.44)	(0.45)	(0.46)
- to improve the level of service	(2.74)	(1.50)	(1.25)	(3.77)	(4.14)	(2.00)	(3.47)	(3.59)	(1.85)	(1.90)	(1.63)
- to replace existing assets	(4.41)	(6.14)	(8.45)	(8.69)	(10.05)	(7.33)	(7.50)	(7.74)	(7.85)	(8.13)	(8.46)
(Increase)/decrease in reserves	1.47	3.44	5.71	1.76	(0.15)	0.35	0.04	0.04	0.04	0.04	0.04
(Increase)/decrease of investments	-	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	(8.89)	(7.18)	(8.84)	(14.97)	(14.94)	(9.38)	(13.52)	(14.38)	(10.09)	(10.43)	(10.52)
Surplus/(deficit) of capital funding (C-D)	**(4.23)**	**(1.96)**	**(4.00)**	**(4.23)**	**(4.85)**	**(4.97)**	**(9.94)**	**(10.33)**	**(10.57)**	**(10.83)**	**(11.32)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Water Supply

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	6.54	6.60	7.09	7.22	7.28	7.99	8.09	8.20	8.95	8.98	9.02
less deferred/unfunded	(3.85)	(3.90)	(4.35)	(4.43)	(4.42)	(2.12)	(1.18)	1.75	1.01	0.97	0.94
Net funding transferred to renewals reserves	**2.69**	**2.70**	**2.74**	**2.79**	**2.86**	**5.87**	**6.91**	**9.96**	**9.96**	**9.96**	**9.96**

Projects

The table below is a summary of the more significant capital projects that will be undertaken over the life of this plan.

	Total ($)	Year 1 2021/22 ($)	Year 2 2022/23 ($)	Year 3 2023/24 ($)	Year 4 2024/25 ($)	Year 5 2025/26 ($)	Year 6 2026/27 ($)	Year 7 2027/28 ($)	Year 8 2028/29 ($)	Year 9 2029/30 ($)	Year 10 2030/31 ($)
Universal water metering	15,543,650	3,018,000	6,695,650	5,830,000	-	-	-	-	-	-	-
Mountain and Henwood roads reservoirs	1,509,000	1,509,000	-	-	-	-	-	-	-	-	-
Installation of backflow preventers	2,648,149	503,386	515,445	528,374	543,667	557,277	-	-	-	-	-
New Plymouth Water Treatment Plant intake fish screen	3,171,030	-	309,030	2,862,000	-	-	-	-	-	-	-
Waitara pipe bridge deterioration	2,933,550	-	-	-	2,933,550	-	-	-	-	-	-
New water source	8,796,747	-	-	-	1,165,383	1,194,558	1,224,376	1,259,753	1,282,619	1,317,238	1,352,819
Inglewood contingency intake fish exclusion	1,086,500	-	-	-	1,086,500	-	-	-	-	-	-
Inglewood Water Treatment Plant sludge management	478,060	-	-	-	478,060	-	-	-	-	-	-
Duplicate WTP outlet and central feeder	4,391,850	-	-	-	-	-	2,168,850	2,223,000	-	-	-
New Plymouth Water Treatment Plant earthquake strengthening and welfare modifications	3,467,250	-	-	-	-	-	1,712,250	1,755,000	-	-	-
Water resilience - reservoirs inlets - outlets	1,186,101	-	-	-	-	-	285,649	293,902	299,237	307,314	-
Patterson Road water main	468,000	-	-	-	-	-	-	468,000	-	-	-

Financial Information

Financial Strategy

The Financial Strategy sets the financial direction of NPDC by guiding the decisions we make now, for the future. The strategy demonstrates how these decisions will impact on rates, borrowing, investments and Council services.

Our current position

NPDC is in a strong financial position with a large investment portfolio, comparatively low levels of borrowing and a strong credit rating. However rates increases have been kept at moderate levels, primarily at the expense of deferring asset renewals and maintenance. In addition, new assets and increased levels of service have been added to the portfolio of assets and services that Council provides.

Building our future

This strategy takes into consideration the challenges that face our district in regards to maintaining and renewing our infrastructure, whilst accommodating growth within the city. Substantial work has been undertaken in the last two years to understand the condition of our existing assets and as such, we have identified the need to make a significant investment in our core infrastructure to ensure we can continue to provide our residents with the same level of service as well as maintaining our assets for future generations.

NPDC is also facing a number of new challenges driven by central government, which affect what we do and how we deliver our services. Increasing national standards in water, wastewater and stormwater influence our expenditure, as well as the costs associated with responding to climate change and building a resilient community.

There are also a number of strategic projects within the plan which increase the level of service provided to our community that NPDC will deliver, contributing to our overarching strategic direction of a Sustainable Lifestyle Capital.

The following five guiding principles have been used in the development of this Financial Strategy.

Fairness and equity	Willingness to pay	Value for money	Risk management and assessment	Financial governance and stewardship
Ensures that funding of expenditure is fair across both present and future ratepayers. Different funding tools such as debt and development contributions facilitate this principle.	Ratepayer concerns may reflect unwillingness, rather than the inability to pay. This may be driven by a perceived benefit from rates or the public versus private benefit issue.	This considers the overall benefits and outcomes of a service or asset to the community, alongside its lifecycle cost and cost effective funding streams.	Includes consideration of risks, risk appetite and mitigation strategies which are important when managing public services and assets.	Requires NPDC to ensure that its actions today do not compromise the ability of future councils to fund their needs.

NPDC has successfully operated within the limits of its first financial strategy since 2012. This strategy builds on our strong financial position by continuing with similar limits which have proven to be prudent and sustainable. By staying with these limits Council is able to maintain its assets and service levels, keep its strong credit rating, balance its books and provide for growth.

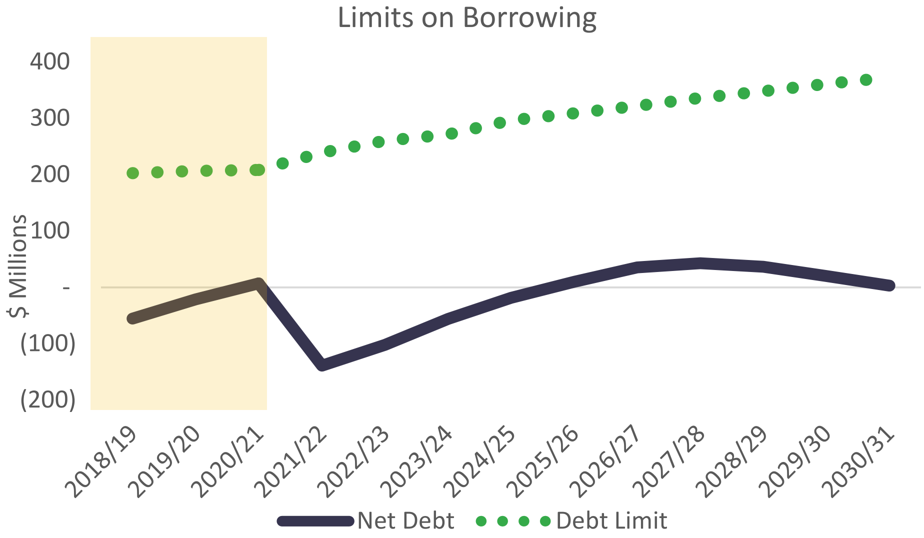
Financial Strategy

Debt

Debt Limit: Net debt* to total revenue will be limited to 135 per cent

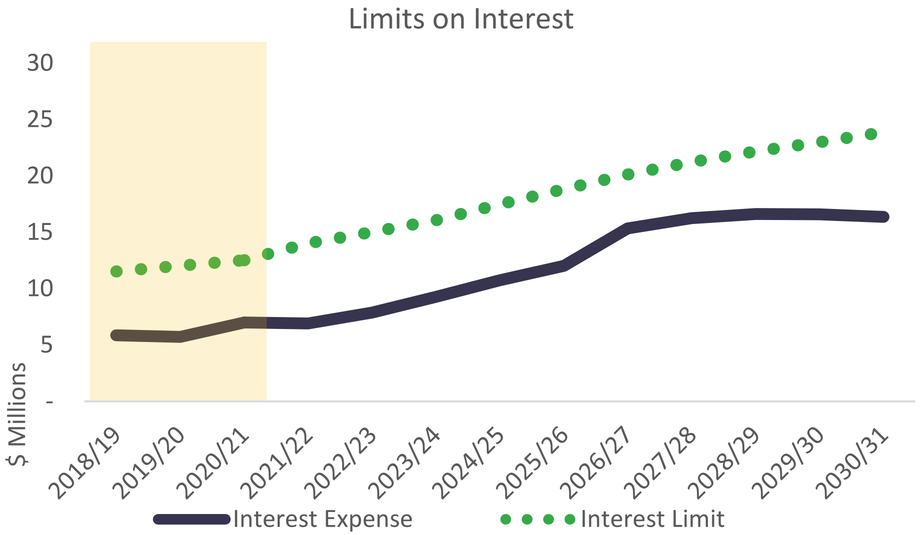
The Council has successfully managed debt and continues to project debt levels within these sustainable limits. This means that NPDC is in a strong position to accommodate the significant expenditure required for both new infrastructure assets to service our growing city and have capacity to provide funding for unforeseen events.

In addition, we identified that a step change in our work programmes is needed to renew many of our ageing assets. To fund this change over the short term through rates would make rates increases unaffordable and go against our principles of intergenerational equity. Therefore, we are proposing to fund the renewal of some of our longer life assets, such as pipes and bridges through debt.



(*Net Debt is the sum of Council's current and non-current borrowing and Council's financial assets).

Debt Limit: Net interest expense will be limited to 12.5 per cent of total rates revenue



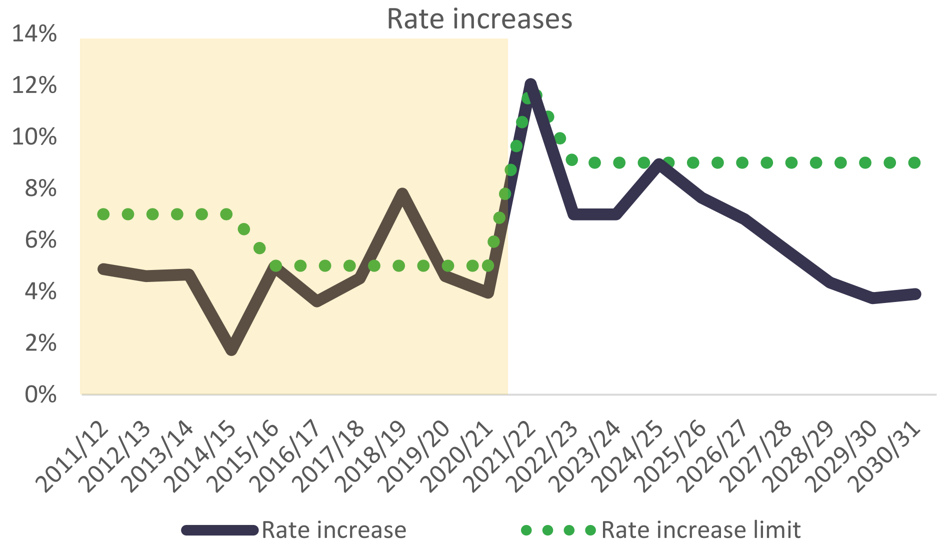
Financial Strategy

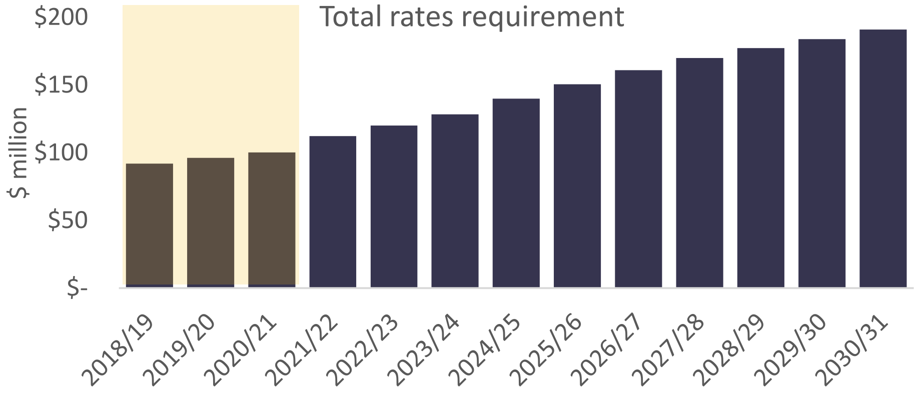
Rates

Rates are NPDC's main funding source and pay for community services and assets.

Rating Limits

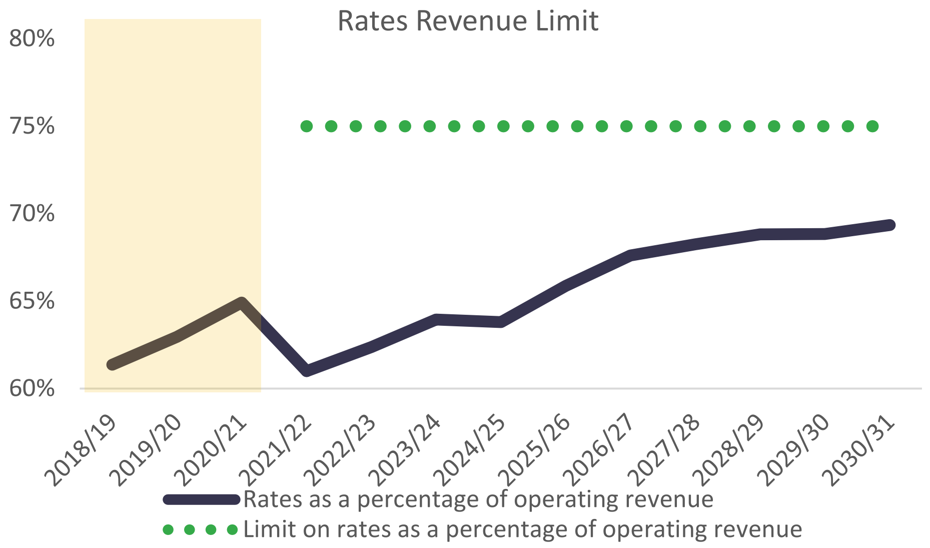
Rate Increase Limit: Average rate increases to existing ratepayers will not exceed 12 per cent in 2022 and then nine per cent from 2023 onwards. The average rate limit includes all rates except for the Voluntary Targeted Rate (VTR).





Total Rates

Rates Revenue Limit: Rates income will not exceed 75 per cent of NPDC's total operating revenue.



The average rate increase proposed for 2022 has been set at a level higher than the remaining years of the plan, in recognition of the step change that is required to maintain and renew our existing infrastructure. This step change recognises that whilst a portion of the long life capital expenditure can be funded through debt, there are also assets and infrastructure that need significant investment over the next 10 years. Over a 10 year period, we are increasing our rate funded contribution to renewals by $180 million (inflated). It is expected that we will be fully funding our renewal assets on a 10 year average basis by 2029.

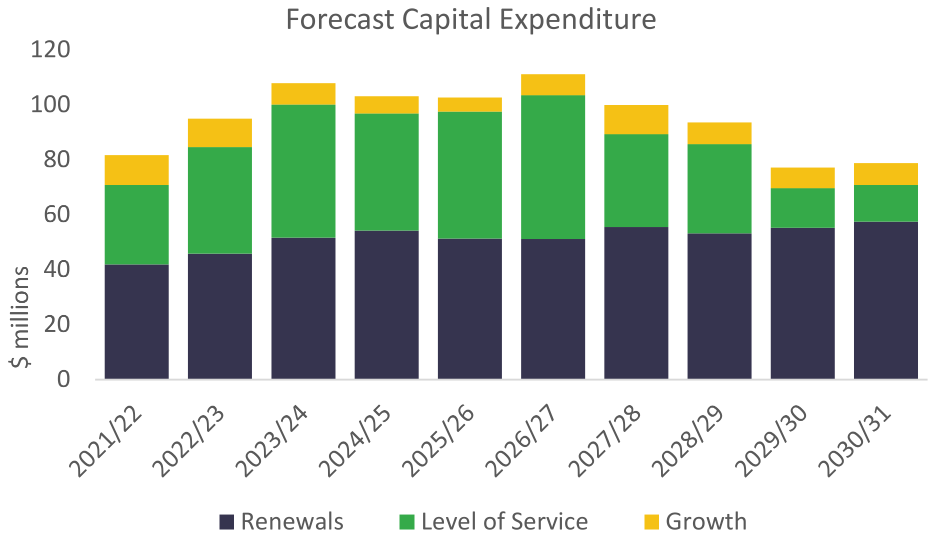
The proposed increased limit also recognises the contribution to rates needed to fund increased services that have been included in the Long-Term Plan (LTP), such as the multi-sport hub, an extension to the coastal walkway and improvements to the Waitara stormwater network.

Financial Strategy

Capital expenditure

Capital expenditure pays for buying or building new assets such as renewing an existing asset (renewals); improving an existing asset to deliver a better level of service; or new assets to provide for population growth.

The following graph shows our proposed capital expenditure on a year by year basis and shows our commitment to increasing our investment in our community's assets.



Growth

Managing growth over the period of this LTP and beyond is a challenge because New Plymouth continues to grow. Growth is positive for the city because it means people want to live here and we are attracting businesses and investment.

With growth comes the need for investment in infrastructure. New infrastructure is expensive and needs to be balanced against maintaining the infrastructure we already have. Managing the demands for growth and balancing the opportunities for future ratepayers against affordable rates and debt levels for current ratepayers is a challenge for New Plymouth.

While NPDC is contributing significantly to growth, it is the intention of this strategy that those users who benefit from growth should pay for their appropriate share through development contributions or financial contributions. To defer some of the investment required to support growth until later in the Infrastructure Strategy, demand management strategies are proposed, such as water conservation, waste minimisation and alternative transport options.

The population has been projected to grow from 86,700 in 2021 to 93,800 in 2031. To support this population growth, NPDC is projecting an increase of 3,530 dwellings in the next 10 years. This projection is based on fertility, mortality and migration assumptions and is prepared by Infometrics. Population projections have been used to help prepare 30 year demand forecasts for the Infrastructure Strategy and the related capital expenditure programme for the LTP has been prioritised from this base.

Land use is anticipated to remain similar across the district as growth focuses in key nodes as identified in the Proposed District Plan. Bell Block continues to be the main growth area in the district over the LTP and the Smart Road area then becomes the main growth area starting in the 2030's. Intensification of existing areas is also expected to occur, with some growth in small settlements.

Activity Group	Growth $000's	Improve Service Levels $000's	Renewal $000's	10 Year Total $000's
Water	20,131	25,094	80,340	125,565
Wastewater	29,006	113,509	121,375	263,890
Stormwater	9,870	26,220	46,689	82,779
Transport	12,851	82,026	154,878	249,755
Flood control systems	-	-	576	576
Other	12,236	115,764	112,937	240,937
Total	**84,094**	**362,613**	**516,793**	**963,500**

The above table shows the total capital expenditure over the period of the LTP categorised by type of expenditure.

- Growth expenditure provides new or improved assets enabling more residents to live in our city.
- Expenditure to improve service levels is for creating new assets to service the current population.
- Renewals expenditure is used to bring our existing assets back to their original function or capacity.

There are additional operating costs associated with adding new assets including depreciation, however these are not considered to be significant. These costs are absorbed within the rates increase limit, with contributions from targeted rates for those properties receiving additional or new services.

Financial Strategy

Risk of growth being higher or lower

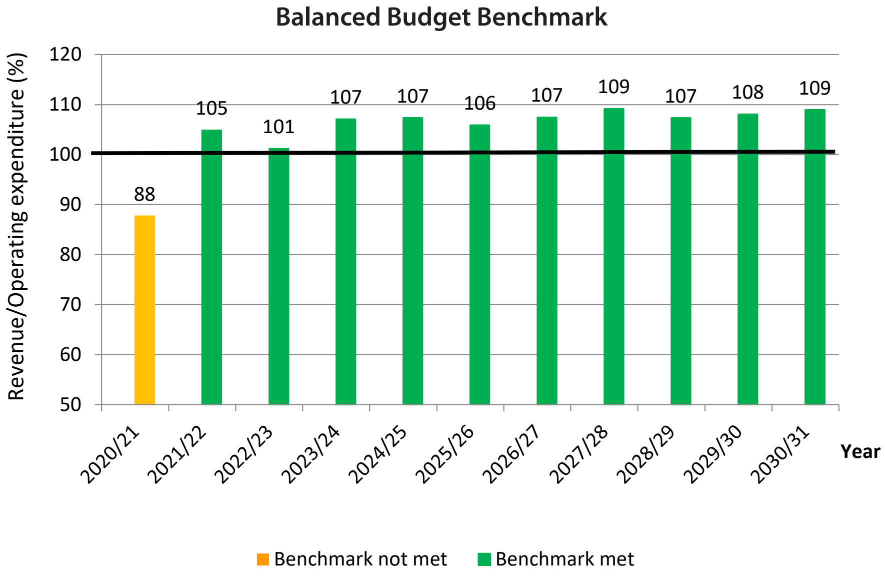
Should growth be higher than forecast, then development contributions revenue would be higher than has been budgeted in the LTP and we may need to reconsider the timing of some of our capital projects.

Should growth be lower than forecast, development contributions revenue would be lower than has been budgeted in the LTP and we may consider deferring some of our growth related capital projects.

Balancing the books

To ensure that today's ratepayers are paying for the services and amenities provided to them, everyday costs, such as maintenance costs, operational costs and depreciation should be paid from everyday revenue, such as rates, fees and charges and subsidies. We call this a balanced budget.

The following graph demonstrates that an operating surplus (revenue greater than expenditure) or balanced budget is achieved for each of the 10 years of the LTP. Operating surpluses are generally allocated to fund capital works or transferred to reserves to fund expenditure in future years.



Asset sales

NPDC has not included any asset sales in the LTP 2021-2031 as they are not considered material and there is considerable uncertainty associated with timing. The Council will continue to investigate selling minor assets, where appropriate, with net proceeds from any sales being used to reduce debt.

Policy on securities

In order to borrow money NPDC has to offer our lenders some security, just like residents do with their mortgage. Like most councils we secure our debt against our rates income. Our lenders like this as security and it helps keep our interest rates low. Giving rates as security means that our lenders can make us charge more rates to repay debt. That is why it is important to keep our debt at a sustainable level.

In certain circumstances NPDC may offer other security, including physical assets.

The full policy on giving securities can be found in the Treasury Management Policy on the Council's website.

Financial Strategy

Investments

NPDC is an equity holder in a number of companies, a trust and joint ventures. The principal reason for holding an equity interest in these investments is to achieve efficiency and community outcomes as well as a financial return on investment. NPDC's interest in the entities is as follows:

Company	Shareholding/ control %	Principal reason for investment	Budgeted return $000's
Papa Rererangi i Puketapu Ltd	100	Economic development	Nil
Venture Taranaki Trust	100	Economic development	Nil
New Plymouth PIF Guardians Ltd	100	Perpetual Investment Fund	3.3% + CPI + fees*
Tasmanian Land Company Ltd	100	Being wound up	Nil
McKay Forestry Joint Venture	56.5	Grow and harvest trees	$1.6m
Duthie Forestry Joint Venture	54.8	Grow and harvest trees	$365,000
New Zealand Local Government Funding Agency Ltd	0.4	Borrowing	$16,000 p.a.
Civic Financial Services Ltd	3.9	Risk management	Nil

* NPDC's objective is to maximise the return from the Perpetual Investment Fund portfolio and the expected rate of return is 3.3% + Consumer Price Index + management fees.

Cash Investments

NPDC holds cash for three main reasons:

1. To support the balance of reserves.
2. To ensure strong lines of liquidity and access to cash. Cash is supplemented by committed banking facilities.
3. To provide the funds for maturing debt.

Cash may be invested on short-term deposit to manage cash flows and maximise returns. These investments are managed in line with the guidelines set out in the Treasury Management Policy.

Other investments

As part of borrowing from the Local Government Funding Agency, NPDC is required to invest in financial bonds with the agency. The Council will receive interest on these bonds equivalent to the cost of borrowing.

Resilience

Since our last LTP, NPDC has learnt to become more resilient in the face of adversity. In 2018 we faced the impacts of ex-cyclone Gita, followed by the Covid-19 pandemic in 2020. Alongside these specific events, we continue to address the ongoing impacts of climate change, with the Council adopting a Climate Action Framework in December 2019.

Through this LTP, NPDC has committed over $2m to greening our district. Policy and procurement decisions made by the Council will continue to have a climate change consideration as these are embedded into our strategies, plans and operations.

Whilst central government is leading the economic and social recovery, post Covid-19, our Council will be a major player. The work we do in coming years will lay the foundations of our recovery and help determine how quickly our community and economy bounces back.

NPDC also has a responsibility to consider how it could respond to unplanned events such as civil defence emergencies and natural events. An Insurance Framework was created in 2018 to provide a structure for determining the balance between risk retention (by NPDC) and sharing (with insurers). The framework is reviewed every three years to ensure it is fit for purpose. NPDC holds insurance policies against its underground infrastructure at up to 40 per cent of the asset value, with the understanding that central government will provide the remaining 60 per cent following a disaster. The Council also maintains a disaster fund as part of its insurance strategy. The balance of this fund is projected to be $1.2m at 30 June 2021. Because of its strong financial position the Council also has significant capacity to borrow to fund unforeseen costs (a further $377m in 2022).

Statement of Accounting Policies

New Plymouth District Council (NPDC) is a territorial authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the NPDC's operations includes the LGA and the Local Government (Rating) Act 2002 (LG(R)A).

The Group consists of the ultimate parent, NPDC and its Council Controlled Organisations (CCOs) and joint ventures:

- Papa Rererangi i Puketapu Limited (100% owned).
- New Plymouth PIF Guardians Limited (100% owned).
- Venture Taranaki Trust (100% owned).
- Tasmanian Land Company Limited (100% owned).
- McKay Family Joint Venture (56.5% owned).
- Duthie Joint Venture (54.8% owned).

Statement of Compliance

The Prospective Financial Statements (financial statements) of NPDC and Group have been prepared in accordance with the requirements of the LGA and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

NPDC's primary objective is to provide goods or services and benefit for the community, rather than making a financial return. Accordingly, NPDC designates itself and the Group as public benefit entities (PBEs) and applies tier 1 PBE Accounting Standards. These standards are based on International Public Sector Accounting Standards (IPSAS), with amendments for the New Zealand Environment.

The financial information contained within these policies and documents is prospective financial information in terms of PBE FRS 42 Prospective Financial Statements.

For the purposes of the plan, the financial statements cover all the activities of NPDC as a separate legal entity. The Group prospective financial statements have not been presented as the Council believes that parent statements are more relevant to users.

The main purpose of these statements is to provide users with information about the core services that NPDC intends to provide to ratepayers, the expected cost of those services and the consequent requirement for rate funding. The level of rate funding required is not affected by subsidiaries except to the extent that NPDC obtains distributions from, borrows money on behalf of, or further invests in, those subsidiaries and such effects are included in these parent prospective financial statements.

The financial statements include a Prospective Statement of Comprehensive Revenue and Expense, a Prospective Statement of Changes in Net Assets/Equity, a Prospective Statement of Financial Position and a Prospective Statement of Cash Flows.

The financial statements of NPDC are for the years ending 30 June. The financial statements were authorised for issue by the Council on the date the plan was adopted. Whilst there is no current intent to update these financial statements, the Council reserves the right to update this plan in the future.

The information in the financial statements is uncertain and the preparation requires the exercise of judgement. Actual financial results achieved for the period covered are likely to vary from the information presented, and the variations may be material. Events and circumstances may not occur as expected or may not have been predicted or NPDC may subsequently take actions that differ from the proposed courses of action on which the financial statements are based.

The information contained within these financial statements may not be suitable for use in another capacity.

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

Measurement base

The financial statements have been prepared on a historical cost basis except for certain classes of property, plant and equipment which have been subsequently measured at fair value.

The financial statements are presented in New Zealand dollars (functional and reporting currency) and all values are rounded to the nearest thousand dollars ($000), unless otherwise stated.

Significant Accounting Policies

a) Basis of consolidation

The consolidated financial statements of assets, liabilities, equity, revenue and expenses on a line by line basis. Significant transactions and balances between NPDC and its CCOs are eliminated in preparing the group statements.

NPDC's investment in the following subsidiaries are carried at cost in the parent entity financial statements: Papa Rererangi i Puketapu Limited, New Plymouth PIF Guardians Limited and Venture Taranaki Trust.

Statement of Accounting Policies

NPDC'S investment in Tasmanian Land Company Limited has been classified as a financial asset at fair value through surplus or deficit.

b) Critical accounting estimates and assumptions

Financial statement preparation requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. Estimates are continually evaluated and are based on historical experience and other factors including expectations or future events that are considered. The significant estimates and assumptions that have the greatest risk of causing a material adjustment to the reported amounts are:

- Estimating the fair value of infrastructural assets.
- Estimating the fair value of buildings.
- Estimating the fair value of forestry assets.
- Estimating the landfill aftercare provision.

c) Property, plant and equipment

NPDC has the following classes of property, plant and equipment:

- Operational assets.
- Restricted assets.
- Infrastructural assets.

Operational assets include land, buildings (including any improvements), vehicles, furniture, fittings and equipment and library books.

Land and buildings and the Puke Ariki book collection are measured at fair value. Vehicles and furniture, fittings and equipment are measured at cost less accumulated depreciation and impairment losses.

Restricted assets include land and buildings that are subject to either restrictions on use, or disposal, or both. This includes restrictions from legislation (such as land declared as a reserve under the Reserves Act 1977) or other restrictions (such as land or buildings under bequest or donation that restricts the purpose for which the assets can be used).

Infrastructural assets are the fixed utility systems owned by NPDC. They usually display some or all of the following characteristics: part of a system or network, specialised in nature and usually do not have alternative uses, immovable and they may be subject to constraints on disposal. Examples are road networks, sewer systems and water systems. These assets are measured at fair value.

Additions

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

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or a nominal cost (e.g. vested asset), it is recognised at fair value at the date of acquisition.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to NPDC and Group and the cost of the item can be measured reliably.

The costs of servicing property, plant and equipment are recognised in the surplus or deficit as they are incurred.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Revaluation

All property, plant and equipment except for operational motor vehicles, furniture, fittings and equipment and work in progress are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value, at least every three years.

Fair value is determined by reference to the depreciated replacement cost or market value on an asset class basis. The carrying values of revalued assets are assessed annually to ensure they do not differ materially from the assets fair values.

The carrying value of revalued assets are assessed annually to make sure they do not differ materially from the assets fair values. If there is a material difference then the off-cycle asset classes are revalued.

Revaluation movements are accounted for on a class of asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Depreciation

Depreciation is provided on a straight line basis on all property, plant and equipment other than land and restricted assets, at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. Depreciation of these assets commences when the assets are ready for their intended use. Depreciation rates and useful lives are reviewed annually. Depreciation on assets is charged to the surplus and deficit.

The useful lives and associated depreciation rates of major classes of assets have been estimated as follows.

	Years	Depreciation
Infrastructural assets		
Roading	5 - 100	1% - 20%
Laboratory	8 - 30	3.3% - 12.5%
Waste management and minimisation	35 - 100	1% - 2.9%
Stormwater	50 - 140	0.7% - 2%
Flood protection	50 - 200	0.5% - 2%
Water	10 - 120	0.8% - 10%
Wastewater	10 - 140	0.7% - 10%
New Plymouth Airport runway/services	5 - 100	1% - 20%
Work in progress		Not depreciated
Operational assets		
Land		Not depreciated
Buildings/improvements	20 - 100	1% - 5%
Vehicles	3 - 20	5% - 33.3%
Furniture, fittings and equipment	3 - 10	10% - 33.3%
Puke Ariki book collection (general in-use)	2 - 15	6.7% - 50%
Work in progress		Not depreciated
Restricted assets		
Parks and reserves		Not depreciated
Waitara Lands Act land		Not depreciated
Puke Ariki museum collection		Not depreciated
Govett-Brewster Art Gallery/Len Lye Centre collection		Not depreciated

d) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets held for sale are separately disclosed in the Statement of Financial Position at the lower of their carrying amount and fair value less costs to sell. They are not depreciated or amortised.

Any impairment losses for write-downs are recognised in the surplus or deficit. Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

e) Equity and Capital Management

The LGA requires NPDC to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a byproduct of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

Equity is the community's interest in NPDC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- Accumulated funds.
- Restricted reserves.
- Asset revaluation reserves.

Accumulated funds

Accumulated funds are the capital fund made up of accumulated surpluses and deficits. A surplus in any year is added to the fund and a deficit in any year is deducted from the fund. Ordinary reserves are reserves created by Council decision. NPDC may alter the purpose of a reserve without reference to a third party or the Courts. Transfers to and from these reserves is at the discretion of NPDC.

Restricted reserves

Restricted reserves are those reserves subject to specific conditions accepted as binding by NPDC and which may not be revised by the Council without reference to the Courts or a third party. Transfer from these reserves can be made by certain specified purposes or when certain specified conditions are met.

Asset revaluation reserves

Asset revaluation reserves relate to the revaluation of property, plant and equipment to fair value.

f) Rates

General rates and uniform annual general charges are recognised at the start of the financial year to which the Council rates resolution relates. They are recognised at the amounts due. NPDC considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

Revenue from late payment penalties is recognised when rates become overdue.

Revenue from water by meter rates is recognised on an accrual basis. Revenue is based on the actual usage as a result of meter reading. Unbilled usage as a result of unread meters at year end is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when NPDC has received an application that satisfies its rates remission policy.

Rates collected on behalf of the Taranaki Regional Council (TRC) are not recognised in the financial statements as NPDC is acting as an agent for TRC.

g) Subsidies and grants

NPDC receives funding assistance from Waka Kotahi NZ Transport Agency (NZTA), which subsidises part of the maintenance costs and capital expenditure on the local roading infrastructure. The NZTA roading claim payments (reimbursements) are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled.

Other grants are recognised as revenue when they become receivable. When there is an obligation in substance to return the funds if conditions of the grant are not met, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

h) Other revenue

Fines and levies, which mostly relate to traffic and parking infringements, are recognised when the infringement notice is issued.

User fees and charges are recognised on the basis of actual services provided. Any fees and charges received in advance are recognised as unearned income in advance.

Fees for disposing of waste at NPDC's landfill are recognised as waste is disposed by users.

i) Exchange and non-exchange revenue

Most of NPDC's revenue is from non-exchange transactions accounted for under PBE IPSAS 23 (i.e. rates, subsidies and grants, provision of services partial cost recovery/subsidised, vested assets and financial/development contributions). Exchange transactions are recognised under PBE IPSAS 9 (i.e. targeted rates for water supply, provision of services full cost recovery, sale of goods, interest and dividends).

Professional judgement is exercised to determine whether the substance of a transaction is non-exchange or exchange. Revenue is measured at fair value which is usually the cash value of a transaction. For non-exchange revenue there is a recognition of a liability to the extent of unfulfilled conditions.

Statement of Accounting Policies

j) Interest revenue

Interest revenue is recognised using the effective interest method.

k) Other expenses

Grant expenditure

NPDC's grants awarded have no substantive conditions attached.

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

Discretionary grants are those grants where NPDC has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has provided an invoice.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Interest rate swaps

Interest rate swaps are measured at fair value with gains or losses on remeasurement recognised in the surplus or deficit in the year of remeasurement.

Defined contribution schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund and the State Sector Retirement Savings Scheme which are defined contribution superannuation schemes, are expensed as incurred.

l) Vested assets

For assets received for no or nominal consideration, the asset is recognised when NPDC obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

For long lived assets that must be used for a specific use (e.g. land that must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue.

Financial/development contributions are recognised as revenue when received. If the service for which the contribution is charged is not undertaken in the same year it is received, the contribution is allocated to the appropriate reserve until such time that the Council provides, or is able to provide, the service.

m) Forestry assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle.

Gains or losses arising on initial recognition of forestry assets at fair value less costs to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

n) Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. Amortisation is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly attributable to the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Staff training costs, maintenance and web-related costs are recognised in the surplus or deficit when incurred.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of computer software, the major class of intangible assets, is three to five years (20 per cent to 33.3 per cent).

o) Joint ventures

Investments in joint ventures are accounted for in the Group financial statements using the equity method of accounting. The investment is initially recognised at cost. The carrying amount is increased or decreased to recognise the Group's share of the change in the net assets of the entity after the date of acquisition. The Group's share of the surplus or deficit is recognised in the Group surplus or deficit.

If the share of deficits of the joint venture equals or exceeds the interest in the joint venture, the Group discontinues recognising its share of further deficits. After the Group's interest is reduced to zero, additional deficits are provided as a liability to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports surpluses, the Group will resume recognising its share of those surpluses after its share of the surpluses equals the share of deficits not recognised.

p) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

q) Trade and other receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

NPDC and the Group apply the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are 'written off':

- when remitted in accordance with NPDC's rates remission policy; and
- in accordance with the write off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written off when there is no reasonable expectation of recovery.

r) Creditors and other payables

Short-term payables are recorded at the amount payable.

s) Borrowings

All loans and borrowings are initially recognised at fair value of the consideration received plus transaction costs.

All borrowing costs are recognised as an expense in the period in which they are incurred and are calculated using effective interest method.

t) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date the contract is entered into. They are subsequently remeasured to fair value each month with the associated gains or losses recognised in the surplus or deficit.

Derivative financial instruments are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Derivative financials instruments that are settled within 12 months are treated as current.

NPDC does not designate any derivatives as hedging instruments.

u) Other financial assets

Financial assets (other than shares in subsidiaries) are initially recognised at fair value plus transaction costs unless they are carried at fair value though surplus or deficit, in which case the transaction costs are recognised in surplus or deficit.

NPDC classifies its financial assets into the following categories for the purpose of measurement:

- fair value through surplus or deficit; or
- amortised cost; or
- fair value through other comprehensive revenue and expense.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit taking. Financial assets in this category are classified as a current asset. After initial recognition, financial assets in this category are measured at their fair values with gains or losses on remeasurement recognised in the surplus or deficit.

Included in this category is NPDC's investment in Tasmanian Land Company Limited and the Perpetual Investment Fund.

Amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest rate method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit. These loans are measured at amortised cost using the effective interest rate method. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as interest. NPDC's loans and receivables comprise debtors and other receivables, Local Government Funding Agency (LGFA) borrower notes, term deposits, related party loans and community loans.

Fair value through other comprehensive revenue and expense

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above.

They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date.

These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense.

On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expenditure is reclassified from equity to the surplus or deficit.

NPDC includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- bonds and shareholdings in LGFA and shareholdings in Civic Financial Services Limited.

Impairment

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit. Impairment is established when there is objective evidence that NPDC will not be able to collect amounts due according to the original terms of the debt.

v) Impairment of assets

At each balance date the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists (including indefinite life intangibles) the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, estimates are made of the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the greater of market value less costs to sell and value in use. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount with the expense being recognised in the surplus or deficit.

For non-revalued assets impairment losses are recognised as an expense immediately.

For revalued assets, other than investment property, the impairment loss is treated as a revaluation decrease to the extent it reverses previously accumulated revaluation increments for that asset class.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit.

Value in use for non-cash generating assets

Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Statement of Accounting Policies

Value in use cash-generating assets

Cash-generating assets are those assets held with the primary objective of generating a commercial return. The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

w) Provisions

Provisions are recognised when NPDC has a present obligation as a result of a past event. A reliable estimate can be made for the amount of the obligation and it is probable that the Council will be required to settle that obligation. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at balance date and are discounted to present value where the effect is material.

x) Employee benefits

Provision is made in respect of NPDC's liability for retiring gratuity allowances, annual and long service leave and sick leave.

The retirement gratuity liability and long service leave liability is assessed on an actuarial basis using current rates of pay taking into account years of service, years to entitlement and the likelihood staff will reach the point of entitlement.

Liabilities for accumulating short-term compensated absences (e.g. annual and sick leave) are measured as the additional amount of unused entitlement accumulated at the balance sheet date.

Sick leave, annual leave, vested long service leave and non-vested long service leave and retirement gratuities that are expected to be settled within 12 months of balance date are classified as current.

y) Income tax

Income tax expense includes components relating to current tax and deferred tax. Current tax is the amount of income tax payable based on the taxable profit for the current year and any adjustments in respect of prior years.

z) Deferred tax

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

aa) Cost allocation

The costs of providing support services for NPDC are accumulated and are allocated to each Council activity using appropriate allocation bases which reflect the usage and/or capacity for each.

Direct costs are those costs directly attributable to a significant activity. Direct costs are charged directly to significant activities.

Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers, and floor area.

ab) Dividends

Dividends are recognised when the right to receive payment has been established.

ac) Foreign currency transactions

Foreign currency transactions are translated into NZD (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchanges gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

ad) Goods and services tax (GST)

All items in the financial statements are stated exclusive of GST, except billed receivables and payables, which include GST. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

Statement of Accounting Policies

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables.

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

ae) Budget figures

The LTP 2021-2031 budget figures are those approved by NPDC on adoption of this plan. The plan figures have been prepared in accordance with NZ GAAP, using accounting policies that are, or will be, consistent with those adopted by the Council for the preparation of the financial statements.

Changes in accounting policies

NPDC has adopted the new group standards, PBE IPSAS 34 to 38, in preparing these financial statements. Adoption of the new standards has meant that the Council has updated its accounting policies for its investments in subsidiaries and joint ventures. Disclosures have also been updated for the new PBE IPSAS 38 disclosure requirements.

For further information about the initial adoption of these standards, refer to NPDC's Annual Report 2019/20 (note 9b)).

Joint arrangements

NPDC is a party to a joint arrangement when there is a contractual arrangement that grants joint control over the relevant activities of the arrangement to the Council and at least one other party. Joint control is the agreed sharing of control over an activity. NPDC classifies its interests in joint arrangements as either:

- Joint ventures: where NPDC has rights to only the net assets of the joint arrangement.
- Joint operations: where NPDC has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, NPDC considers:

- The structure of the joint arrangement.
- The legal form of joint arrangements structured through a separate vehicle.
- The contractual terms of the joint arrangement agreement.
- Any other facts and circumstances (including any other contractual arrangements).

Judgement

For all joint arrangements structured in separate vehicles NPDC must assess the substance of the joint arrangement in determining whether it is classified as a joint venture or joint operation. This assessment requires NPDC to consider whether it has rights to the joint arrangement's net assets (in which case it is classified as a joint venture), or rights to and obligations for specific assets, liabilities, expenses, and revenues (in which case it is classified as a joint operation). Factors NPDC must consider include:

- Structure.
- Legal form.
- Contractual agreement.
- Other facts and circumstances.

Upon consideration of these factors, NPDC has determined that all of its joint arrangements structured through separate vehicles give it rights to the net assets and are therefore classified as joint ventures.

Equity method of accounting in Group financial statements

Investments in joint ventures are accounted for in the Group financial statements using the equity method of accounting. The investment is initially recognised at cost. The carrying amount is increased or decreased to recognise the Group's share of the change in the net assets of the entity after the date of acquisition. The Group's share of the surplus or deficit is recognised in the Group surplus or deficit.

If the share of deficits of the joint venture equals or exceeds the interest in the joint venture, the Group discontinues recognising its share of further deficits. After the Group's interest is reduced to zero, additional deficits are provided as a liability to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports surpluses, the Group will resume recognising its share of those surpluses after its share of the surpluses equals the share of deficits not recognised.

Early adoption of PBE IPSAS 41 financial instruments

NPDC has decided to early adopt PBE IPSAS 41 from 1 July 2021 for the purposes of these prospective financial statements. The comparative financial information presented for the Annual Report 2019/20 and the Annual Plan 2020/21 were prepared using different financial instrument accounting policies under PBE IPSAS 29. The Council has chosen not to restate the comparatives to comply with PBE IPSAS 41. Refer to the appropriate documents for the detailed accounting policies used to prepare those financial statements standard introduced a number of changes to the recognition and measurement of financial instruments, including new classification and measurement requirements for financial assets, new hedging requirements and a new impairment model for financial assets. This change has no impact on the figures reported in these financial statements.

Prospective Statement of Comprehensive Revenue and Expense

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Operating revenue											
Revenue from exchange transactions											
Finance revenue	2.26	1.72	1.71	1.68	1.65	1.62	1.59	1.56	1.53	1.50	1.47
Investment revenue	14.91	19.66	20.36	21.07	21.79	22.52	23.25	23.95	24.66	25.36	26.08
Other revenue	27.30	30.68	39.52	39.08	44.25	42.22	40.48	41.46	42.04	43.92	43.89
Revenue from non-exchange transactions											
Rates	97.91	109.75	117.52	125.84	137.23	147.83	157.99	166.86	174.15	180.67	187.74
Subsidies and grants	14.77	31.71	24.63	32.49	28.17	22.37	21.78	19.18	17.13	17.42	17.50
Development and financial contributions	2.36	2.96	3.08	3.19	3.31	3.44	3.57	3.71	3.85	3.99	4.15
Vested assets	4.21	4.30	4.40	4.54	4.65	4.77	4.89	5.02	5.15	5.29	5.43
Fines and levies	1.02	1.47	1.44	1.44	1.44	1.45	1.48	1.48	1.48	1.51	1.51
Total operating revenue	164.73	202.25	212.66	229.33	242.49	246.22	255.03	263.22	269.99	279.66	287.77
Operating expenditure											
Personnel costs	45.23	46.81	47.77	48.72	49.74	50.72	51.76	52.79	53.84	54.89	56.00
Depreciation and amortisation expenses	41.28	41.86	45.09	46.17	47.18	52.34	53.27	54.02	59.01	59.37	59.72
Finance costs	7.00	6.92	7.87	9.28	10.76	12.03	15.34	16.26	16.63	16.59	16.36
Other expenses	81.62	81.68	93.01	94.13	102.08	100.62	100.10	101.07	104.47	110.06	114.03
Total operating expenditure	175.12	177.27	193.74	198.30	209.76	215.71	220.47	224.14	233.95	240.91	246.11
Surplus/(deficit) before taxation	**(10.39)**	**24.98**	**18.92**	**31.03**	**32.73**	**30.51**	**34.56**	**39.08**	**36.04**	**38.75**	**41.66**
Taxation refund/(expense)	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) after taxation	(10.39)	24.98	18.92	31.03	32.73	30.51	34.56	39.08	36.04	38.75	41.66
Comprising surplus/(deficit) attributable to:											
Parent interest	(10.39)	24.98	18.92	31.03	32.73	30.51	34.56	39.08	36.04	38.75	41.66
Other comprehensive revenue and expense											
Gain/(loss) on property, plant and equipment and equipment revaluations	-	143.83	-	-	252.12	-	-	265.91	-	-	309.86
Total other comprehensive revenue and expense	-	143.83	-	-	252.12	-	-	265.91	-	-	309.86
Total comprehensive revenue and expense	**(10.39)**	**168.81**	**18.92**	**31.03**	**284.85**	**30.51**	**34.56**	**304.99**	**36.04**	**38.75**	**351.52**
Total comprehensive revenue and expense attributable to:											
New Plymouth District Council	(10.39)	168.81	18.92	31.03	284.85	30.51	34.56	304.99	36.04	38.75	351.52

Prospective Statement of Changes in Equity

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Equity at the beginning of the year	**2,535.95**	**3,114.93**	**3,283.74**	**3,302.66**	**3,333.69**	**3,618.54**	**3,649.05**	**3,683.61**	**3,988.60**	**4,024.64**	**4,063.39**
Net surplus/)deficit) from continued operations	(10.39)	24.98	18.92	31.03	32.73	30.51	34.56	39.08	36.04	38.75	41.66
Other comprehensive revenue and expense	-	143.83	-	-	252.12	-	-	265.91	-	-	309.86
Total comprehensive revenue and expense	(10.39)	168.81	18.92	31.03	284.85	30.51	34.56	304.99	36.04	38.75	351.52
Equity adjustment	-	-	-	-	-	-	-	-	-	-	-
Equity at the end of the year	**2,525.56**	**3,283.74**	**3,302.66**	**3,333.69**	**3,618.54**	**3,649.05**	**3,683.61**	**3,988.60**	**4,024.64**	**4,063.39**	**4,414.91**
Total comprehensive revenue and expense attributable to:											
New Plymouth District Council	(10.39)	168.81	18.92	31.03	284.85	30.51	34.56	304.99	36.04	38.75	351.52

Prospective Statement of Financial Position

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Non-current assets											
Property, plant and equipment	2,910.66	3,090.06	3,144.31	3,220.41	3,540.91	3,594.61	3,650.42	3,962.58	3,992.07	4,014.46	4,348.73
Intangible assets	2.80	5.76	6.85	7.12	6.75	10.61	12.76	11.81	10.96	9.79	8.63
Forestry assets	5.06	5.69	4.79	4.85	3.80	3.61	3.72	3.84	3.96	3.30	3.40
Investments in CCOs and similar entities	43.32	58.19	57.44	56.69	55.94	55.19	54.44	52.19	49.94	47.69	45.44
Other financial assets	54.81	57.21	56.61	56.01	55.41	54.81	54.81	54.81	54.81	54.81	54.81
Derivative financial assets	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Total non-current assets	3,017.41	3,217.67	3,270.76	3,345.84	3,663.57	3,719.59	3,776.91	4,085.99	4,112.50	4,130.81	4,461.77
Current assets											
Cash and cash equivalents	18.75	18.75	7.92	2.13	0.28	0.90	1.38	1.34	2.36	3.37	3.94
Debtors and other receivables	34.42	18.23	18.97	18.88	19.30	19.16	19.13	19.21	19.27	19.43	19.40
Non-current assets held for sale	0.09	0.67	0.38	0.45	0.50	0.60	0.51	0.47	0.34	0.75	0.09
Investments in CCOs and similar entities	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Other financial assets	298.79	302.68	315.93	329.69	343.47	356.97	369.61	382.18	394.67	407.25	419.95
Intangible assets	0.63	-	-	-	-	-	-	-	-	-	-
Inventory	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Total current assets	356.96	344.63	347.50	355.45	367.85	381.93	394.93	407.50	420.94	435.10	447.68
Total assets	**3,374.37**	**3,562.30**	**3,618.26**	**3,701.29**	**4,031.42**	**4,101.52**	**4,171.84**	**4,493.49**	**4,533.44**	**4,565.91**	**4,909.45**
Non-current liabilities											
Borrowings	169.35	179.98	193.14	255.70	299.49	334.38	374.18	392.90	414.71	407.70	398.46
Derivative financial liabilities	15.18	21.63	21.63	21.63	21.63	21.63	21.63	21.63	21.63	21.63	21.63
Other provisions	1.77	2.99	2.84	2.69	2.54	2.39	2.24	2.09	1.94	1.79	1.64
Employee entitlements	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52	0.52
Total non-current liabilities	186.81	205.12	218.13	280.54	324.18	358.92	398.57	417.14	438.80	431.64	422.25
Current liabilities											
Creditors and other payables	34.82	24.27	28.24	31.76	33.31	34.07	35.12	35.12	35.29	36.10	37.43
Borrowings	55.40	44.00	64.00	50.00	50.00	54.00	49.00	47.00	29.00	29.00	29.00
Provisions	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Employee entitlements	3.73	3.85	3.93	4.00	4.08	4.15	4.23	4.31	4.39	4.47	4.56
Derivative financial liabilities	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Total current liabilities	95.26	73.44	97.49	87.08	88.71	93.54	89.67	87.75	70.00	70.89	72.31
Total liabilities	**282.07**	**278.56**	**315.62**	**367.62**	**412.89**	**452.46**	**488.24**	**504.89**	**508.80**	**502.53**	**494.56**

Prospective Statement of Financial Position

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Public equity											
Restricted reserves	58.96	65.09	46.28	37.23	42.71	52.86	53.86	56.07	62.90	70.25	76.20
Accumulated funds	1,576.88	1,618.35	1,656.06	1,696.14	1,723.40	1,743.78	1,777.32	1,814.19	1,843.40	1,874.79	1,910.50
Asset revaluation reserves	1,456.47	1,600.30	1,600.30	1,600.30	1,852.42	1,852.42	1,852.42	2,118.34	2,118.34	2,118.34	2,428.19
Total public equity	3,092.30	3,283.74	3,302.64	3,333.67	3,618.52	3,649.05	3,683.60	3,988.59	4,024.63	4,063.39	4,414.89
Total equity and liabilities	**3,374.37**	**3,562.30**	**3,618.26**	**3,701.29**	**4,031.42**	**4,101.52**	**4,171.84**	**4,493.49**	**4,533.44**	**4,565.91**	**4,909.45**

Prospective Cash Flow Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Cash flows from operating activities											
Receipts from rates revenue	89.78	109.76	117.52	125.84	137.23	147.83	157.99	166.86	174.15	180.67	187.74
Interest received	2.26	1.72	1.71	1.68	1.65	1.62	1.59	1.56	1.53	1.50	1.47
Other revenue received	37.60	62.01	63.85	71.48	71.83	65.10	63.55	61.99	60.82	63.05	63.18
Payments to suppliers and employees	(108.43)	(118.18)	(129.88)	(132.62)	(142.52)	(144.35)	(146.62)	(149.83)	(154.37)	(159.67)	(164.73)
Distributions related to Waitara Lands Act	(8.45)	(16.06)	(6.11)	(6.85)	(6.77)	(6.11)	(4.40)	(4.19)	(3.96)	(3.90)	(4.11)
Interest paid	(7.00)	(6.92)	(7.87)	(9.28)	(10.76)	(12.03)	(15.34)	(16.26)	(16.63)	(16.59)	(16.36)
Net cash flows from operating activities	5.76	32.33	39.22	50.25	50.66	52.06	56.77	60.13	61.54	65.06	67.19
Cash flows from investing activities											
Receipts from sale of property, plant and equipment	18.67	7.68	7.56	8.24	8.28	7.60	5.71	5.38	5.07	4.90	5.54
Investments release to NPDC	10.28	10.56	11.19	11.81	12.40	12.97	13.56	14.16	14.76	15.37	15.96
Receipts from sale of other financial assets	0.75	10.28	0.75	0.75	0.75	0.75	0.75	2.25	2.25	2.25	2.25
Purchase of property, plant and equipment	(49.76)	(79.56)	(98.63)	(120.90)	(113.35)	(107.70)	(108.16)	(95.89)	(83.82)	(76.97)	(78.55)
Purchase of other financial assets	(9.97)	(4.32)	(4.08)	(4.50)	(4.40)	(3.95)	(2.95)	(2.78)	(2.59)	(2.59)	(2.58)
Net cash flows from investing activities	(30.03)	(55.36)	(83.21)	(104.60)	(96.32)	(90.33)	(91.09)	(76.88)	(64.33)	(57.04)	(57.38)
Cash flows from financing activities											
Proceeds from borrowings	45.71	34.03	48.16	83.56	64.80	59.89	59.80	36.72	21.81	(7.01)	(9.23)
Repayment of borrowings	(10.10)	(11.00)	(15.00)	(35.00)	(21.00)	(21.00)	(25.00)	(20.00)	(18.00)	-	-
Net cash flows from financing activities	35.61	23.03	33.16	48.56	43.80	38.89	34.80	16.72	3.81	(7.01)	(9.23)
Net increase/(decrease) in cash and cash equivalents	**11.34**	**-**	**(10.83)**	**(5.79)**	**(1.86)**	**0.62**	**0.48**	**(0.03)**	**1.02**	**1.01**	**0.58**
Cash and cash equivalents at the beginning of the year	7.40	18.75	18.75	7.92	2.13	0.28	0.90	1.38	1.34	2.36	3.37
Cash and cash equivalents at the end of the year	**18.75**	**18.75**	**7.92**	**2.13**	**0.27**	**0.90**	**1.38**	**1.35**	**2.36**	**3.37**	**3.95**

Notes to Financial Statements

1. Revenue from targeted rates for metered water supply

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Targeted rates for metered water supply	4.36	5.02	5.26	5.97	19.33	19.99	24.67	23.90	24.40	24.88	26.16

2. Group of activities combined depreciation and amortisation expense

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Community Partnerships	0.33	0.21	0.24	0.24	0.24	0.27	0.27	0.27	0.29	0.29	0.29
Customer and Regulatory Solutions	0.66	0.66	0.69	0.69	0.70	0.76	0.76	0.76	0.83	0.83	0.83
Economic Development	0.09	-	-	-	-	-	-	-	-	-	-
Emergency Management and Business Continuance	0.03	0.03	0.04	0.05	0.05	0.06	0.06	0.06	0.07	0.07	0.07
Flood Protection and Control Works	0.14	0.12	0.13	0.13	0.13	0.14	0.14	0.14	0.15	0.15	0.15
Governance	0.13	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Govett-Brewster Art Gallery/Len Lye Centre	0.62	0.53	0.56	0.57	0.57	0.62	0.62	0.63	0.68	0.70	0.70
Management of Investments and Funding	0.04	-	-	-	-	-	-	-	-	-	-
Parks and Open Spaces	3.14	2.60	2.81	2.95	3.08	3.40	3.50	3.56	3.90	3.96	4.01
Puke Ariki and Community Libraries	1.82	2.08	2.20	2.21	2.21	2.51	2.60	2.60	2.82	2.82	2.82
Stormwater Management	2.78	3.69	3.96	4.02	4.14	4.56	4.62	4.67	5.12	5.17	5.23
Transportation	13.17	11.39	12.29	12.53	12.75	14.06	14.28	14.41	15.72	15.76	15.80
Venues and Events	2.00	1.39	1.53	1.65	1.85	2.18	2.24	2.32	2.44	2.44	2.44
Waste Management and Minimisation	1.06	0.46	0.50	0.51	0.51	0.62	0.63	0.63	0.68	0.68	0.68
Wastewater Treatment	6.27	9.48	10.25	10.59	10.85	12.01	12.26	12.55	13.86	14.01	14.17
Water Supply	5.06	6.60	7.09	7.22	7.28	7.99	8.09	8.20	8.95	8.98	9.02
Other	1.42	2.61	2.78	2.78	2.79	3.14	3.19	3.20	3.48	3.48	3.49
Total depreciation and amortisation expense	**38.54**	**41.86**	**45.09**	**46.17**	**47.18**	**52.34**	**53.27**	**54.02**	**59.01**	**59.37**	**59.72**

Statement of Reserve Funds

NPDC maintains reserve funds as a part of its equity – refer to statement of accounting policies earlier in this section. Schedule 10 Clause 16 requires certain information to be included pertaining to these reserve funds. The following presents a summary of reserve funds over the period of this plan and is followed by a breakdown into the various reserve fund types giving a brief explanation of the types of funds under each category and a table giving the opening balances, movements and closing balances.

Summary of Reserve Funds

The following is a summary of NPDC's expected reserve funds over the life of this plan.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Opening balances	72.82	74.01	65.10	46.29	37.24	42.72	52.87	53.87	56.08	62.91	70.26
Deposits to reserves	19.63	27.14	28.87	30.00	37.63	42.19	46.02	50.53	52.96	55.76	57.18
Withdrawals from reserves	(33.44)	(36.05)	(47.68)	(39.05)	(32.16)	(32.04)	(45.01)	(48.33)	(46.13)	(48.41)	(51.23)
Closing balances	**59.01**	**65.10**	**46.29**	**37.24**	**42.72**	**52.87**	**53.87**	**56.08**	**62.91**	**70.26**	**76.21**

Note. Opening balances for Budget 2021/22 have been adjusted to reflect the actual opening position at 1 July 2020 and impacts of forecast for 2020/21.

1. **Operating reserve funds.** These are set aside to fund short-term operational matters, such as some loan repayments, or to hold short-term surpluses arising from operations. If not required can be transferred to renewal reserves.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Opening balances	16.04	14.54	11.65	8.39	6.40	6.70	6.99	7.23	7.52	7.81	8.10
Deposits to reserves	-	0.35	(0.15)	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Withdrawals from reserves	(1.50)	(3.24)	(3.11)	(2.59)	(0.30)	(0.31)	(0.36)	(0.31)	(0.31)	(0.31)	(0.31)
Closing balances	**14.54**	**11.65**	**8.39**	**6.40**	**6.70**	**6.99**	**7.23**	**7.52**	**7.81**	**8.10**	**8.39**

2. **Restricted reserves, trust and bequest funds.** These are funds subject to specific conditions accepted as binding by NPDC, such as bequests or operations in trust under specific Acts, and which may not be revised by the Council without reference to the Courts or third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met. These include the Waitara Perpetual Community Fund (held by NPDC for Te Tai Pari Trust), heritage funds, proceeds from sale of Junction Road leases, Solid Waste Development Fund, Central Landfill Development Fund, Ngamotu Masonic Lodge Bursary Fund and certain bequest funds: Monica Brewster, Molly Morpeth Canaday, J T Gibson. These funds are applied to infrastructural asset activities, Puke Ariki and Govett-Brewster Art Gallery.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Opening balances	21.25	36.48	38.46	40.53	43.99	49.12	53.14	55.71	58.93	62.44	66.62
Deposits to reserves	0.45	4.02	5.81	4.73	6.27	5.03	4.18	4.25	4.68	5.48	4.90
Withdrawals from reserves	(0.22)	(2.04)	(3.74)	(1.27)	(1.15)	(1.01)	(1.60)	(1.04)	(1.17)	(1.30)	(1.41)
Closing balances	**21.48**	**38.46**	**40.53**	**43.99**	**49.12**	**53.14**	**55.71**	**58.93**	**62.44**	**66.62**	**70.11**

Statement of Reserve Funds

3. **Development funds.** These include development and financial contributions levied by NPDC for capital works and are intended to contribute to the growth related capital expenditure in the infrastructural asset activities of Roads, Water Supply, Wastewater Management, Stormwater Drainage, Flood Protection and Control Works, Parks, Venues and Events, Puke Ariki and Govett-Brewster Art Gallery.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Opening balances	1.33	1.33	0.90	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.59
Deposits to reserves	-	-	-	-	-	-	-	-	-	-	-
Withdrawals from reserves	-	(0.43)	(0.31)	-	-	-	-	-	-	-	-
Closing balances	**1.33**	**0.90**	**0.59**	**0.59**	**0.59**	**0.59**	**0.59**	**0.59**	**0.59**	**0.59**	**0.59**

4. **Renewal and disaster funds**. NPDC sets aside funding to meet the renewal of its infrastructural and operating assets to ensure the continued ability of the Council to provide services. In addition NPDC maintains a disaster fund as a part of its insurance strategies. The renewal funds are applied to all activities throughout NPDC.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Opening balances	34.20	21.66	14.09	(3.18)	(13.70)	(13.65)	(7.77)	(9.58)	(10.88)	(7.85)	(4.97)
Deposits to reserves	19.18	22.77	23.21	24.67	30.76	36.56	41.24	45.68	47.68	49.68	51.68
Withdrawals from reserves	(31.72)	(30.34)	(40.48)	(35.19)	(30.71)	(30.68)	(43.05)	(46.98)	(44.65)	(46.80)	(49.51)
Closing balances	**21.66**	**14.09**	**(3.18)**	**(13.70)**	**(13.65)**	**(7.77)**	**(9.58)**	**(10.88)**	**(7.85)**	**(4.97)**	**(2.80)**

Disclosure Statement for the period commencing 1 July 2021

What is the purpose of this statement

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

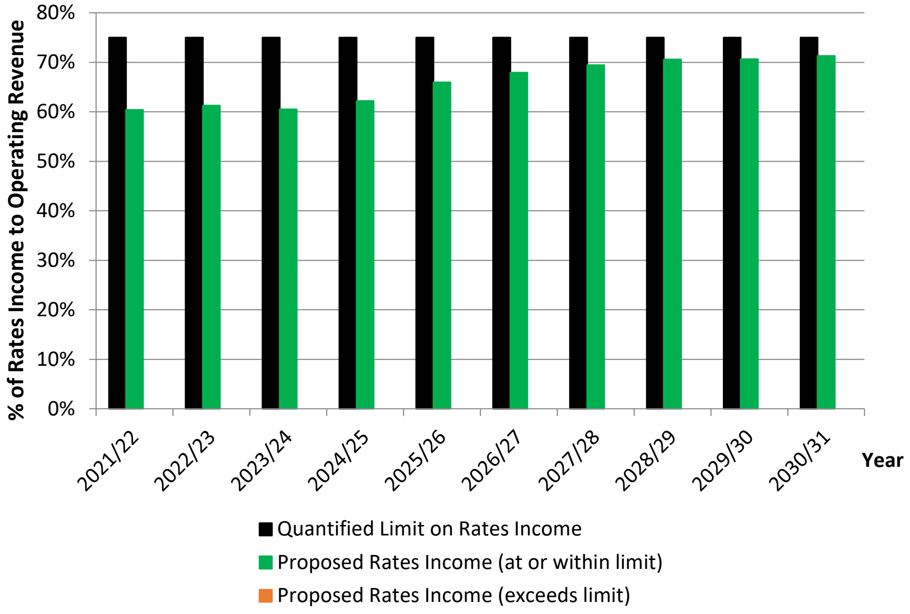
NPDC is required to include this statement in its LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations). Refer to the Regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

NPDC meets the rates affordability benchmark if its planned rates increases equal or are less than each quantified limit on rates increases.

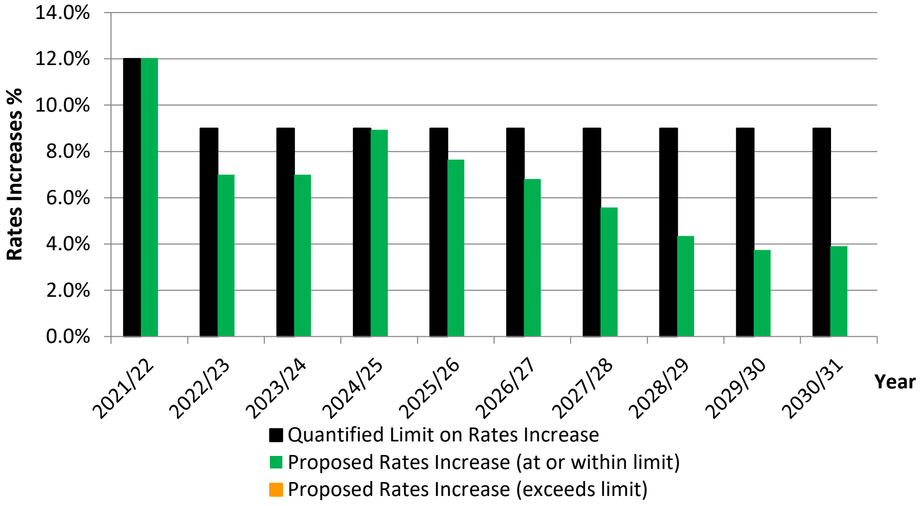
Rates (Income) affordability

The following graph compares NPDC's planned rates with a quantified limit on rates contained in the Financial Strategy included in this LTP. The quantified limit is that rates will not exceed 75 per cent of operating revenue.



Rates (increases) affordability

The following graph compares NPDC's planned rates increases with a quantified limit on rates increases contained in the Financial Strategy included in this LTP. The quantified limit is set at 12 per cent for year one and nine per cent in the folloiwng years.



Note. The proposed rates percentage increase for years two to 10 is the percentage increase with the base being the prior year proposed rates. In 2021/22 (year one), the proposed rates increase is the percentage increase with the base being the actual rates set in 2020/21.

Debt affordability benchmark

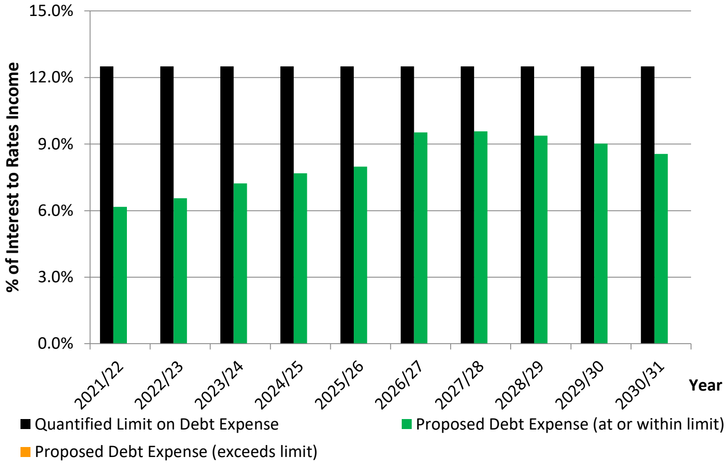
NPDC meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing:

- interest expenses on external borrowings is less than each quantified limit on borrowing; and
- net external debt is less than each quantified limit on borrowing.

Disclosure Statement

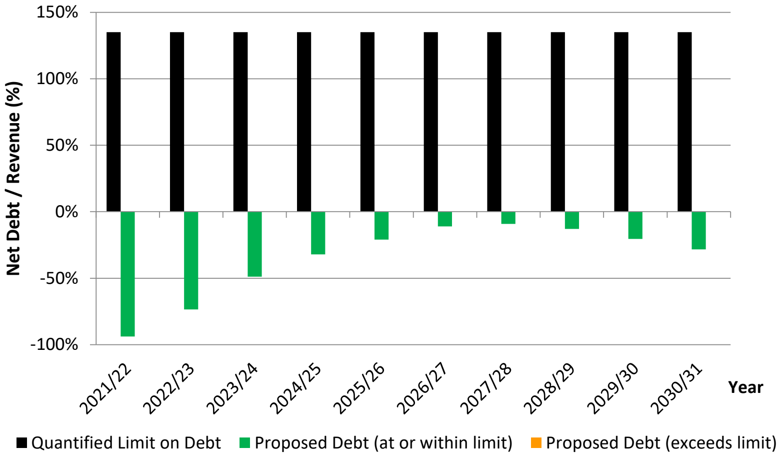
Debt (expense) affordability

The following graph compares NPDC's planned debt with a quantified limit on borrowing contained in the Financial Strategy included in this LTP. The quantified limit per the Financial Strategy is for interest expense on external borrowings to be no more than 12.5 per cent of rates income.



Debt affordability

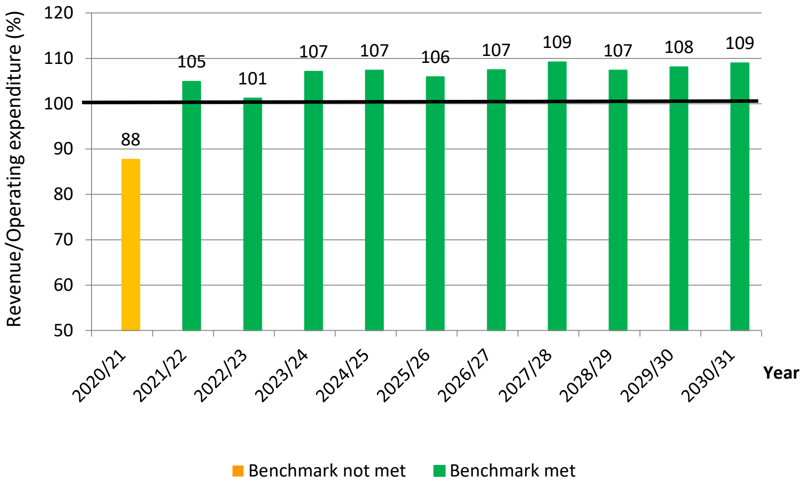
The following graph compares NPDC's planned debt with a quantified limit on borrowing contained in the Financial Strategy included in this LTP. The quantified limit per the Financial Strategy is for net external borrowings to be no more than 135 per cent of total revenue.



Balanced budget benchmark

The following graph displays NPDC's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

NPDC meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

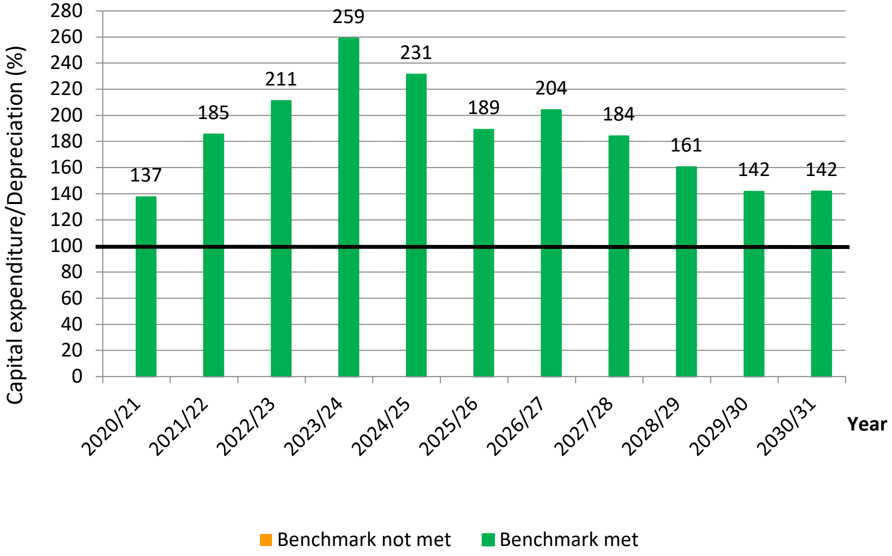


Disclosure Statement

Essential services benchmark

The following graph displays NPDC's planned capital expenditure on network services as a proportion of expected depreciation on network services.

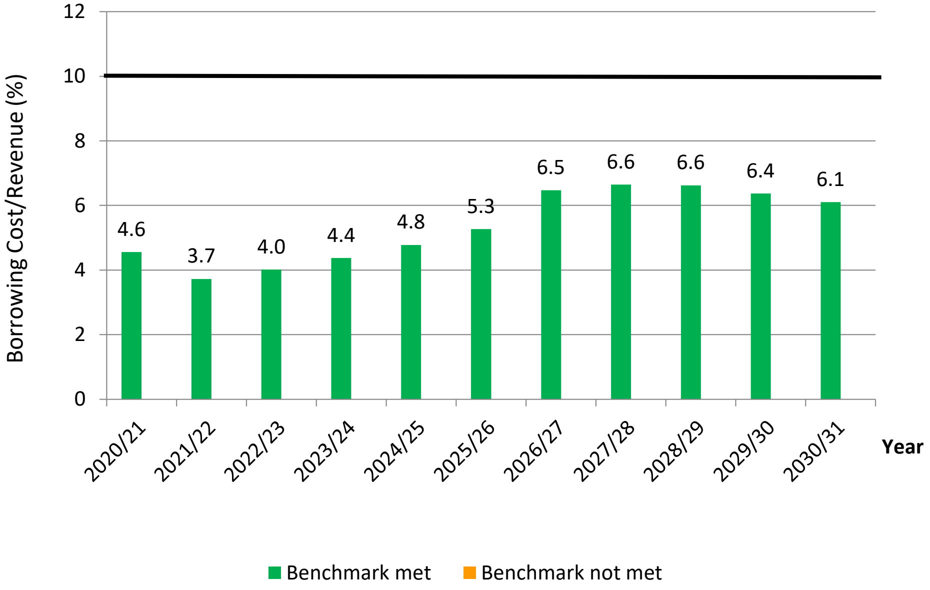
NPDC meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



Debt servicing benchmark

The following graph displays NPDC's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment).

Because Statistics New Zealand projects NPDC's population will grow more slowly than the national population is projected to grow, it meets the debt servicing benchmark if its planned borrowing costs equal, or are less than, 10 per cent of its planned revenue.



Rating System and Information

Rating policies, system and indicative rates

This section complies with the requirements under Schedule 10 clauses 15(3)-(5) and 15A of the Local Government Act 2002. It should be read in conjunction with New Plymouth District Council's (NPDC) Revenue and Financing Policy. Figures quoted are exclusive of GST unless otherwise stated.

Definition of Separately Used or Inhabited Part of a Rating Unit (SUIP)

A SUIP is defined as a separately used or inhabited part of a rating unit and includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. Separately used or inhabited parts include:

- A residential, small holding, or farmland property that contains two or more separately occupiable units, flats or houses each of which is separately inhabited or is capable of separate inhabitation, i.e. has independent kitchen facilities.
- A commercial premise that contains separate shops, kiosks, other retail or wholesale outlets, or offices, each of which is operated as a separate business or is capable of operation as a separate business.

1. General rates

NPDC will set a general rate based on the land value of rateable land in the district together with a uniform annual general charge (UAGC) applied to all SUIPs of a rating unit.

Differential land value categories

NPDC differentiates the general rate based on land use (Schedule 2 Local Government (Rating) Act 2002). The differential categories and percentages of total general rate requirement that apply to each group are:

	Fixed Differential %	Revenue sought 2021/22 ($)
Group 1: Commercial/Industrial All rating units that are used primarily for any commercial or industrial purpose	26.9	19,495,098
Group 2: Residential All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.	54	39,135,140
Group 3: Small Holdings All rating units, not being rating units included in Groups 1 or 2, having a land area of more than one hectare but no greater than four hectares.	3.6	2,609,010
Group 4: Farmland All rating units, not being rating units included in Groups 1, 2 or 3, having a land area in excess of four hectares.	15.5	11,233,235
Total	**100**	72,472,483

The Revenue and Financing Policy outlines the rules for inclusion into the different groups.

Application of differential calculation

The differential percentages are applied to the total general rate required. The UAGC component is then deducted and the balance is allocated based on individual land values within each category. Refer to the table below.

	Group 1 Commercial/ Industrial	Group 2 Residential	Group 3 Small Holdings	Group 4 Farmland
Group differential requirement	19,495,098	39,135,140	2,609,010	11,233,235
Total UAGC from Group collected	913,873	11,962,896	658,142	1,177,667
Group requirement from land value calculation	18,581,225	27,172,244	1,950,868	10,055,568

Rating System and Information

The differentials per dollar land value are set in the table below.

Differential category	Rate cents/$	Differential factor
Commercial/Industrial	1.5254	4.14
Residential	0.3683	1.00
Small Holdings	0.2998	0.81
Farmland	0.2934	0.80

2. Uniform annual general charge

NPDC will set a UAGC which is a fixed amount assessed on every SUIP. The amount per SUIP (excluding GST) is set in the table below.

	2021/22	2022/23	2023/24
UAGC (excluding GST)	383.98	392.20	404.60

Both the general rate and the UAGC will be used to fund, or assist with funding, all Council activities other than those funded by way of targeted rates for roading, water supply, sewage treatment and disposal, refuse collection and kerbside recycling, swimming pool compliance and voluntary targeted rate for Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme.

3. Targeted roading rate

NPDC will set a targeted rate - the Uniform Annual Roading Charge (UARC) to partially fund the roading activity on all rateable land in the district of a fixed amount per SUIP. The amount per SUIP (excluding GST) is set in the table below.

	2021/22	2022/23	2023/24
UARC (excluding GST)	116.22	119.01	122.46

4. Targeted service charge rates

NPDC will charge the following targeted rates:

- Water supply.
- Sewage treatment and disposal.
- Refuse collection and disposal.
- Swimming pool compliance.
- Voluntary targeted rate - Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme.

Unless otherwise noted, only those properties that actually receive the service are liable for these charges, irrespective of differential category.

5. Water supply

NPDC has three mechanisms of payment for water supply.

a) **Annual water charge** is a targeted rate being a fixed amount per SUIP which is connected to an urban water supply but not charged volumetrically. This rate will be charged in 2021/22, 2022/23 and 2023/24 and will be discontinued in 2024/25.The amount per SUIP is $318.40 (excluding GST) for 2021/22.

b) **On demand supplies of water by meter** is a rate per cubic metre of water supplied to each connection which is metered and charged volumetrically and connected to an urban or rural water supply. A scale of charges is applied as follows:

i) Standard rate for consumption up to or equal to 50,000m^3 per annum $1.41 (per cubic metre) for 2021/22.

ii) Rate for consumption in excess of 50,000m^3 per annum $1.43 (per cubic metre) for 2021/22.

iii) Waitara industrial - untreated supply $0.96 (per cubic metre) for 2021/22.

c) **Restricted flow targeted rate.** A restricted flow targeted rate is determined by the (user nominated) volume of water able to be supplied within a fixed time period to a SUIP for properties that are not metered and are connected to a rural water supply (in accordance with NPDC's Bylaw Part 14 - Water, Wastewater and Stormwater Services). For 2021/22, the amount per 1m^3 unit is $226.77.

The **network fixed charge targeted rate** is a targeted amount per SUIP which is connected to a water supply by an annual water charge. The amount per SUIP is $37.60 for 2021/22, 2022/23 and 2023/24.

For properties that are not connected to an urban or rural water supply a targeted rate is not assessed.

6. Sewage treatment and disposal

All rating units other than commercial/industrial and schools

NPDC will set a targeted rate for sewage treatment and disposal as a fixed amount per SUIPs (other than commercial/industrial rating units and schools) connected either directly or through a private drain to a public sewerage drain.

The amount per SUIP is $470.43 for 2021/22.

Commercial/industrial and schools

NPDC will set a targeted rate per water closet or urinal per SUIP connected either directly or through a private drain to a public sewerage drain or commercial/industrial properties and schools as per the following scale per water closet or urinal for 2021/22.

	($)
One to two	470.43
Three	400.00
Four	353.04
Five	306.09
Six to 10	282.61
11 to 15	259.13
16 to 20	246.96
21 or more	235.65

Expansion of sewerage scheme charges (including Ōākura)

For rating units in the area to which the sewerage scheme was expanded and is now available (including Ōākura), where an agreement to connect was obtained but the rating unit has not yet connected, a targeted rate per SUIP will be set as a fixed amount (which is half the full amount). The amount per SUIP for 2021/22 is $235.65. Once connected the full amount will apply in the next financial year.

All rating units in the district which are neither connected to the sewerage system or are not serviceable are not liable for these rates.

7. Refuse collection and disposal including kerbside recycling

NPDC will set a targeted rate for refuse collection and disposal (including kerbside recycling) as a fixed amount per SUIP to which the Council provides the service for which the charge is assessed. The amount per SUIP is $172.00 for 2021/22.

8. Swimming pool compliance (registration and audit inspection pursuant to the Building Act 2004)

NPDC will set a targeted rate for swimming pool compliance as a fixed amount per SUIP which have a swimming pool/spa pool on the rating unit. The amount per SUIP is $42.44 for 2021/22.

9. Voluntary Targeted Rate - Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme

The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme rate is a targeted rate set on properties that have benefited from funding by NPDC in respect of the property for a range of household sustainability initiatives. The rate is calculated at either 11.1 per cent (for those who opted for a nine year repayment period) or 20 per cent (for those who opted for a five year repayment period) of the service amount (the cost of the borrowed amount) until the service amount and the costs of servicing the service amount are recovered and is charged on a rating unit basis. For the avoidance of doubt, this rate includes ratepayers who used NPDC's Voluntary Targeted Rate for Home Energy Scheme prior to its expansion as Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme.

Due dates and penalties

NPDC's rates (excluding metered water rates) for the 2021/22 year (1 July 2021 to 30 June 2022) will become due and payable by four equal instalments on the following dates:

Instalment 1:	25 August 2021
Instalment 2:	24 November 2021
Instalment 3:	23 February 2022
Instalment 4:	25 May 2022

NPDC will charge a penalty of 10 per cent on any part of each respective instalment (for rates excluding metered water rates) that remains unpaid after the instalment due dates listed above.

In addition, NPDC will charge a penalty of 10 per cent on any portion of rates (for rates excluding metered water rates) that were assessed or levied in any previous financial years prior to 1 July 2021 and which remain unpaid on 1 July 2021. The penalty will be applied on 30 September 2021 and a further additional penalty of 10 per cent on any portion of rates that were assessed or levied in any previous financial years and which remain unpaid on 31 March 2022.

Metered water rates for the 2021/22 year (1 July 2021 to 30 June 2022) will generally be invoiced on a quarterly basis. However, rating units may be invoiced monthly if the unit has previously been invoiced monthly or NPDC has been notified before 30 June 2021 to be invoiced monthly.

Rating System and Information

Invoices for metered water invoiced quarterly will become due and payable on the following dates:

Instalment 1:	24 November 2021
Instalment 2:	23 February 2022
Instalment 3:	25 May 2022
Instalment 4:	24 August 2022

NPDC will charge a penalty of 10 per cent on any part of each respective instalment (for metered water rates) that remains unpaid after the instalment due dates listed above.

Invoices for metered water invoiced on a monthly basis will become due and payable on the following dates:

Instalment 1:	20 August 2021
Instalment 2:	20 September 2021
Instalment 3:	20 October 2021
Instalment 4:	22 November 2021
Instalment 5:	20 December 2021
Instalment 6:	20 January 2022
Instalment 7:	21 February 2022
Instalment 8:	21 March 2022
Instalment 9:	20 April 2022
Instalment 10:	20 May 2022
Instalment 11:	20 June 2022
Instalment 12:	20 July 2022

NPDC will charge a penalty of 10 per cent on any part of each respective instalment (for metered water rates) that remains unpaid after the instalment due dates listed above.

Rating base information

	A/Plan 2020/21	Budget 2021/22	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29	Budget 2029/30	Budget 2030/31
Projected number of rating units	36,329	36,716	37,103	37,490	37,877	38,264	38,651	39,038	39,425	39,812	40,199
Projected total capital value of rating units ($m)	24,076	24,244	24,394	24,544	24,695	24,845	24,995	25,152	25,309	25,466	25,623
Projected total land value of rating units ($m)	12,825	12,993	13,143	13,293	13,444	13,594	13,744	13,901	14,058	14,215	14,372

Lump sum contributions

NPDC may accept lump sum contributions in respect of any targeted rate.

Rating System and Information

Examples of the impact of the rating proposals (GST inclusive)

The following examples show the impact of the rating proposals on low, medium and high valued properties for each differential for 2021/22. They are required to be provided under clause 15(5) of Schedule 10 of the Local Government Act 2002 and are indicative only. (Plus, approximate average case for each group based on average land value and pans for commercial/industrial.) The examples exclude the swimming pool compliance targeted rate and the voluntary Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme targeted rate. More information about these rates can be found on page 178.

Residential land value (LV)

	$111,000 LV	$165,000 LV	$215,000 LV	$285,000 LV	$500,000 LV
General Rate	470.13	698.85	910.62	1,207.10	2,117.73
Uniform annual general charge	441.58	441.58	441.58	441.58	441.58
Targeted rates					
Uniform annual roading charge	133.65	133.65	133.65	133.65	133.65
Uniform annual sewage charge	541.00	541.00	541.00	541.00	541.00
Uniform annual water charge:					
- Network fixed charge	43.24	43.24	43.24	43.24	43.24
- Standardised consumption charge	366.16	366.16	366.16	366.16	366.16
Uniform annual refuse charge	197.80	197.80	197.80	197.80	197.80
Total	**2,193.56**	**2,422.28**	**2,634.05**	**2,930.53**	**3,841.16**
Increase $ over 2020/21	**164.57**	**200.22**	**233.23**	**279.43**	**421.35**

Commercial/Industrial land value (LV)

	$42,000 LV	$205,000 LV	$380,000 LV	$720,000 LV	$1,930,000 LV
General Rate	736.77	3,596.13	6,666.00	12,630.31	33,856.25
Uniform annual general charge	441.58	441.58	441.58	441.58	441.58
Targeted rates					
Uniform annual roading charge	133.65	133.65	133.65	133.65	133.65
Uniform annual sewage charge	541.00	541.00	1,760.00	1,760.00	3,250.00
Uniform annual water charge:					
- Network fixed charge	43.24	43.24	43.24	43.24	43.24
- Standardised consumption charge	366.16	366.16	366.16	366.16	366.16
Total	**2,262.40**	**5,121.76**	**9,410.63**	**15,374.94**	**38,090.88**
Increase $ over 2020/21	**194.08**	**623.72**	**1,165.95**	**2,062.13**	**5,431.48**

Rating System and Information

Small Holdings land value (LV)

	$170,000 LV	$280,000 LV	$335,000 LV	$425,000 LV	$640,000 LV
General Rate	586.11	965.36	1,154.98	1,465.27	2,206.53
Uniform annual general charge	441.58	441.58	441.58	441.58	441.58
Targeted rates					
Uniform annual roading charge	133.65	133.65	133.65	133.65	133.65
Total	**1,161.34**	**1,540.59**	**1,730.21**	**2,040.50**	**2,781.76**
Increase $ over 2020/21	**93.75**	**152.19**	**181.41**	**229.23**	**343.46**

Farmland land value (LV)

	$150,000 LV	$395,000 LV	$570,000 LV	$1,200,000 LV	$4,020,000 LV
General Rate	506.12	1,332.77	1,923.24	4,048.92	13,563.88
Uniform annual general charge	441.58	441.58	441.58	441.58	441.58
Targeted rates					
Uniform annual roading charge	133.65	133.65	133.65	133.65	133.65
Total	**1,081.35**	**1,908.00**	**2,498.47**	**4,624.15**	**14,139.11**
Increase $ over 2020/21	**68.64**	**175.13**	**251.21**	**525.07**	**1,750.92**

Rating System and Information

Total Rates

	A/Plan 2020/21 ($)	LTP 2021/22 ($)
Uniform annual general charge (UAGC)	14,457,272	14,712,578
General rate	49,267,260	57,759,985
Sub total (general rates)	63,724,532	72,472,563
Uniform annual roading charge (UARC)	4,369,939	4,447,977
Uniform annual sewage charge (UADC)	14,381,106	15,238,132
Uniform annual water charge (UAWC)	8,438,575	9,931,442
Water by meter charges	4,358,052	5,019,558
Uniform annual refuse charge (UARC)	4,885,121	5,070,408
Swimming pool compliance charge (UAPC)	-	42,000
Sub total (targeted rates/charges)	36,432,793	39,749,517
Total	**100,157,325**	**112,222,080**

The figures above do not include GST. GST will be added at applicable rates.

Rating System and Information

Rates and Charges	A/Plan 2020/21 ($)	LTP 2021/22 ($)
General rates		
Uniform annual general charge	381.69	383.98
Differential rates (cents per $ of rateable value):		
- Group 1 (Commercial/Industrial)	1.2962c	1.5254c
- Group 2 (Residential)	0.3109c	0.3683c
- Group 3 (Small Holdings)	0.2536c	0.2998c
- Group 4 (Farmland)	0.2556c	0.2934c
Targeted rates/charges		
Uniform annual roading charge	115.53	116.22
Uniform annual refuse charge per serviced household	165.11	172.00
Uniform annual sewage charge - all rating units other than commercial/industrial	453.91	470.43
Uniform annual sewage charge - commercial/industrial (including schools) (scale of charges per water closet or urinal):		
- One to two	453.91	470.43
- Three	380.00	400.00
- Four	332.17	353.04
- Five	288.70	306.09
- Six to 10	258.26	282.61
- 11 to 15	240.87	259.13
- 16 to 20	232.17	246.96
- 21 or more	227.83	235.65
Ōākura part charge	236.52	235.65
Uniform annual water charge:		
- Network fixed charge	32.00	37.60
- Consumption variable charge	271.00	318.40
Swimming pool compliance charge	42.19	42.44

Rates and Charges	A/Plan 2020/21 ($)	LTP 2021/22 ($)
Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme - funding assistance depending on each funding arrangement		
Water charges		
On demand supplies by water by meter (WBM):		
- Supply charge (for all metered customers)	32.00	37.60
- Standard rate for consumption up to 50,000m^3 (per cubic metre)	1.20	1.41
- Industrial rate for consumption in excess of 50,000m^3 per annum (per cubic metre)	1.22	1.43
Waitara industrial - untreated supply (per cubic metre)	0.82	0.96
Restricted flow connections (per water unit as defined by Water, Wastewater and Stormwater Services Bylaw (Part 14))	192.62	226.77

Note: large users are charged the standard WBM rate to 50,000m^3 and the industrial rate for amounts in excess of 50,000m^3

The figures above do not include GST. GST will be added at applicable rates.

Funding Impact Statement

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
General rates, uniform annual charges, rates penalties	61.92	70.42	75.75	79.16	88.85	91.26	99.29	100.71	103.15	104.78	107.29
Targeted rates	36.04	39.33	41.77	46.68	48.38	56.57	58.71	66.15	70.99	75.88	80.44
Subsidies and grants for operating purposes	6.61	8.95	7.30	7.12	8.31	8.35	8.47	8.72	8.80	9.13	9.67
Fees and charges	18.24	25.97	34.93	33.74	38.80	37.19	36.79	37.82	38.53	40.42	40.15
Interest and dividends from investments	12.54	12.28	12.91	13.49	14.05	14.59	15.15	15.72	16.29	16.87	17.43
Local authorities fuel tax, fines, infringement fees and other receipts	0.85	1.38	1.37	1.37	1.37	1.37	1.37	1.37	1.37	1.37	1.37
Total operating funding (A)	136.20	158.33	174.03	181.56	199.76	209.33	219.78	230.49	239.13	248.45	256.35
Applications of operating funding											
Payments to staff and suppliers	(131.41)	(131.32)	(142.61)	(145.69)	(153.62)	(154.06)	(154.94)	(157.02)	(161.53)	(167.48)	(173.38)
Finance costs	(7.04)	(6.92)	(7.87)	(9.28)	(10.76)	(12.03)	(15.34)	(16.26)	(16.63)	(16.59)	(16.36)
Internal charges and overheads applied	-	2.67	2.73	2.80	2.86	2.92	2.98	3.05	3.12	3.20	3.26
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding (B)	(138.45)	(135.57)	(147.75)	(152.17)	(161.52)	(163.17)	(167.30)	(170.23)	(175.04)	(180.87)	(186.48)
Surplus/(deficit) of operating funding (A - B)	**(161.53)**	**22.76**	**26.28**	**29.39**	**38.24**	**46.16**	**52.48**	**60.26**	**64.09**	**67.58**	**69.87**
Sources of capital funding											
Subsidies and grants for capital expenditure	8.63	22.76	17.33	25.37	19.86	14.02	13.31	10.46	8.34	8.29	7.83
Development and financial contributions	2.36	2.96	3.08	3.19	3.31	3.44	3.57	3.71	3.85	3.99	4.15
Increase/(decrease) in debt	12.33	23.03	33.15	48.56	43.81	38.89	34.80	16.71	3.81	(7.01)	(9.24)
Gross proceeds from sale of assets	17.40	7.68	7.56	8.23	8.28	7.60	5.70	5.38	5.06	4.90	5.54
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	40.72	56.43	61.12	85.35	75.26	63.95	57.38	36.26	21.06	10.17	8.28
Applications of capital funding											
Capital expenditure:											
- to meet additional demand	(5.61)	(8.21)	(10.27)	(11.10)	(7.73)	(6.58)	(7.95)	(10.30)	(6.56)	(7.56)	(7.84)
- to improve the level of service	(12.42)	(30.32)	(43.25)	(57.93)	(50.84)	(49.75)	(49.01)	(30.07)	(24.10)	(14.14)	(13.19)
- to replace existing assets	(31.74)	(41.03)	(45.11)	(51.87)	(54.78)	(51.37)	(51.20)	(55.51)	(53.15)	(55.26)	(57.51)
(Increase)/decrease in reserves	11.30	6.93	8.50	3.01	(3.20)	(5.01)	(3.90)	(1.17)	(1.68)	(1.13)	0.06
(Increase)/decrease of investments	-	(6.56)	2.73	3.15	3.05	2.60	2.20	0.53	0.34	0.34	0.33
Total applications of capital funding (D)	(38.47)	(79.19)	(87.40)	(114.74)	(113.50)	(110.11)	(109.86)	(96.52)	(85.15)	(77.75)	(78.15)
Surplus/(deficit) of capital funding (C-D)	**2.25**	**(22.76)**	**(26.28)**	**(29.39)**	**(38.24)**	**(46.16)**	**(52.48)**	**(60.26)**	**(64.09)**	**(67.58)**	**(69.87)**
Funding balance (A-B) + (C-D)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Funding Impact Statement

Other information to be provided
Clause 5(4) Local Government (Financial Reporting and Prudence) Regulations 2014

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Depreciation and amortisation expense											
Depreciation expense	36.74	41.86	45.09	46.17	47.18	52.34	53.27	54.02	59.01	59.37	59.72
less deferred/unfunded	(18.30)	(19.30)	(22.08)	(21.70)	(16.62)	(15.97)	(12.22)	(8.54)	(11.52)	(9.88)	(8.23)
Net funding transferred to renewals reserves	**18.44**	**22.56**	**23.01**	**24.47**	**30.56**	**36.37**	**41.05**	**45.48**	**47.49**	**49.49**	**51.49**

Reconciliation Summary

Reconciliation of prospective financial plan, summary funding impact statement and prospective financial statements

PBE FRS 42: Prospective Financial Statements (specifically paragraph 40) requires reconciliation or narrative explaining differences in presentation of prospective financial information. Earlier in this section, NPDC presented its Prospective Financial Plan, Prospective Financial Statements and Summary Funding Impact Statement. The following reconciliation explains the differences in accounting treatment of the operating sections of each of the prospective financial statements.

	A/Plan 2020/21 ($m)	Budget 2021/22 ($m)	Budget 2022/23 ($m)	Budget 2023/24 ($m)	Budget 2024/25 ($m)	Budget 2025/26 ($m)	Budget 2026/27 ($m)	Budget 2027/28 ($m)	Budget 2028/29 ($m)	Budget 2029/30 ($m)	Budget 2030/31 ($m)
Sources of operating funding											
Total operating funding (A)	136.20	158.33	174.02	181.55	199.76	209.33	219.77	230.49	239.14	248.46	256.35
add **sources of capital funding:**											
- Subsidies and grants for capital expenditure	8.63	22.76	17.33	25.37	19.86	14.02	13.31	10.46	8.34	8.29	7.83
- Development and financial contributions	2.36	2.96	3.08	3.19	3.31	3.44	3.57	3.71	3.85	3.99	4.15
add **Statement of comprehensive revenue and expense:**											
- Unrealised gain/(loss) on PIF	4.63	9.10	9.17	9.26	9.39	9.55	9.69	9.80	9.89	10.00	10.12
- Disposals gain/(loss) from sale of assets	8.70	4.80	4.66	5.42	5.52	5.12	3.79	3.75	3.62	3.64	3.88
- Vested assets	4.21	4.30	4.40	4.54	4.65	4.77	4.89	5.02	5.15	5.29	5.43
Total operating revenue as per statement of comprehensive revenue and expense	**164.73**	**202.25**	**212.66**	**229.33**	**242.49**	**246.23**	**255.02**	**263.23**	**269.99**	**279.67**	**287.76**
Applications of operating funding											
Total applications of operating funding (B)	138.46	135.57	147.75	152.17	161.52	163.17	167.30	170.23	175.04	180.87	186.47
add **Statement of comprehensive revenue and expense:**											
- Depreciation and amortisation expenses	36.74	41.86	45.09	46.17	47.18	52.34	53.27	54.02	59.01	59.37	59.72
- Revaluation (gain)/loss on forestry	(0.12)	(0.17)	0.90	(0.06)	1.04	0.19	(0.11)	(0.12)	(0.12)	0.66	(0.10)
Total operating revenue as per statement of comprehensive revenue and expense	**175.08**	**177.26**	**193.74**	**198.28**	**209.74**	**215.70**	**220.46**	**224.13**	**233.93**	**240.90**	**246.09**

Council Controlled Organisations

The Local Government Act 2002 requires the Council to include in the LTP information on Council Controlled Organisations, i.e. those organisations over which the Council has a 50 per cent or more shareholding or level of governance control. Information is based on the latest draft 2021/22 Statements of Intent.

This includes information on the:

- Council's policies and objectives that relate to ownership and control of the organisation.
- Nature and scope of the activities to be provided by the Council Controlled Organisations.
- Key performance targets and other measures by which performance may be judged.

The Council is a shareholder or has an ownership interest in the following Council-Controlled Organisations:

- Papa Rererangi i Puketapu Limited.
- Forestry Joint Ventures
- New Plymouth PIF Guardians Limited
- Tasmanian Land Company Limited
- Venture Taranaki Trust

Papa Rererangi i Puketapu Limited

Nature and scope of activity

In July 2017, the Council established Papa Rererangi i Puketapu Ltd (PRIP) as a separate Council Controlled Trading Organisation (CCTO) to manage the full operations of New Plymouth Airport and to oversee a major redevelopment of the Airport's terminal and surrounding infrastructure. The Council still retains ownership of the Airport company, the Aerodrome Operator Certificate and is the sole Shareholder.

The organisation is classed as a semi-commercial investment within the Council's Investment Policy.

PRIP's prime purpose is to operate the Airport on a sustainable commercial basis, to optimise the use of its assets and generate a reasonable return on investment. To ensure the ongoing safe and successful operation of the Airport, whilst facilitating tourism and trade by working with the airlines to increase passenger numbers and develop other commercial activity.

The Airport provides services to allow the safe and efficient facilitation of travellers and freight and, ancillary to this, it leases terminal space and land at the Airport.

In the management of the Airport operations, PRIP has the autonomy to set the following charges at the Airport:

- All fees and associated charges in respect to vehicle parking.
- All landing and parking charges from regular passenger transport services.
- All landing and parking charges from general aviation aircraft.
- All revenue from tenant's leases and rents, licences, concession based contracts and lessees outgoings.

The Airport is viewed as an essential infrastructure asset for the district and the Taranaki region and has a key role to play in the economic performance, growth and development of the area. PRIP will work collaboratively with the Council, the Venture Taranaki Trust, the Taranaki Chamber of Commerce and other key stakeholders, ensuring a combined approach to achieve the region's desired strategic goals.

Key annual objectives and performance indicators

1. Maintain the Airport facilities to avoid any disruption of scheduled commercial flights other than for weather or airline problems.
2. Meet all the operating, maintenance, capital expenditure and interest costs from Airport revenue.
3. Manage New Plymouth Airport in full compliance with the approved operating procedures of the Civil Aviation Authority Rule Part 139.
4. Complete the Airport carpark and grounds redevelopment project.

Significant policies and objectives on ownership and control

PRIP operates as a standalone company governed by an independent skills based Board of directors and employs its own Chief Executive and staff. All Airport operations and assets are managed by the PRIP Chief Executive who has overall responsibility for implementing the company's strategic direction.

Forestry

Nature and scope of activity

The Council has two joint venture forestry developments that have varying levels of Council ownership (55 to 57 per cent) and are therefore deemed to be Council Controlled Organisations. For convenience they are covered by one combined statement of intent. The woodlots will complement the harvest regime of the Council's own forestry investment activities.

Forest plantations have been established under the following agreements:

- McKay Family Joint Venture (56.5 per cent) – 83.5 hectares.
- Duthie Joint Venture (54.8 per cent) – 22.7 hectares.

Under the joint venture agreements a total of 113 hectares are managed. The landowners of each joint venture provides land and property related inputs. The Council provides management and tending programmes for the crop. Both parties share the returns from the forest harvest on an agreed ration of respective inputs.

The Council's longer term objective for these investments is to review its involvement after each joint venture is harvested.

Key annual objectives and performance indicators

1. Complete all programmes outlined in the Forest Management Plans and Agreements.

2. Report annually in compliance with agreements.

Significant policies and objectives on ownership and control

These joint ventures were originally set up to augment the harvest rotation for council owned forestry. The Council will currently retain the joint ventures to harvest and then review its future position. There are no formal board structures.

New Plymouth PIF Guardians Limited

Nature and scope of activity

New Plymouth PIF Guardians Limited (NPG) is a 100 per cent Council owned company with an independent board of directors. NPG was formally Taranaki Investment Management Limited and changed its name during 2017 when Council resolved to change the organisational architecture for the management of the Perpetual Investment Fund (PIF) by moving to a full outsourced model. Mercer New Zealand Limited (Mercer) manage the PIF.

Key annual objectives and performance indicators

A Governance Deed was entered into between the Council and NPG on 1 March 2017 and sets out the objectives for the management of the PIF:

1. To at least maintain the real capital of the PIF as a sustainable perpetual investment fund in the long term (the Founding Principle) whilst generating a sufficient return to maintain a sustainable release to the Council.
2. To ensure that the following principles underpin the operation of the PIF:
   a) All investments are made on purely commercial terms.
   b) The PIF will be managed on the basis of a prudent, commercial, diversified portfolio investment style and asset allocation, which manages risk to further the Founding Principle.

Significant policies and objectives on ownership and control

The performance of Mercer will be monitored and reviewed by NPG, a Council Controlled Organisation with a board of highly experienced directors.

Tasmanian Land Company Limited

Nature and scope of activity

New Plymouth District Council is a 100 per cent shareholder in Tasmanian Land Company Limited (TLC). TLC owned 100 per cent of Tasman Farms Limited (TFL) and its subsidiary The Van Diemen's Land Company (VDL).

Key annual objectives and performance indicators

The business operations of TLC were sold on 31 March 2016. As at 30 June 2020, TLC remained a Council Controlled Organisation.

On 21 June 2018, TFL was placed into members' voluntary liquidation. The $1.5m balance remaining with TLC will be transferred to Mercer in the future, once all the companies in the group have been wound up.

The wind up is delayed due to a dispute regarding a possible additional milk solids payment from Fonterra Australia. A hearing was held in December 2020 for the claim of AUD$2.3m by Moon Lake Investments in the Tasmania Supreme Court. The judgement is expected to be released by the end of May.

Significant policies and objectives on ownership and control

This investment forms part of the Council's Investment Policy.

Venture Taranaki Trust

Nature and scope of activity

Venture Taranaki Trust (Venture Taranaki) is a Council Controlled Organisation whose Board of Trustees is appointed by the council. Venture Taranaki is the economic development agency and regional tourism organisation for the Council, responsible for delivering the Council's active economic development and tourism initiatives as set out in its statement of intent. Its vision is "Taranaki – the envy of New Zealand for sustainable business, talent, investment and lifestyle".

Venture Taranaki's objectives are to:

- Provide leadership and support for the development and implementation of local, regional and national strategies for the creation of a vibrant and prosperous New Plymouth District economy and Taranaki regional economy.
- Facilitate, promote, encourage and support sustainable business growth, investment and employment opportunities in New Plymouth District and the Taranaki region.
- Support and recognise the district's commercial enterprises, large and small, mature or start-up to establish, flourish and prosper.

The nature and scope of Venture Taranaki activities for the present and future members of the community resident in the Taranaki region include:

a) Facilitating sustainable employment opportunities in the Taranaki region.

b) Facilitating sustainable economic benefits for the Taranaki region.

c) Facilitating or providing educational training courses, presentations and other learning experiences.

d) Researching, acquiring and updating information about the Taranaki region.

e) Promoting the Taranaki area as a desirable region in which to establish a business, live, work and visit.

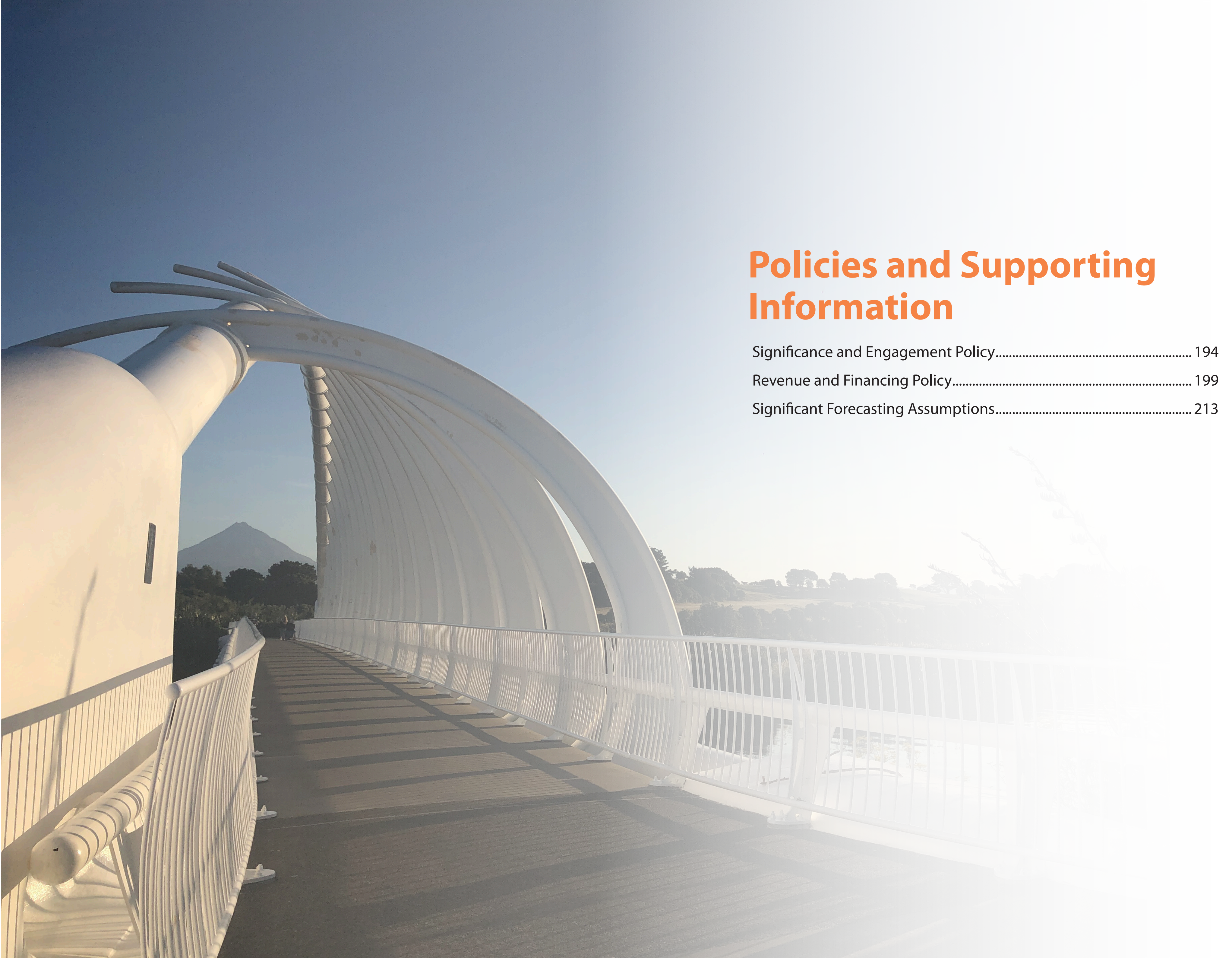
f) Supporting projects beneficial to the Taranaki region.

Key annual objectives and performance indicators

1. Facilitate $1,000,000 investment into regional businesses subject to central government policy.
2. Achieve >85 per cent client satisfaction in regard to business support services.
3. Invest $240,000 in management capability building for Taranaki's small and medium-sized enterprises subject to central government policy.
4. Attract or retain four major events meeting New Plymouth District Council criteria (>100 points).
5. Undertake five initiatives to support investment into Taranaki.
6. Have at least 1,000 engagements with visitor industry operators.
7. Undertake two talent initiatives.
8. Venture Taranaki staff to undertake 200 enterprise referrals and connections.

Significant policies and objectives on ownership and control

The Council appoints trustees to the Venture Taranaki Trust. This is to ensure the necessary independence, public credibility and specialised governance that the trust needs in order to be effective in delivering economic development programmes, while retaining accountability to the district's community.



Policies and Supporting Information

Significance and Engagement Policy

Purpose

The purpose of this policy is to set out how the Council will identify the significance of an issue, proposal, decision or other matter in order to inform how, when and to what extent the Council will engage with the community in its decision-making processes.

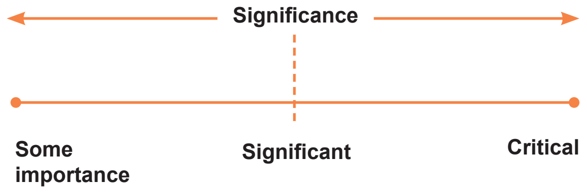
Policy Statements

Assessment of significance

1. "Significance" is defined by the Local Government Act 2002 as:

   > in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:
   >
   > a) the district or region;
   >
   > b) any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter;
   >
   > c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

2. The Council considers significance on a scale that ranges from of some importance to critical. A 'significant' decision has a high degree of significance.



3. The Council will consider the criteria in Schedule 1 when assessing the degree of significance of an issue, proposal, decision or other matter.

Assessment of whether to undertake engagement

4. As a minimum level of engagement, the Council will 'inform' the community on all issues, proposals, or other matters requiring a decision by the Council, unless there are applicable grounds to withhold information under the Local Government Official Information and Meetings Act 1987.

5. The greater the significance of an issue, proposal, decision or other matter, the more likely it is that seeking community input into the Council's decision-making processes will be appropriate. The Council will generally provide opportunities for individuals and communities to engage in the matter proportional to the assessed significance of the matter. Ultimately, determining whether or not to undertake any engagement will be carried out on a case-by-case basis, considering all of the particular circumstances.

Māori engagement

6. The Council is committed to providing opportunities for Māori to contribute to its decision-making processes in a meaningful way.

7. The Council will engage with Māori where any matter involves a significant decision in relation to land or a body of water to ensure that the relationship of Māori and their culture and traditions with their ancestral land, water, sites, wāhi tapu, valued flora and fauna, and other taonga is considered.

8. The Council will consider specifically engaging with Māori on other issues as they arise.

Assessment of method of seeking community input into decision-making

9. There may be situations when seeking community input into decision-making may be impractical, inappropriate, or unnecessary. These may include, but are not limited to:
   - An issue, proposal, decision or other matter the significance is assessed as being of some importance.
   - The Council considers that it has sufficient existing and up to date information to enable it to understand the views and preferences of interested and affected persons on the matter.
   - The situation requires urgent decisions and there is insufficient time to engage the community.
   - The matter is of an administrative nature.
   - The Council is advocating a position, or submitting to, another organisation and the Council is not the ultimate decision-maker.
   - The nature of the decision is highly technical or specialist and is not amenable to community engagement (such as complex financial issues addressed in a liability management or investment policy).
   - The matter before the Council is confidential (such as due to it involving third parties' commercially sensitive information) and not suited to community engagement (such as evaluating tenders).

10. Where the Council determines that it is appropriate to seek the views of the community in its decision-making process, the level of engagement will be

determined by considering the Engagement Guide in Schedule 2.

11. Different types of engagement may be required for different stages of the decision-making process for an issue, proposal, decision or other matter.

12. The Council will consider any known preferences of the affected part or parts of the community in relation to the issue, proposal, decision or other matter in determining its method of engagement.

13. The Council is required by legislation to carry out engagement on some matters using specific procedures or processes, regardless of the significance assessment. The Council will follow these procedures and processes in those instances.

14. For all other matters requiring a decision by the Council, including decisions made under delegated authority, the type of engagement will be determined on a case by case basis to ensure the most appropriate engagement is used.

Strategic assets

15. The Council's strategic assets are listed in Schedule 3 of this policy.

16. Section 97 of the Local Government Act provides that, unless the decision is explicitly provided for in the Long-Term Plan (and was included in the Consultation Document), the Council may not transfer the ownership or control of a strategic asset to or from the Council.

17. The Council will take a group or whole of asset approach to network strategic assets. Decisions that involve the transfer of ownership or control of a single element of a network where the remaining assets of the network enable the Council to still meet its strategic outcomes (including levels of service as stated in the Long-Term Plan) will not, on their own, be regarded as a strategic asset.

Long-Term Plan and Annual Plan consultation

18. The Council will consult on the Long-Term Plan by using a consultation document that identifies the significant issues facing the Council and key decisions and choices. The Council may undertake other engagement before issuing its consultation document to seek community views and preferences on some matters.

19. The Council is required to consult on an Annual Plan only if the Council proposes to include significant or material differences in that Annual Plan from the relevant financial year of the Long-Term Plan. The Council will consider whether differences are significant or material as follows:

    - it will determine if differences are "significant" by using the significance assessment in this policy; and
    - it will determine if differences are "material" using the generally accepted accounting practice definition for "material".

    The Council will, as a minimum, consult using a consultation document on these significant and/or material variations but may, at its discretion, determine to consult on other changes to the Annual Plan that do not meet these thresholds.

Procedure for identification of significance and engagement

20. Council staff, or other professional advisers, will provide advice on significance and engagement using the following process:

    - Identify the issue, proposal, decision or other matter requiring a Council decision.
    - Assess whether there are particular legal obligations to engage or consult with the community (including whether the issue, proposal, decision or other matter involves a decision to transfer the ownership or control of a strategic asset to or from the Council).
    - Consider the matters in Schedule 1 to assess the significance of the issue, proposal, decision or other matter.
    - Determine whether engagement with the community, or particular individuals or groups, is appropriate.
    - Where some form of engagement is appropriate, determine the appropriate form and type of engagement (using Schedule 2 or by complying with particular legislative requirements).

21. Council officers (or other professional advisers) will provide advice on significance and engagement. Such advice will, in normal circumstances, come via the Council report format which alerts elected members to the significance of the issue, proposal, decision or other matter and the proposed form and type of engagement.

22. The Council will consider the advice in making a decision on the level of significance and the appropriate form and type of engagement, but is not necessarily bound to follow such advice.

Significance and Engagement Policy

SCHEDULE 1: Criteria for assessment of significance

In assessing an issue, proposal, decision or other matter requiring a Council decision, the following criteria will be used to assess its significance:

- Does the matter impact on the interests of the district and the community?
- Does the matter impact on the relationship of Māori (including their culture and traditions) with their ancestral land, water, sites, waahi tapu, valued flora and fauna and other taonga?
- How many people are affected by the matter, to what degree are they affected, and what is the likely impact on those people?
- Does the matter impact on the Council's statutory purpose, obligations, duties and requirements?
- Does the matter impact on levels of service as stated in the Council's Long-Term Plan (LTP)?
- Does the matter have financial costs for the community and the Council?
- Is the matter reversible (in part or in full) in the future?
- Does the matter align with previous Council decisions, such as whether it is implementing any adopted strategy, plan or position?
- Has the matter previously generated wide public interest or controversy within the district or particular communities?

If an issue, proposal, decision or other matter has substantial impacts and consequences for several of the above considerations it is likely to have a higher level of significance.

Significance and Engagement Policy

SCHEDULE 2: Engagement guide

The following table provides an example of the differing types of engagement that might be considered appropriate, the tools and techniques that can be used for each type and the timing of the engagement generally associated with each type. Every issue, proposal, decision or other matter is assessed on a case-by-case basis, having regard to its significance, the subject matter and relevant stakeholders, in determining the most appropriate form of engagement.

Level	Inform	Consult	Involve	Collaborate	Empower
Goal	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision-making in the hands of the public.
Example engagement	Water restrictions Council news	Rates review Policy review	New Plymouth District Plan	New Plymouth District Coastal Strategy	Election voting systems (STV or first past the post)
Tools and techniques NPDC might use	Websites Letter/information flyer Fact sheets Public notices Newspapers	Public meetings Formal submissions and hearings Online/social media Focus groups Surveys	Workshops Focus groups Citizens panel Face to face	Advisory committees External stakeholder groups	Local body elections Binding referenda
When the community can expect to be involved	The community would generally be advised once a decision is made.	The community would be advised once a draft decision is made and would have the opportunity to participate and respond during a period of consultation.	The community would have a greater lead in time to be involved in the process.	The community would generally be involved at the following stages: • At the start to scope the issue. • After information has been collected. • When options are being considered.	The community would generally have a greater lead in time to be engaged in the process.

SCHEDULE 3: Strategic assets

The following assets are considered to be the strategic assets of New Plymouth District Council:

- Govett-Brewster Art Gallery and Len Lye Centre.
- Housing for the elderly network.
- The equity securities held in Papa Rererangi i Puketapu Limited.
- Pukekura Park and the Coastal Walkway.
- Parks and reserves network.
- Puke Ariki and community libraries (Bell Block, Inglewood, Ōākura, Urenui and Waitara).
- TSB Stadium, TSB Bowl of Brooklands, TSB Showplace, Yarrow Stadium (the aspects of the Stadium's operations under the Council's control).
- Todd Energy Aquatic Centre and the district's summer pools (Waitara, Inglewood, Okato and Fitzroy).
- Road and footpath network.
- Solid waste infrastructure.
- Stormwater network, drainage, flood protection and control works.
- Water supply network and treatment.
- Wastewater network and treatment.

Revenue and Financing Policy

Overview

This Revenue and Financing Policy determines how the New Plymouth District Council (NPDC) will fund the operating and capital expenditure for each Council activity.

The Policy outlines the revenue and funding sources available to NPDC and details how and when the Council will use these sources. This gives the community some certainty as to how Council activities will be funded.

NPDC must undertake services in a financially prudent and sustainable way for the Council and community as a whole. NPDC's decisions and rationale underpinning them are set out in this policy. In accordance with section 101(3) of the Local Government Act 2002, in funding each activity NPDC has considered:

- the community outcomes to which each activity primarily contributes;
- an analysis of who benefits from the activity;
- the period of time the benefits are expected to occur;
- whether the activity is needed in response to the action(s), or lack of action(s), of a particular person or group; and
- whether it would be more prudent for the activity to be funded separately or included with other activities.

NPDC has also considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.

The Revenue and Financing Policy is reviewed every three years during the development of the Long-Term Plan (LTP).

General funding principles

District-wide funding: The One Bucket Policy

NPDC has a 'one bucket' policy for funding community facilities, services and infrastructure.

The one bucket policy means rates collected from all areas in the district are pooled into a single consolidated fund and used to provide services across the district as a whole, rather than allocated only to the location where the rates were sourced.

The one bucket policy is intended to:

- Promote a unified commitment to the long-term future of the district.
- Provide integrated management.
- Spread the risk associated with operating assets and intensive network services.
- Ensure funds are available to upgrade the networks and complete projects at the optimal time.
- Avoid any sudden changes in the level of funding required from specific groups of ratepayers.
- Limit, and address historic, under investment in lower socio-economic areas.

Network pricing policy

As part of the one bucket policy, NPDC has a combined network pricing policy for refuse collection, kerbside recycling and the wastewater and water supply networks. This means that these services each have a standard charging regime that is applied to all properties that receive the service, regardless of location or network connected to. This policy is intended to achieve the intentions of the one bucket system as well as provide all urban communities across the district with a similar standard of service for water, wastewater, refuse collection and kerbside recycling.

NPDC's community outcomes

NPDC's strategic framework has been used to assess the impact of funding on the community:

- **Prosperity** – Growing a resilient, equitable and sustainable economy where people want to work, live, learn, play and invest across our district.
- **Sustainability** – Nurturing our environment, mitigating our impact and adapting to climate change.
- **Community** – Achieving well-being through a safe, creative, active and connected community while embracing Te Ao Māori.
- **Delivery** – Understanding and balancing our people's needs and wants through prudent delivery of quality infrastructure and services.
- **Partnerships** – Strengthening a treaty based partnership with tangata whenua and building partnerships with not-for-profit, private enterprise and government to improve outcomes for all.

Sustainability of rates funding

NPDC is aware that the level of rates are a tax based on a property's land value and do not reflect a ratepayers ability to pay (such as income). This can have a negative impact on the social well-being of the community. To help mitigate costs for people on low incomes, NPDC promotes the use of the rates rebate scheme. NPDC also allows rates to be paid in quarterly instalments and the Council promotes the use of regular payments. NPDC also has Rates Remission and Postponement Policies.

NPDC's Perpetual Investment Fund income is used to offset general rates. This has benefits for the residents of the district because it means NPDC can provide higher levels of service and better facilities than would normally be available in a district of this size, while keeping the impact on ratepayers low. The Council's investments are managed carefully to ensure that these benefits are maintained or improved.

Revenue and Financing Policy

Definitions

Borrowing is raising loans to fund expenditure.

Development contributions are levies paid in accordance with NPDC's Development and Financial Contributions Policy and the Local Government Act 2002 to recover Council expenditure on reserves, community infrastructure and network infrastructure to meet increased demand resulting from new development.

Fees and charges are charges to recover part or whole of the costs of delivering the services.

Financial contributions apply to holders of resource consents in the form of sums payable or land transferred to NPDC. These contributions are used to mitigate, avoid or remedy any adverse effects arising from subdivision or development. They are assessed under the Resource Management Act 1991 and the District Plan.

General rates are rates applied to the entire rating base of the district. General rates have two components:

- The first part is a Uniform Annual General Charge (UAGC), which is a flat charge levied from every separately used or inhabited part of a rating unit (SUIP) in the district.
- The second part is a variable charge based on a property's land value. The variable component of general rates is set as cents per dollar of land value, which is assessed according to four differentials based on the following primary land use categories:
  - Residential.
  - Commercial/industrial.
  - Small holdings.
  - Farmlands.

Grants and subsidies are payments from external agencies and may be for an agreed, specified purpose or activity of NPDC.

Interest and dividends are received from cash management and investments.

Proceeds from asset sales are the net sum received when physical assets are sold.

Reserves are funds accumulated over time for a particular purpose. They may be legally restricted in their use, or NPDC may have created a restriction on their use when they are established.

SUIP is defined as a Separately Used or Inhabited Part of a rating unit. It includes:

- any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement; or
- any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

SUIP's therefore include:

- Each separately occupiable unit, flat or house, each of which is separately inhabited or is capable of separate inhabitation such as having independent kitchen facilities in a residential, small holding or farmland property.
- Separate shops, kiosks, other retail or wholesale outlets, or offices, at a commercial/industrial property each of which is operated as a separate business or is capable of operation as a separate business.

Targeted rates are set to recover the costs of a service only from those SUIPs that receive the service.

Voluntary targeted rates are targeted rates to recover funding provided by NPDC to property owners for property sustainability projects.

Revenue and Financing Policy

Policy for funding operating and capital expenditure

NPDC has two types of expenses - operating expenditure and capital expenditure. NPDC has a different approach for funding each type of expenditure. The table below outlines the general approach to the use of funding sources for capital and operating expenditure.

Funding source	Funding for Operating Expenditure	Funding for Capital Expenditure
General rates	General rates are used to fund activities where: • the activity, or part(s) of activity, benefit the community in general; • NPDC has an objective to encourage the use of the service; • the beneficiary cannot readily be identified; and/or • where it is impractical or too administratively expensive to fund the activity from other sources. Where NPDC undertakes operating expenditure to consider extending a targeted rate funded service to areas not covered by that targeted rate already, that operating expenditure shall be funded by general rates.	General rates may also be used to purchase assets where NPDC determines that funding the assets from debt is not the preferred option. General rates may be used for capital expenditure when the asset has a short life.
Targeted rates	Targeted rates are used to fund activities where: • an area of benefit can be recognised; and/or • to achieve a fair, efficient or transparent allocation of costs across the community. Targeted rates will be used for the activity it is identified for and not for any other services.	Targeted rates may be used to purchase assets where NPDC determines that funding the assets from debt is not the preferred option and the assets are to be used for the activity funded by the targeted rate. Targeted rates may be used for capital expenditure when the asset has a short life.
Fees and charges	NPDC will generally apply fees and charges for services where: • the user receives direct benefits, either entirely or in part, from the service; and/or • the use of the service is at the discretion of the user. NPDC may set user charges to recover all or part of the cost of the activity, including a market return on the value of any Council investment. Where NPDC needs to limit the use of an activity, charges may be set at a level above that which would be necessary to recover the costs of the activity.	
Interest and dividends from investments	Interests and dividends and other investment income is used to fund operating expenditure.	Investment income is not used for funding capital expenditure.

Revenue and Financing Policy

Funding source	Funding for Operating Expenditure	Funding for Capital Expenditure
Borrowing	NPDC will not borrow to fund operating costs for a service, unless the Council determines to do so if: • the expenditure is on significant maintenance that has a long-term impact that is of a similar nature to renewal capital expenditure; or • there are extraordinary reasons to justify borrowing as a short-term or interim solution (such as in an emergency).	Borrowing is the preferred method of funding new capital expenditure for level of service and growth related projects. Borrowing may be used to fund the renewal of long life assets.
Proceeds from asset sales	Operating costs are not funded from asset sales.	NPDC will use proceeds from asset sales as an appropriate source for purchasing assets, building a reserve for the future purchase of assets, or retiring debt.
Development contributions	Operating costs cannot be funded from development contributions.	Development contributions will be used to fund the portion of new asset expenditure required as a result of increased demand related to growth.
Financial contributions	Operating costs are not funded from financial contributions.	Financial contributions will be used to fund the proportion of new asset expenditure that is required to avoid, remedy or mitigate the adverse environmental effects resulting from subdivision and development.
Grants and subsidies	Grants and subsidies will only be used for operating expenses when to do so is consistent with the purpose for which they were given.	Grants and subsidies will only be used for capital expenses when to do so is consistent with the purpose for which they were given.
Reserves	Reserves may be used for operating expenditure when it is consistent with the purpose and restrictions relating to that reserve.	Reserves may be used for capital expenditure when it is consistent with the purpose and restrictions relating to that reserve. NPDC's main method of funding the renewal of assets is from the renewal reserve.

General funding policies

General rates

General rates are made up of two components – the Uniform Annual General Charge (UAGC) and land value differentiated general rates.

Uniform Annual General Charge

Each SUIP will be charged the UAGC.

NPDC's policy is to increase the UAGC in accordance with the rate of inflation as part of each Annual Plan. NPDC uses the local government cost index as the applicable inflation rate. NPDC will consider the overall impact of this inflation adjustment on the community's well-being before implementing it as part of the Annual Plan and may determine to an alternative UAGC amount.

NPDC's policy is that the UAGC will not be inflated and may be reduced if NPDC would otherwise breach section 21 of the Local Government (Rating) Act 2002 without such action.

Revenue and Financing Policy

Differential groups and general rates

Each SUIP will be charged a general rate based on the land value and land use of the SUIP.

The general rates requirement are apportioned to the differential categories according to the fixed differential percentages outlined in the table below. The total UAGC is then calculated and removed from the rates requirement for each differential group. The rates requirement remaining for each differential group is then divided by the total land value in that group. This produces the differential rate as rate cents per dollar of land value.

Differential category	Definition	Fixed differential factor
Group 1: Commercial/ Industrial	All rating units that are used primarily for any commercial or industrial purpose.	26.9%
Group 2: Residential	All rating units with a land area of one hectare or less, not being rating units in Group 1, used for residential and related purposes.	54%
Group 3: Small holdings	All rating units, not being rating units in Groups 1 or 2, with a land area of more than one hectare, but no greater than four hectares.	3.6%
Group 4: Farmland	All rating units, not being rating units included in Group 1, 2 or 3, having a land area in excess of four hectares.	15.5%

Particular rules for differential categories:

Commercial/Industrial differential category:

- Rating units are considered to be used primarily for a commercial or industrial purpose if the Rating Information Database records their primary level code as being 6 Utility, 7 Industrial or 8 Commercial in accordance with the Rating Valuations Rules 2008 (or any rules that supersede those rules).

Vacant land as a result of subdivision:

- Upon subdivision, vacant land of less than four hectares that is in a commercial or industrial zone in the operative District Plan will be in the commercial/industrial differential group. Properties that are not in a commercial or industrial zone will be in the residential or small holdings differential group based on the land size.
- Upon subdivision, vacant land of greater than four hectares will remain in the farmlands differential until it is used for a commercial/industrial purpose, or is further subdivided.

Rest home and retirement home accommodation:

- The hospital, office, common area and non self-contained rooms are categorised and rated in the commercial/industrial differential group.
- Any self-contained units, flats or townhouses, including those that are licence to occupy, are considered separate SUIPs. They are categorised and rated in the residential differential group.

Bed and breakfast and farm stay accommodation:

- Bed and breakfast and farm stay operators with one to five bedrooms are rated as residential properties. Operators with six or more bedrooms will be rated as commercial/industrial properties, with the owners living accommodation rated as a residential property.

Targeted rates

NPDC applies a number of targeted rates to fund particular activities.

Uniform Annual Roading Charge

All SUIPs will pay the Uniform Annual Roading Charge.

The Uniform Annual Roading Charge partially funds the Transportation Activity.

NPDC's policy is for the Uniform Annual Roading Charge to be increased annually at the rate of inflation (using the local government cost index).

Revenue and Financing Policy

Solid Waste Kerbside Collection

All SUIPs receiving the solid waste kerbside collection will pay the solid waste kerbside collection targeted rate.

NPDC's policy for the solid waste kerbside collection targeted rate is to uniformly divide the costs of the kerbside collection service (including associated landfill costs and overhead allocations) across all ratepayers subject to the rate.

Water

All SUIPs receiving NPDC supplied water will be charged the water targeted rate. NPDC will alter the approach to water targeted rates on 1 July 2024.

The water targeted rate is made up of various components:

- **The fixed network charge**
  - This is charged to all SUIPs connected to the water network charged via a variable consumption charge or uniform consumption charge.
  - NPDC will set the fixed network charge during each LTP.
  - NPDC may alter the fixed network charge during an intervening Annual Plan process only if there are extraordinary reasons to do so.
- **A variable consumption charge**
  - Until 1 July 2024, this charge applies to all SUIPs with a water meter installed that are an extraordinary use or have voluntarily opted to be charged through this mean.
  - From 1 July 2024, all SUIPs connected within an urban water supply area and all SUIPs in a rural water supply area with an on-demand supply shall be charged this rate.
  - This is a rate charged according to how much water the SUIP uses, as recorded on a water meter.
- **A restricted flow charge**
  - This is charged to SUIPs that are in a rural water supply area that do not receive an on-demand supply.
  - The restricted flow charge is set a rate such that the per volume amount of water available to the SUIP is charged at a rate consistent with the variable consumption charge for that volume of water.
- **The uniform consumption charge**
  - Until 1 July 2024, this is charged to all SUIPs connected to the water network that are either within an urban water supply area and not charged the variable consumption charge or are within a rural water supply and charged the restricted flow charge.
  - This rate will be removed on 1 July 2024. From that time on, no property shall be charged a uniform consumption charge.
  - The uniform consumption charge is set at a rate such that the per volume amount of water is charged at a rate consistent with the variable consumption charge for the average residential property use.

Note: some terms in this section are defined under the New Plymouth District Council Bylaw 2008, Part 14: Water, Wastewater and Stormwater Services.

Wastewater

All SUIPs connected to NPDC's reticulated wastewater network will be charged the wastewater targeted rate.

The wastewater targeted rate is made up of various charges:

- All SUIPs other than commercial/industrial differential group properties and schools are charged a fixed amount (the standard charge).
- All commercial/industrial SUIPs and schools are charged per water closet or urinal on a sliding scale as follows (but rounded to the nearest dollar).

Closet or urinal count	Rate charged per water closet or urinal
One or two water closets or urinals	Standard charge
Three water closets or urinals	85% of the standard charge
Four water closets or urinals	75% of the standard charge
Five water closets or urinals	65% of the standard charge
Six to 10 water closets or urinals	60% of the standard charge
11 to 15 water closets or urinals	55% of the standard charge
16 to 20 water closets or urinals	52.5% of the standard charge
21 and higher water closets or urinals	50% of the standard charge

SUIPs in Ōākura, and any further area where reticulated wastewater is extended to, where the owner at the time of extension agreed the SUIP would be connected will be charged a rate set at 50 per cent of the standard charge (rounded to the nearest dollar) until the SUIP connects to the network.

Revenue and Financing Policy

Swimming Pool

All SUIPs with a swimming pool and/or a spa are charged a uniform rate to cover the cost of inspections in line with the Building Act 2004.

Voluntary targeted rate – Ngā Whare Ora Taiao o Ngāmotu Scheme

NPDC's voluntary targeted rate is applied to SUIPs where the owners have received Council funding for part or all of certain household sustainable capital works costs for their properties based on the criteria applicable at that time. If a ratepayer has received NPDC assistance for the approved capital work, funding is recovered from the property owner through the targeted rate.

The Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes Voluntary Targeted Rate Scheme) Policy governs the overall application of this scheme. Applications under the previous Voluntary Targeted Rate Scheme (i.e. before the policy was adopted) are deemed to come under this policy for rating purposes.

Repayment of the loan will be through a targeted rate applied to the SUIP. That rate shall be set at:

- For those repaying over nine years, calculated at 11.1 per cent of the total borrowing (including any interest) owed; or
- For those repaying over five years, calculated at 20 per cent of the total borrowing (including any interest) owed.

The voluntary targeted rate may be removed early if the ratepayer pays the outstanding amount owed.

Fees and charges

Fees and charges are set annually as part of the LTP or Annual Plan process. Fees and charges are generally only consulted on as a part of the LTP process, and where known include an indication of any significant changes in the second or third years of the LTP.

Fees and charges may also be altered in the second to third year of the LTP in order to:

- reflect significant increases in costs in providing the applicable goods or service; or
- reflect inflation (based on the Local Government Cost Index for operating expenditure, subject to any local variation identified as part of the Annual Plan process); or
- ensure the activity complies with the funding source allocation set in table 1 of this policy; or
- reflect changes to levels of service as agreed to in the LTP or Annual Plan.

NPDC may make exceptions to this policy if there are other relevant factors that warrant a change outside of this process. In this case, NPDC will assess, in accordance with the Significance and Engagement Policy, whether to consult the community or affected parties before making the change.

This section is subject to any relevant legislation or bylaw that sets or determines the charging methodology of any fee or charge. In those cases the relevant legislation or bylaw will be followed.

Housing for the elderly rental income and expenditure ring-fenced

Rental income from NPDC's housing for the elderly units will be used solely for the operation, maintenance, service improvements of existing units and renewal capital costs of providing the service. General rates will not be applied to the housing for the elderly activity for these aspects.

NPDC will fund any service improvements to develop new units through borrowing and may determine to fund repayment of that borrowing through general rates or from rental income, or both.

Distribution of funding assessment

For each activity that NPDC undertakes the following approach will be undertaken to assess the funding for that activity.

The activity and any distinct sub-activities are identified. For each activity and/or sub-activity an assessment is undertaken of:

- Community outcomes. Does the activity contribute to Partnerships, Delivery, Community, Sustainability and Prosperity.
- The distribution of benefits within the community. Does the activity benefit individuals, particular groups or the community as a whole.
- The period of benefits. Does the activity have short-term or long-term benefits.
- The extent actions or inactions of people contribute. Are there exacerbators to the activity.
- The costs and benefits of funding distinctly from other sources. Are there benefits to having distinct revenue sources, such as targeted rates, for the activity.

This assessment is provided in Table 2.

After considering these impacts on each identified activity and sub-activity, NPDC must then consider the overall impact of allocation for revenue on the current and future social, economic, environmental and cultural well-being of the community.

Revenue and Financing Policy

NPDC then uses this assessment information to consider how the activity should be funded. There should be a logical nexus between the assessment and the funding sources, although noting that the assessing the overall impact on allocation for revenue across the four community well-beings may result in modification of the funding approach.

Table 1 outlines the proportion of funding each activity or sub-activity will receive from various sources, consistent with the provisions outlined in this policy above.

The operational costs of each of NPDC's activities are funded as per the following table.

Funding description	Percentage funded
High	66-100%
Medium-high	50-80%
Medium	33-66%
Medium-low	20-50%
Low	0-33%
None	0%, unless there are exceptional circumstances

Capital costs are indicated as to whether or not that source is available to that activity or sub-activity, consistent with the provisions of the policy above.

NPDC's general approach to grants and subsidies is to accept these when offered, provided they are consistent with the intentions of NPDC. The table outlines expectations, but NPDC reserves the right to receive and use more grants and subsidies when they are offered.

Revenue and Financing Policy

Table 1: Funding sources for each activity

Council activity		General rates	Targeted rates	Fees and charges	Grants and subsidies	Borrowing	Reserves	Development Contributions	Other sources or comment
Community Partnerships	Community support and funding	High	None	None	Low	Yes	Yes	No	
	Housing for the elderly	None	None	High	Low	Yes	Yes	No	General rates may repay debt for level of service improvements for new units.
Customer and Regulatory Solutions	Animal control	Low	None	High	None	Yes	Yes	No	
	Building consents	Low	Low	High	None	Yes	Yes	No	
	Customer services	High	None	None	None	Yes	Yes	No	
	District planning	High	None	Low	None	Yes	Yes	No	
	Resource consent application processing	Low	None	High	None	Yes	Yes	No	
	Resource management monitoring, enforcement and public enquiries	High	None	Low	None	Yes	Yes	No	
	Environmental health	Medium	None	Medium	None	Yes	Yes	No	
	Parking	None	None	High	None	Yes	Yes	No	Any parking revenue above cost recovery offsets general rates.
Economic Development	Venture Taranaki Trust	High	None	None	Low	No	Yes	No	
Emergency Management and Business Continuance		Medium	None	None	Medium	Yes	Yes	No	
Flood Protection and Control Works		High	None	Low	Low	Yes	Yes	Yes	
Governance		High	None	Low	Low	Yes	Yes	No	
Govett-Brewster Art Gallery/Len Lye Centre		High	None	Low	Low	Yes	Yes	No	
Management of Investments and Funding	New Plymouth District Council (Waitara Lands) Act 2018	None	None	Low	None	No	Yes	No	Lease and sale proceeds from Waitara endowment properties. Interest and dividends from derived funds.
	Airport – Papa Rererangi i Puketapu Ltd	None	None	None	None	Yes	No	No	Dividends. The dividend from Papa Rererangi i Puketapu Ltd repays borrowing.

Revenue and Financing Policy

Council activity		General rates	Targeted rates	Fees and charges	Grants and subsidies	Borrowing	Reserves	Development Contributions	Other sources or comment
Management of Investments and Funding	Perpetual Investment Fund	None	None	None	None	No	No	No	Interest and dividends. The release from the Perpetual Investment Fund offsets general rates.
	Operational property, including forestry joint ventures	Low	None	High	None	Yes	Yes	No	Interest and dividends. Net profits from forestry activities are placed into the Forestry Reserve.
	Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme	None	High	Low	None	Yes	No	No	
Parks and Open Spaces	Public open spaces, including streetscapes	High	None	Low	Low	Yes	Yes	Yes	
	Cemeteries and crematoriums	Low	None	High	Low	Yes	Yes	No	
	Sports parks	High	None	Low	Low	Yes	Yes	Yes	
	Campgrounds	Medium-High	None	Medium-Low	No	Yes	Yes	No	
	Public halls	Medium	None	Medium	Low	Yes	Yes	Yes	
Puke Ariki and Community Libraries	Museum and i-SITE	High	None	Low	Low	Yes	Yes	No	
	Libraries	High	None	Low	Low	Yes	Yes	Yes	
Stormwater Management		High	None	Low	No	Yes	Yes	Yes	
Transportation		Medium	Low	Low	Medium	Yes	Yes	Yes	
Venues and Events	Pools	Medium	None	Medium	Low	Yes	Yes	Yes	
	Programmes and events	High	None	Low	Low	Yes	Yes	No	
	Event venues	Medium-Low	None	Medium-High	Low	Yes	Yes	No	
Waste Management and Minimisation	Disposal	None	None	High	Low	Yes	Yes	No	
	Education	High	None	Low	Low	No	Yes	No	
	Refuse collection	None	High	Low	No	Yes	Yes	No	
Wastewater Treatment		None	High	Low	Low	Yes	Yes	Yes	
Water Supply		None	High	Low	Low	Yes	Yes	Yes	

Revenue and Financing Policy

Table 2: Section 101(3)(a) Local Government Act 2002 assessment

Council activity		Community Outcomes					Period of benefit		Benefits of distinct funding	Exacerbator	Distribution of benefits		
		Partnerships	Delivery	Community	Sustainability	Prosperity	Short-term	Long-term			Individuals	Parts of the community	Whole community
Community Partnerships	Community funding and support	High	Medium	High	Medium	Medium	Yes		Low	None identified	Grant recipients		Yes
	Housing for the elderly	Low	Medium	High	Low	Low	Yes	Yes	High	None identified	Tenants		Yes
Customer and Regulatory Solutions	Animal control	Low	Medium	High	Medium	Low	Yes		High	Owners of wandering, menacing or dangerous animals	Dog and other animal owners		Yes
	Building consents	Low	Medium	Medium	Low	High	Yes		High	None identified	Consent applicants		Yes
	Customer services	Low	High	Medium	Low	Low	Yes		Low	None identified	Customers		Yes
	District planning	Medium	Medium	Medium	Medium	High	Yes		Low	None identified	Private plan change applicants		Yes
	Resource consent application processing	Low	Medium	Medium	Medium	High	Yes		Medium	Those that do not comply with resource consent obligations	Consent applicants		Yes
	Resource management monitoring, enforcement and public enquiries	Low	Medium	Medium	High	Medium	Yes		Low	Those that do not comply with District Plan obligations			Yes
	Environmental health	Low	Medium	High	Low	Medium	Yes		Medium	Those that do not comply with environmental health requirements	Licence and certificate holders		Yes

Revenue and Financing Policy

Council activity		Community Outcomes					Period of benefit		Benefits of distinct funding	Exacerbator	Distribution of benefits		
		Partnerships	Delivery	Community	Sustainability	Prosperity	Short-term	Long-term			Individuals	Parts of the community	Whole community
Customer and Regulatory Solutions	Parking	Low	Medium	Medium	Low	High	Yes		Medium	Those that breach parking restrictions	Parkers	CBD businesses	Yes
Economic Development	Venture Taranaki Trust	High	Medium	Medium	Medium	High	Yes		Low	None identified	Service recipients	Businesses	Yes
Emergency Management and Business Continuance		High	High	High	Medium	Medium	Yes	Yes	Low	None identified	Service recipients		Yes
Flood Protection and Control Works		Low	Medium	High	Medium	Medium	Yes	Yes	Low	None identified	Protected property owners	Protected areas	Yes
Governance		High	High	High	Low	Low	Yes		Low	None identified			Yes
Govett-Brewster Art Gallery/Len Lye Centre		Medium	Medium	High	Low	Medium	Yes	Yes	Medium	None identified	Visitors		Yes
Management of Investments and Funding	New Plymouth District Council (Waitara Lands) Act 2018	High	Low	High	Medium	Medium	Yes	Yes	High	None identified	Te Kōwhatu Tū Moana, Te Tai Pari Trust, Taranaki Regional Council	Waitara community and the Waitara River catchment	
	Airport – Papa Rererangi i Puketapu Ltd	Medium	Medium	Medium	Low	High	Yes	Yes	High	Users of the airport	Users, businesses		Yes
	Perpetual Investment Fund	Low	High	Low	Low	Medium	Yes	Yes	Medium	None identified			Yes
	Operational property, including forestry joint ventures	Low	Low	Low	Low	Low	Yes	Yes	Low	None identified	Tenants, joint venture partners		

Revenue and Financing Policy

Council activity		Community Outcomes					Period of benefit		Benefits of distinct funding	Exacerbator	Distribution of benefits		
		Partnerships	Delivery	Community	Sustainability	Prosperity	Short-term	Long-term			Individuals	Parts of the community	Whole community
Management of Investments and Funding	Ngā Whare Ora Taiao o Ngāmotu (New Plymouth Sustainable Homes) Scheme	Medium	Low	High	High	Medium	Yes	Yes	High	Households that uptake the scheme	Those who uptake the scheme and those who provide funded services		Yes
Parks and Open Spaces	Public open spaces including streetscapes	Medium	Medium	High	High	Low	Yes	Yes	Low	None identified			Yes
	Cemeteries and crematoriums	Low	Medium	High	Low	Low	Yes	Yes	Medium	None identified	Family members of deceased		Yes
	Sports parks	Medium	Medium	High	Low	Low	Yes	Yes	Low	None identified	Sports clubs		Yes
	Campgrounds	Medium	Medium	High	Low	Medium	Yes	Yes	Medium	None identified	Visitors		
	Public halls	Medium	Medium	High	Low	Low	Yes	Yes	Low	None identified	People and groups who use public halls	Areas around public halls	Yes
Puke Ariki and Community Libraries	Museum and i-SITE	Medium	Medium	High	Low	Medium	Yes	Yes	Low	None identified	Users		Yes
	Libraries	Medium	Medium	High	Low	Low	Yes	Yes	Low	None identified	Users		Yes
Stormwater Management		Low	Medium	High	Medium	Medium	Yes	Yes	Low	None identified	Property owners in areas prone to stormwater issues	Urban areas	Yes
Transportation		Medium	Medium	Medium	Medium	High	Yes	Yes	Medium	High users of roads, particularly heavy vehicles	Road users		Yes

Revenue and Financing Policy

Council activity		Community Outcomes					Period of benefit		Benefits of distinct funding	Exacerbator	Distribution of benefits		
		Partnerships	Delivery	Community	Sustainability	Prosperity	Short-term	Long-term			Individuals	Parts of the community	Whole community
Venues and Events	Pools	Medium	Medium	High	Low	Low	Yes	Yes	Medium	None identified	Users		Yes
	Programmes and events	Medium	Medium	High	Low	Medium	Yes		Low	None identified	Attendees		Yes
	Event venues	Medium	Medium	High	Low	High	Yes	Yes	Medium	Event organisers	Attendees and users		Yes
Waste Management and Minimisation	Disposal	High	Medium	Medium	High	Medium	Yes	Yes	High	Illegal dumpers	Transfer station users	Areas outside of kerbside collection area	Yes
	Education	High	Medium	High	High	Low	Yes		Low	None identified			Yes
	Refuse collection	Low	Medium	Medium	High	Low	Yes	Yes	High	Misusers of kerbside services	Recipient households	Collection areas	Yes
Wastewater Treatment		Low	Medium	Medium	High	Medium	Yes	Yes	High	High users, including trade waste	Connected households	Reticulated areas	Yes
Water Supply		Low	Medium	High	Medium	High	Yes	Yes	High	High water users	Connected households	Reticulated areas	Yes

Significant Forecasting Assumptions

NPDC has adopted a range of forecasting assumptions. These assumptions represent a likely future scenario. However, as with any forecasting, how the future turns out is uncertain. Therefore, variations from these forecasting assumptions are likely. This, in turn, means that the prospective financial statements are likely to vary from the information presented and these variations may be material.

Assumption	Detail and uncertainty
Covid-19 There will not be a lockdown or significant community transmission over the life of the Long-Term Plan (LTP).	The LTP does not forecast or anticipate significant periods of lockdown or community transmission of Covid-19. There is a medium level of uncertainty. Uncertainty arises from the challenges of a global pandemic, the effectiveness of government's public health measures to contain Covid-19, the effectiveness of vaccines and the economic impacts of the global pandemic. NPDC anticipates that the Government's vaccine rollout programme should reduce the likelihood of community transmission, or further social distancing requirements (including lockdown periods), once completed (scheduled by the Government for December 2021). However, the risk of variants that the vaccine is not effective against, and the risk that some of the population decides not to receive the vaccine, means that some risk may remain after that time. If there was community transmission of Covid-19 within Taranaki, or other factors that caused the Government to institute some form of significant restrictions, NPDC would likely be significantly impacted through both lost revenue and additional costs. NPDC relies on numerous revenue sources that may significantly reduce during Covid-19 restrictions and lockdowns. Activity revenue that will be immediately impacted include CBD parking, venues and events, Govett-Brewster Art Gallery/Len Lye Centre and Puke Ariki. Revenue that may be impacted as an economic consequence include resource consents, building consents and environmental health fees. Rates revenue is a compulsory taxation and NPDC has statutory powers to collect, nevertheless there would likely be an increase in applications for rates remissions and postponements, as well as late payments and non payments. NPDC may need to invest more in some services to provide economic and/or community support. This could include additional funding for Venture Taranaki Trust and/or community funding. Such support may also include more proactive approaches to employment or community well-being through increased job creating capital expenditure, reduced fees and charges and community programmes. During a period of more stringent Covid-19 restrictions, some Council activities may not meet levels of services or may need to change service approach, such as through digital and remote service delivery. This may mean that NPDC does not achieve its stated performance measures. The net impact of these factors would be largely dependent on the nature of the lockdown, such as the stringency of the lockdown, its duration and the extent of Covid-19 community transmission. NPDC would need to determine how to react to any such lockdown. NPDC could determine to debt fund any significant net impact in order to limit any service level reductions or immediate term rates revenue increases. There is also a risk to NPDC's local, national and international supply chains as a result of Covid-19. This may see sudden cost increases, unavailability of goods or services, delays and other issues. In turn, this may impact on the ability of NPDC to deliver on capital and operating projects and programmes. This may occur as a result of outbreaks or restrictions outside of the district or country.

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr>
<td>Population growth
The district’s population will grow from 86,700 in 2021 to 93,800 in 2031 and to 104,900 by 2051.</td>
<td>
<p>NPDC forecasts that the district’s population will grow over the next 30 years as follows:</p>
<table>
<tr><th></th><th>2021</th><th>2026</th><th>2031</th><th>2036</th><th>2041</th><th>2046</th><th>2051</th></tr>
<tr><td>Population</td><td>86,700</td><td>90,300</td><td>93,800</td><td>96,700</td><td>99,300</td><td>102,000</td><td>104,900</td></tr>
</table>
<p>NPDC obtained a population projection from Infometrics that factored in demographic trends, expected economic growth, international migration, expected employment growth, the proposed District Plan and likely development timeframes. These forecasts were provided before the Covid-19 pandemic impacted New Zealand significantly. NPDC has used this original forecast from Infometrics with adjustments for net migration in the lead up to the LTP and the first four years of the LTP as follows:</p>
<table>
<tr><th>Year (ending 30 June)</th><th>Net migration</th><th>Detail</th></tr>
<tr><td>2021</td><td>20%</td><td>This year (prior to the LTP) is likely to see strongly reduced international migration due to border restrictions, however some internal migration may occur and there will be fewer residents leave.</td></tr>
<tr><td>2022</td><td>50%</td><td rowspan="4">This reflects decreased employment opportunities and that employment opportunities that arise are more readily filled by locals returning to the workforce after unemployment. Migration slowly increases</td></tr>
<tr><td>2023</td><td>50%</td></tr>
<tr><td>2024</td><td>75%</td></tr>
<tr><td>2025</td><td>75%</td></tr>
<tr><td>2026 and onwards</td><td>100%</td><td>Economic conditions assumed to return to relative normality. It should be noted that the Infometrics projections assumes a general decrease in net migration in the longer term.</td></tr>
</table>
<p>There is a medium level of uncertainty. Uncertainty arises from changes to births, deaths, inward migration and outward migration levels. If these factors change from the projection then the assumption will not be borne out. Discussion on the impact of this uncertainty is discussed in association with the rate of residential dwelling growth.</p>
<p>Growth assumptions underpin NPDC’s asset and activity management planning and planned capital expenditure budgets in the LTP. Any increase in population is likely to result in a proportionate increase in demand on Council services. This is through additional growth infrastructure, as well as services to people where an increase in population is likely to lead to more use (such as libraries). If population growth exceeds these projections, NPDC may need to invest in additional urban growth infrastructure and this will impact capital budgets and revenue. There is also a risk that forecast population growth does not occur, or occurs at a slower rate. NPDC carries some risk of over investment in growth infrastructure. As the cost of growth assets are generally recovered through development contributions, NPDC would bear the debt for capital expenditure until those growth areas were utilised.</p>
</td>
</tr>
</table>

Significant Forecasting Assumptions

Assumption | **Detail and uncertainty**

Age

The district will continue to have an ageing population, with a significant increase in those aged 65 years and over.

Overall, the population is expected to continue to age, with most growth occurring in the over 65 age groups. By 2031, over 65 year olds will be approximately 24 per cent of the total population, up from 20 per cent in 2021. There will be modest growth in other age brackets, but they will decline as a proportion of the total population.

	2021	**2031**	**2051**
0-14 years	20%	19%	18%
15-39 years	28%	27%	27%
40-64 years	32%	30%	28%
65+ years	20%	24%	27%

There is a low level of uncertainty. Uncertainty arises from changes to births, deaths, inward migration and outward migration levels. If these factors change from the projection then the assumption will not be borne out.

An ageing population may impact a range of Council services. These include accessibility issues (see the assumption on accessibility issues for more information), demand for backdoor kerbside collection services, changes to libraries, and housing for the elderly. There will also be an increase in the proportion of ratepayers on fixed incomes, which may increase rates affordability issues. A more rapidly ageing population will result in many of these issues needing to be considered earlier, either resulting in increased investment to make the district more aged friendly or increased dissatisfaction with services (which may impact on performance of level of service). A slower ageing population will provide more time to invest in making the district aged friendly and may mean some planned investment is earlier than necessary to maintain levels of service.

Ethnicity

The district's ethnic makeup will continue to be predominately European and Māori, with a growing Asian population.

Overall, the population is expected to continue to predominately be European and Māori, however the district will see a small drop in the number of Europeans and similar increase in the Asian community. The Asian community is expected to grow from around three per cent to six per cent over the next 10 years.

	Percentage of New Plymouth District's population			
Year	**European and other**	**Māori**	**Pacific**	**Asian**
2021	85%	18%	5%	3%
2031	81%	19%	6%	6%

There is a low level of uncertainty. Uncertainty arises from changes to births, deaths, inward migration and outward migration levels. If these factors change from the projection then the assumption will not be borne out.

NPDC needs to consider the ethnic makeup of the district to ensure its services are accessible across the population, including different cultural views on certain services. This will also have an impact on how NPDC engages effectively with the community.

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>

Accessibility

The proportion of the community with accessibility limitations will grow over the life of the LTP.

</td><td>

New Plymouth District's current accessibility limitations will increase as a proportion of the district as the older generation increases.

The table below shows the 2018 census data for those reporting one or more activity limitations, by age, for people in New Plymouth District and New Zealand.

<table>
<tr><th></th><th>Under 15 years</th><th>15-29 years</th><th>30-64 years</th><th>65+ years</th></tr>
<tr><td>New Plymouth</td><td>3.2%</td><td>4.5%</td><td>5.1%</td><td>17.7%</td></tr>
<tr><td>New Zealand</td><td>3%</td><td>3.5%</td><td>4.8%</td><td>17.7%</td></tr>
</table>

If the proportion of people per age group with an activity limitation continues in line with the 2018 Census proportions, then the overall percentage of the population with an accessibility issue in New Plymouth District will increase from seven per cent in 2021 to 7.5 per cent in 2031 and eight per cent in 2051.

There is a low level of uncertainty. Uncertainty arises from the potential changes to the district's population and changes to the age profile. If these factors change from the projection then the assumption will not be borne out.

Alongside an ageing population, this will impact accessibility limitations on a range of Council services. These include accessibility issues in urban design, parks and the transport network (e.g. footpaths), backdoor kerbside collection services, changes to libraries and housing for the elderly. NPDC aims to ensure all people can use services and facilities and to be able to get around our city easily. There may also need to be changes in housing typology and design to cater for accessibility needs, as well as changes to retail stores and commercial premises.

</td></tr>
<tr><td>

Economic growth

The rate of real economic growth will drop post Covid-19 but will recover with growth before stabilising in the medium term.

</td><td>

NPDC anticipates that New Plymouth District's economy will grow at similar levels to the national average.

Using information from BERL, NPDC anticipates there will be a significant reduction in national gross domestic product (GDP) prior to the LTP coming into force with a slow recovery in 2020/21. Economic growth will begin more substantively in 2021/22 and 2022/23 before returning to a more normal growth pattern.

<table>
<tr><th></th><th>2021/22</th><th>2022/23</th><th>2023/24</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th></tr>
<tr><td>Forecast % growth in real GDP</td><td>3.2%</td><td>2.4%</td><td>1.9%</td><td>2.1%</td><td>2.2%</td><td>2.3%</td><td>2.4%</td><td>2.5%</td><td>2.6%</td><td>2.7%</td></tr>
</table>

There is a medium level of uncertainty. Uncertainty arises as local economic growth and activity is driven by national and global economies and politics and particularly any further Covid-19 outbreaks, restrictions and then recovery efforts. Change and fluctuations in these larger economies and the political landscape have high likelihood of impacting our local economy. If these factors change from the projection then the assumption will not be borne out. Uncertainty also arises from the potential for further regulatory changes in the oil and gas sector.

Existing and planned NPDC infrastructure and services will be sufficient to meet growth in demand generated by the anticipated recovery growth in economic activity. If economic growth and activity were to increase significantly beyond the predictions of this assumption, there may be an increase in demand on NPDC infrastructure and services. If a lower rate of economic growth occurs then this will have implications for population growth and therefore the rate of residential development, these risks are outlined in the relevant forecasting assumptions.

</td></tr>
</table>

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>Labour force
Unemployment will be in a recovery phase after peaking to seven per cent in 2021.</td><td>The unemployment rate for the district, as measured by the percentage of working age population on the JobSeeker benefit, peaked at just over seven per cent in January 2021.
NPDC forecasts that the unemployment rate will continue to decrease over coming years reflective of the overall improvement in economic circumstances. NPDC anticipates that the district's unemployment rate will track close to the national unemployment rate. Treasury's Budget 2021 Economic and Fiscal Update forecasts the national unemployment rate to fall to 4.2 per cent by June 2025. NPDC forecasts that after June 2025 unemployment will be relatively stable.
There is a medium level of uncertainty. Uncertainty arises as local economic growth and activity is driven by national and global economies and politics. If these factors change from the projection then the assumption will not be borne out.
An increase in employment is likely to positively benefit the district's population and the local economy. High employment rates result in higher household income and an increase in discretionary income. If lower employment rates eventuated then they are likely to result in a number of impacts on Council services. There may be rates affordability issues, which may impact on levels of service if NPDC determines to lower its rates requirement as a result. There may also be increased use in some Council services - such as libraries and community facilities, and other services may have decreased use (or, at least, not forecast increases in use), such as in the commercial use of water and wastewater services.</td></tr>
<tr><td>Affordability
Local government costs will increase at a rate faster than the overall cost of living.</td><td>The cost of living will continue to rise as demonstrated by the Consumer Price Index (CPI) forecast. CPI measures the changes in the price level of a market basket of consumer goods and services purchased by households. CPI looks at the expected price change for key everyday items such as food, housing, clothing and footwear. NPDC forecasts that the rate of inflation for Council costs will increase at a rate faster than the CPI.
NPDC purchases items like pipes, earthmoving and personnel costs. Councils therefore use a different measure of inflation - the Local Government Cost Index (LGCI). The table below shows the BERL forecast for both CPI and LGCI:
<table>
<tr><th></th><th>2020/21</th><th>2021/22</th><th>2022/23</th><th>2023/24</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th></tr>
<tr><td>CPI</td><td>1.6%</td><td>1.7%</td><td>1.7%</td><td>1.7%</td><td>1.6%</td><td>1.9%</td><td>2.0%</td><td>2.2%</td><td>2.3%</td><td>2.3%</td><td>2.3%</td></tr>
<tr><td>LGCI (total)</td><td>-0.7%</td><td>3.7%</td><td>2.9%</td><td>2.5%</td><td>2.5%</td><td>2.6%</td><td>2.5%</td><td>2.6%</td><td>2.7%</td><td>2.7%</td><td>2.6%</td></tr>
</table>
The average annual household income for New Plymouth in 2020 was $101,157, lower than the national average of $114,062.
There is a medium level of uncertainty. Uncertainty arises from national macroeconomic conditions and policy. If these factors change from the projection then the assumption will not be borne out.
If current trends in inflation and incomes continue over the life of the LTP, affordability of essential goods and services are unlikely to be negatively impacted, although rises in interest rates will have negative effects on affordability for those households with mortgages. Affordability of essential goods and services is likely to be a significant issue for those households on lower incomes, including those living on less than $30,000. Inflationary increases will exacerbate this. A significant increase in prices for essential goods and services without a corresponding increase in incomes would place financial pressure on individuals and households and would have a negative impact on affordability.</td></tr>
</table>

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>Affordability (continued)</td><td>
<p>Inflation and wages are influenced by a number of factors, including the national and international economies. While the current trend is for wages to increase in line with inflation, this could change over the course of the LTP.</p>
<p>CPI is a factor that influences the LGCI. A higher or lower CPI is likely to have some impact on the LGCI. CPI is also often used as a comparison tool for rates. A lower than forecast CPI, without a corresponding decrease in the LGCI, may result in an increased difference between rates and other prices. This could result in increased community concern about rates affordability. Similarly, if household income increases at a lower level then rates affordability issues are likely to become a concern in the community.</p>
</td></tr>
<tr><td><p>Residential development</p><p>We will require more, and different types of, houses to accommodate population growth.</p></td><td>
<p>Using the population projection, dwelling projections are calculated using a cohort component approach, involving the analysis of living arrangements for each age and gender cohort, and converting these figures into household numbers. The National Policy Statement on Urban Development 2020 (NPS-UD) then requires NPDC to provide the necessary infrastructure for this level of demand plus an additional over-capacity buffer (termed as a competitiveness margin in clause 3.22 of the NPS-UD).</p>
<table>
<tr><th></th><th>2021-26</th><th>2026-31</th><th>2031-36</th><th>2036-41</th><th>2041-46</th><th>2046-51</th></tr>
<tr><td>Houses required to be delivered annually</td><td>345</td><td>361</td><td>324</td><td>320</td><td>326</td><td>307</td></tr>
<tr><td>Annual land supply capacity required</td><td>414</td><td>434</td><td>389</td><td>384</td><td>391</td><td>368</td></tr>
<tr><td>Difference</td><td>69</td><td>72</td><td>65</td><td>64</td><td>65</td><td>61</td></tr>
<tr><td>Average household size</td><td>2.44</td><td>2.42</td><td>2.37</td><td>2.37</td><td>2.34</td><td>2.33</td></tr>
</table>
<p>A decline in average household size in New Plymouth is expected, driven by an ageing population, growing life expectancy, and societal trends. The average household size in New Plymouth is projected to decline from an estimated 2.4 individuals per household in 2021 to 2.3 individuals in 2051. This will also lead to a likely diversification of housing needs and therefore the types of houses being built.</p>
<p>There is a medium level of uncertainty. Uncertainty arises from whether population growth rates meet forecast levels (see assumption), the subdivision and house building markets, as well as from household formation and housing trends. If these factors change from the projection then the assumption will not be borne out.</p>
<p>The rate of new dwellings is a significant factor in ensuring the district has enough housing and sufficient housing options to meet demand. Given the forecast population growth it is anticipated that the predicted rate of new dwellings will be sufficient to meet demand. There is also opportunity for infill development that provides additional housing choices.</p>
<p>Residential development increases pressure on the capacity of NPDC’s infrastructure (roads, sewers, stormwater, water and open space) and service delivery and can result in the need to upgrade existing and/or develop new infrastructure and services.</p>
<p>Development and financial contributions need to be set at the appropriate levels to ensure that the costs of growth are paid for by those who create the demand for the additional infrastructure and services.</p>
<p>If growth in dwellings exceeds these projections, NPDC may need to invest in additional urban growth infrastructure and this will impact capital budgets and revenue. However, if growth exceeds forecasts by less than the 20 per cent over capacity requirements of the NPS-UD then there will not be a short-term requirement to increase land supply and infrastructure, although there will still be a medium and long-term impact.</p>
</td></tr>
</table>

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Residential development (continued)	The mandatory requirement of the NPS-UD to provide for 20 per cent over capacity is highly likely to lead to unutilised or underutilised infrastructure provision. There is also a risk that forecast household growth does not occur, or occurs at a slower rate. This would mean that NPDC has over invested in growth infrastructure and it remains unused. As the cost of growth assets are generally recovered through development contributions, NPDC would bear the debt for capital expenditure until those growth areas were utilised. At present, development contributions are forecast to be between $2.9m and $4.1m per annum over the 10 year horizon. A lower rate of development would have a proportionate impact on the rate of development contributions being received.
Location of growth The district will predominately grow in Bell Block, southern New Plymouth growth areas and through intensification of existing areas, with some growth in small settlements as well, over the life of the LTP.	Overall growth is expected to focus in and around New Plymouth City (including Bell Block). Some growth is also expected to occur in small townships. The following table outlines the forecast growth in additional dwellings.

Area	July 2021 to June 2024	July 2024 to June 2031	July 2031 to June 2051
Bell Block	353	577	309
Ōākura	15	65	223
Inglewood	27	79	138
Waitara	54	134	308
Southern growth areas of New Plymouth City	29	283	606
Existing New Plymouth City	443	1,245	2,554
Rural and smaller townships	66	160	183
Smart Road	0	0	2,062

These figures exclude the NPS-UD additional buffers.

There is a medium level of uncertainty. Uncertainty arises from development and rezoning timeframes.

The location of growth affects the provision of infrastructure and services within the district. An area that develops slower or more quickly than expected will influence what new or upgraded infrastructure NPDC (and other infrastructure providers) have to deliver. NPDC plans for growth infrastructure relating to particular developments at a given time, and may have to either bring that infrastructure forward, or delay, it depending on actual development timeframes.

The location of growth also impacts on development contribution revenue as development contributions include area specific charges.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Urban redevelopment The district will not be subject to any large scale urban development or regeneration project.	The LTP forecasts that Kāinga Ora – Homes and Communities (Kāinga Ora) will not use its statutory powers for urban development and regeneration within the district to a scale that impacts on NPDC's revenue or expenditure. In particular, the LTP does not include any financial impacts of Kāinga Ora undertaking developments, such as reduced development contribution revenue for NPDC. Further, the LTP forecasts that a special purpose vehicle (SPV) under the Infrastructure Funding and Financing Act 2020 will not be established to deliver infrastructure in the district. There is a low level of uncertainty. Uncertainty arises from the intentions of Kāinga Ora and potential SPV establishing organisations, and how they evolve over the life of the plan. If these factors change from the projection then the assumption will not be borne out. The scale, location and infrastructure impacts of any development by Kāinga Ora or an SPV will influence the scale of any financial impact on NPDC and the implications for NPDC's infrastructure.
Tourism Tourism will increase back to previous levels over the life of the LTP.	NPDC assumes that international tourism will recover to pre Covid-19 forecast levels by 2027/28 and domestic tourism will be stronger in the first two years of the LTP and then return to normal growth patterns. The following table provides the forecast commercial accommodation guest nights across the LTP (rounded to the nearest thousand):

(in thousands)	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
International	54	74	97	126	160	200	236	264	296	331
Domestic	536	527	517	533	549	565	582	600	618	636
Total	**590**	**601**	**615**	**659**	**708**	**765**	**818**	**864**	**913**	**967**

NPDC has used the following methodology to develop this forecast:

- International and domestic tourism would have continued as per their historic (five year average) growth rates of 12 per cent and three per cent respectively without Covid-19 (the 'standard forecast').
- International tourism is expected to be 45 per cent of the standard forecast in 2021/22, and growing by 10 per cent per annum through to 2026/27, with it returning to the standard forecast in 2027/28 and onwards.
- Domestic tourism is expected to be 110 per cent of the standard forecast in 2021/22, decreasing by five per cent per annum through to 2022/23, with it returning to the standard forecast in 2023/24 and onwards.

This means that annual growth rates of total guest nights vary over the life of the LTP. Tourism growth particularly increases in 2024/25 under this model.

There is a high level of uncertainty. Uncertainty arises from national and global economies and approaches to border controls following the Covid-19 pandemic. In particular, the degree of border controls in place before populations are vaccinated and the ability to attract tourists to New Plymouth District following the global economic outfall of Covid-19. The pandemic has introduced additional uncertainties to forecasting tourism. If these factors change from the projection then the assumption will not be borne out.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Tourism (continued)	Any changes to tourism within the district is likely to have some impact on NPDC and the community. Changes in tourism patterns will lead to changes in the use of some Council facilities such as Puke Ariki, Govett-Brewster Art Gallery/Len Lye Centre, Aquatic Centre, the Coastal Walkway, parks, public toilets and certain roads (particularly coastal roads and around Taranaki Maunga). This could mean some investment is underutilised (such as in public toilets), although the impact is likely to be less than at a rate exceeding the assumption. The effect of this uncertainty is not considered to be substantial across NPDC and depends on the nature of the divergence. • In a scenario where tourism rebounded faster and stronger, NPDC would likely respond by bringing forward tourism related capital expenditure (including attractions and public toilets) and there would be additional operating expenditure (including for public toilet cleaning, attraction staff, new event resources, parks maintenance, tourism promotion and freedom camping compliance). There would also be additional revenue at some facilities. Overall, NPDC would expect the total rates take to be 1.5 per cent higher by year 10 when compared to the assumption used in this LTP. • In a scenario where tourism returned slower and with a long recovery, NPDC may delay or reduce some capital expenditure for tourism related projects such as the Taranaki Traverse, Brooklands Zoo strategic implementation, North Egmont carpark and the Festival of Lights. There would also be some operating costs lowered or planned operating cost increases that would not go ahead, particularly for public toilet cleaning and facility staffing. Anticipated revenue increases from facilities may not occur. Overall, NPDC would expect the total rates take to be 0.2 per cent lower by year 10 when compared to the assumption used in this LTP.
Climate change Climate change impacts will be increasingly felt over the life of the LTP and the Infrastructure Strategy.	Scientific evidence is clear that the climate is changing and New Plymouth District will, over time, experience more impacts from climate change, climate hazards and climate extremes. The LTP (and particularly the Infrastructure Strategy) and the Proposed District Plan lay the foundations to prepare for potential increased climate change impacts in the future. NPDC adopted a Climate Action Framework in December 2019 to guide NPDC's climate change work programme. Under this framework NPDC is developing a district-wide Emissions Reduction Plan and a district-wide Adaptation Plan. The Adaptation Plan would assist NPDC's legal obligations to manage natural hazards and their predicted perturbations from climate change. The Emissions Reduction Plan would provide for NPDC to lower its greenhouse gas emissions, and advocate for the community to also reduce emissions. At present there is no specific legal requirement for NPDC to reduce its emissions, although regulation of greenhouse gas emissions (through the Emissions Trading Scheme and other law) are increasing, with further change recommended by the Climate Change Commission's draft advice to the Government (released for public comment on 1 February 2021). There is significant uncertainty surrounding the rates and associated timing of effects of climate change due to uncertainty associated with global emissions and success of international efforts to reduce those emissions. NPDC's efforts to understand the impacts of climate change are driven by the need to protect and enhance the district's resilience. NPDC relies on scientific data and analysis, with planning based on a range of scenarios provided by the Intergovernmental Panel on Climate Change assessments. The scenario predictions (known as Representative Concentration Pathways (RCPs)) ranging from a low emission scenario (RCP2.6) to increasing greenhouse gas emissions over time (RCP8.5+). NPDC also relies on advice from central government and has commissioned a number of local specific reports to better understand what this means for the district. The main forecasts for climate change from the Ministry for the Environment are: • By 2040 the average temperature is forecast to be 0.7C to 1.1C warmer than 1995. By 2090 the average temperature is forecast to be 0.7C to 3.1C warmer than 1995, with five to 41 extra days per year where the maximum temperature exceeds 25C.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Climate change (continued)	• Winter rainfall is expected to increase by five to nine per cent by 2090. • The number of extreme wind and storm events is not expected to vary significantly, but there may be changes in their direction and intensity by 2090. • Sea level rise by 2100 is expected to be between 0.3 to 1.0 metres above the 1995 level. Up to 2060, there is less uncertainty, and a narrower range of sea level rise of 0.2 to 0.4 metres is expected. The impacts of climate change are likely to affect the district in a variety of ways, including: • **Coastal hazards.** Within the next 10 years there could be increased risk to coastal areas from coastal erosion and storm inundation. Recently completed district-wide coastal hazard assessments demonstrate that while the entire coast is at risk from coastal erosion, the risks from coastal inundation are localised to areas of developed low lying coastal land around river mouths, such as Waitara, Puke Ariki landing and Ōākura. There are three coastal overlays in the Proposed District Plan, based on a 100 year timeframe as required by the New Zealand Coastal Policy Statement. The mapping of the Coastal Erosion Hazard Area is based on historic rates of sea level rise, representing areas considered likely to be subject to erosion (excluding New Plymouth City with the significant assumption that the city seawall will be maintained in the long-term to protect the significant infrastructure behind). The Coastal Environment Area includes areas identified as potentially subject to erosion, under a high emissions scenario (RCP8.5+) but does not assume maintenance of the New Plymouth seawall (a worse case area identified). The Coastal Flooding Hazard Area is mapped using the RCP8.5 scenario and does not assume the Waitara stopbanks will be effective. • **Flooding**. With increasing rainfall intensity it is likely that increased flooding will occur in some areas. Stormwater modelling takes account of the latest rainfall projections from NIWA in the High Intensity Rainfall Design System (HIRDSv4) which includes a temperature increase (relative to the 1986-2005 average) of 0.6C to 3.1C by 2120. The stormwater modelling is for a one per cent annual exceedance probability (AEP) and climate change scenario RCP6.0. This modelling is used for District Planning purposes as well. • **Drought**. Climate models vary in their estimated change to drought frequency in Taranaki from minimal change through to more than doubling in frequency. There is therefore greater uncertainty for the Council and community on whether to plan for more droughts. These expected variations to natural hazards predicted from climate change and their effects will have implications for the community and NPDC. • **Community.** Climate change could impact on the social, economic, environmental and cultural well-being of the community: – Coastal hazards. Two urban communities are particularly vulnerable to coastal erosion at present that do not have protection through seawalls or other means. These are part of Onaero and the Rohutu Block (Waitara East beachfront). The LTP includes funding for particular adaptive management plans for these communities to determine the best future approach to dealing with both the existing coastal hazard risk and the predictions of climate change. Most other urban communities with high erosion risk are already protected by seawalls. – Flooding. The Proposed District Plan also outlines areas vulnerable to flooding taking into account predictions of climate change. Flooding risk may increase from both upstream and local rainfall. Urban areas have a variety of flood control works and stormwater systems to manage these risks.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Climate change (continued)	– Drought. If there are increasing droughts in the future then the farming community within the District may need to consider land use changes, and there could be issues with the viability of some farms. The Tapuae Roa Action Plan (part of our regional economic development strategy) outlines the need to consider new land uses to address climate change impacts for farms. The increased risk of droughts would also impact the Council's water supply service. • **Council services.** The impacts of climate change will impact on Council services to varying degrees: – Coastal hazards. Coastal hazard risks impact on a number of Council services. NPDC has assets within potential coastal erosion and/or hazard areas, including coastal parks and open spaces (including the Coastal Walkway), Todd Energy Aquatic Centre, New Plymouth Airport, stormwater pipes and outfalls, wastewater pipes and pump stations, and roads. The Council policy is to only consider coastal protection mechanisms for significant public assets. Some of these services and infrastructure may need to relocate in the future taking into account the predictions of climate change. – Flooding. A series of stormwater catchment management plans are being developed to analyse the district's stormwater catchments, taking into consideration the most up to date climate change data. NPDC's stormwater system and flood protection schemes would require upgrades in order to maintain effective service levels (as measured against AEP calculations) under the predictions of climate change. NPDC has infrastructure that may be impacted by increased flooding, including parks, wastewater pipes and pump stations, roads (including bridges over rivers and streams) and stormwater outfalls. – Drought. With increasing water demand and the potential increasing likelihood of extended dry periods during summer months, the district is at risk of not meeting water supply levels of service at certain times of year. The planning of the Council's water supply services take into account the predicted implications of climate change. The Council is taking proactive steps to reduce the district's water use with a conservation strategy, education and water metering. The Council also seeks to improve the resilience of the water supply network with new reservoirs. Droughts also have impacts on the Council's parks and reserves, and could potentially require changed approaches to managing these during summer months. As noted above, the Council is developing a district-wide Adaptation Plan. This plan will further NPDC's understanding of the expected implications of climate change for the community and the Council, and also create a direction for how the Council will assist and direct the community in adapting to climate change and increasing risk of natural hazards. NPDC expects this plan to be completed before the next LTP. There is a medium level of uncertainty for the life of this LTP. Uncertainty increases over time and arises as overall climate change does not directly correlate to year-to-year climate conditions or particular weather events. If these factors change from the projection then the assumption will not be borne out. While there is uncertainty in the short-term implications, there is significant uncertainty in the long-term implications of climate change. Investment within the LTP needs to carefully consider the life of the proposed asset or investment in relation to the current risk of the natural hazard(s) and the exacerbation(s) predicted within the climate change scenarios to weigh up and balance the risk and cost of early failure with the potential for over investment.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Climate change (continued)	There is risk that predicted climate hazards do not eventuate, or eventuate at a pace slower than forecast. There is also a risk that predicted climate hazards occur earlier than current forecasts, meaning, for instance, that stormwater asset capacity has not been increased early enough despite the increased investment in new stormwater assets capacity and increased capacity at the time of renewal of existing assets. This will result in infrastructure failure (whether temporary or permanent), requiring additional resource and financing. The LTP includes investment in infrastructure resilience and better understanding the risk associated with climate change (such as stormwater modelling and the district-wide Adaptation Plan). This work is expected to lower the longer term risk associated with climate change. While there is significant uncertainty in the long-term implications of climate change, through a balanced consideration of risk, it is unlikely that any of the investment undertaken in the LTP will be an over investment in the long-term. However failure to invest to prepare for climate change may result in infrastructure failure (whether temporary or permanent) requiring additional resource and financing.
Natural disasters NPDC does not forecast natural disasters to occur at specific times but does plan for their eventuality.	NPDC acknowledges that natural disasters do occur and that New Plymouth District is vulnerable to various types of natural disasters. Taranaki is susceptible to volcanic eruptions, earthquakes, tsunamis, floods, storms, tornadoes, drought, pandemics and other disasters. The LTP does not include any forecasting of a natural disaster occurring during the life of the LTP in its financial information and plans. However, NPDC acknowledges that there is a strong likelihood of a substantial natural disaster occurring during the LTP. NPDC has civil defence responsibilities, including being a member of the Taranaki Emergency Management Group, to respond to any natural disaster. The Council also has a Natural Disaster Recovery Fund to assist with both response and recovery. There is a medium level of uncertainty. Uncertainty arises through the natural events and disasters. If these factors change from the projection then the assumption will not be borne out.
Existing and future resource consents All resource consents required for the operations of Council services will be obtained or renewed when required.	NPDC is legislatively required to obtain resource consents for various activities that it undertakes in the district. The following major consents require renewal that may impact on the LTP: • New Plymouth Water Treatment Plant abstraction consents expires 2021. • Inglewood Water Treatment Plant abstraction consents expires 2021. • To place and maintain Waitara outfall pipe consents expires 2021. • To place and maintain Te Henui rising main under Waiwhakaiho consents expires 2025. • Inglewood Contingency Landfill discharges to land and air consents expires 2025. • Waimea Dam consents expires 2025. • New Plymouth Wastewater Treatment Plant discharge to air consents expires 2026. • Ōkato Contingency Landfill discharges to land, air, stormwater and leachate consents expires 2030. • Huatoki Dam consents expires 2031. • Former landfills at Marfell Park and Valley Shopping Centre discharge of leachate consents expires 2032. • Inglewood oxidation pond intermittent discharge to the Kurapete Stream consent expires 2033. • New Plymouth Wastewater Treatment Plant discharge of treated wastewater consent expires 2041. NPDC holds a large number of smaller resource consents across the district relating to its infrastructure. Some new projects will also require resource consents. These are assessed as part of the planning and delivery of each project.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Existing and future resource consents (continued)	There is a low level of uncertainty. Uncertainty arises from the potential for changes to NPDC's District Plan, changes to Taranaki Regional Council's regional plans, changes to national policy directions issued under the Resource Management Act 1991 and changes to the Resource Management Act 1991. If these factors change from the projection then the assumption will not be borne out. NPDC's services, including current and future developments, would be affected by not obtaining any relevant resource consents. This could ultimately lead to discontinuance in service delivery until consent is obtained. NPDC will continue to work closely with the Taranaki Regional Council to ensure all existing and future resource consents are renewed or obtained without any effect on the delivery of NPDC's services. NPDC proactively assesses the requirements for a resource consent in determining projects for the LTP, including the likelihood of obtaining resource consents.
Legislation changes Legislation changes will not have any significant effect on NPDC.	The LTP assumes the current statutory regime will largely remain consistent. There may be changes that impact to varying degrees on some Council activities, but there will not be any changes that materially alter service delivery. NPDC is aware of numerous legislative changes currently proposed, or that may be proposed in the future. These have been factored into the LTP as appropriate. given the information available at the time of developing this LTP. The four most substantive reforms that may impact on the Council are: 1. **Three Water Reforms.** There is a separate assumption below on the Three Water Reforms. 2. **Resource Management Reform.** The Government has signalled that the Resource Management Act 1991 will be replaced with three new Acts of Parliament – the Natural and Built Environment Act, the Strategic Planning Act, and the Climate Change Adaptation Act. As part of these reforms, the Government has indicated new regional plans will be created to replace existing district and regional plans and policies, however it is unclear what the implications are for NPDC's resource management planning and consenting teams. The Strategic Planning Act may impact on the Council's other planning functions as well which could, in turn, impact on future capital and operating expenditure programmes. The Council has prepared this LTP on the basis and assumption that existing resource management roles and functions will continue for the life of this LTP. 3. **Future For Local Government Review.** This review is a wide ranging review of Council roles, functions, partnerships, representation, governance, funding and financing. The review is to identify how the system of local democracy needs to improve over the next 30 years to improve community and environmental well-being, and embody the Treaty of Waitangi partnership. The review may have significant implications for the district's local governance arrangements. This review is expected to present a final report in April 2023. NPDC considers it unlikely that any recommendation could take effect before 1 July 2024, so any changes will therefore be incorporated into LTP 2024-2034. The Council has prepared this LTP on the basis and assumption that existing roles and functions will continue for the life of this LTP. 4. **National Emissions Budget and the National Emissions Reduction Plan.** These are to be issued in late 2021 in accordance with the 2019 'zero carbon act' amendments to the Climate Change Response Act 2002. The Budget will set a limit on emissions over a set time period, while the Plan is expected to outline pathways for sectors and industries to reach net zero greenhouse gas emissions by 2050, including targets and timeframes for specific action. These may impact on aspects of the Council's operations that emit greenhouse gases, and may have wider social and economic implications for parts of the community. The Council has prepared this LTP on the

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Legislation changes (continued)	basis that reducing emissions will be required over time however, the timeframe and pace of reductions may not align to the Budget and Plan. There is a medium level of uncertainty. Uncertainty arises from national politics and government processes. There is a risk that various policy and legislative changes at the national level may materially impact on the LTP. If these factors change from the projection then the assumption will not be borne out. The implications of the reforms and reviews noted could be significant and result in different local governance arrangements for the district in the future, or different approaches to Council service delivery.
Three Water Reforms NPDC will continue to own and directly operate the three waters networks	The LTP assumes that NPDC will continue to own and directly operate the three waters networks (drinking water, wastewater and stormwater). There is a high level of uncertainty. Uncertainty arises from government reforms of water services and NPDC entering into a Memorandum of Understanding (MOU) with the government around investigating alternative structural arrangements for the delivery of water networks. These are explained in more detail below. Following the inquiry into the Havelock North drinking water contamination event in 2016, the government has initiated a reform of the delivery 'three waters' (drinking water, wastewater and stormwater) services. It has advised that the status quo is not acceptable and change is needed, indicating it considers larger 'multi-regional' delivery entities are needed. Government has made it clear that water services must remain in public ownership, however this could take various forms such as Council Controlled Organisations. The first step of the reforms has been the establishment of Taumata Arowai as a new drinking water regulator, with oversight of water service delivery. The second step is the new Water Services Bill that creates a new statutory framework around the management of water, including providing Taumata Arowai with regulatory tools to enforce compliance. These include the ability for Taumata Arowai to intervene in the management of drinking water. The Government has provided obligation free grants to territorial authorities provided they enter into a MOU with the Government to explore the future delivery of water services. NPDC has signed this MOU. This agreement outlines that NPDC and the Government will work towards reviewing service delivery reform, including investigating multi regional water service delivery entities that own and operate water and wastewater assets in some form of statutory entity with multiple council ownership. Whilst the MOU does not commit NPDC to the reforms, the Government has agreed that the reforms will be an opt out approach. The Government has signalled that bespoke legislation will govern how NPDC will engage the community in making a decision to opt out or not. It is clear that there is strong preference for change and therefore, a reasonable prospect that NPDC may not continue to directly provide some or all of its three water networks over the life of the LTP. There are several alternative structures that may arise. The Government is expected to make decisions in mid to late 2021 about these matters. The reforms predominately impact on water and wastewater and these are more likely to be subject to reforms than stormwater services. This reflects the different nature of these assets, with stormwater services being closely related to transportation and parks operations (as the main inflow and outflow network points) rather than with water and wastewater services.

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>Three Water Reforms
(continued)</td><td>
<p>If the reforms occur, then the financial management of the water services including capital expenditure, operating expenditure, revenue (including rates), debt and reserves relating to the three waters (as contained in the water, wastewater, stormwater management and flood protection and control works activities) would be undertaken by the new entity. This could mean the entire activity no longer exists within NPDC's activities. This will have a corresponding impact on the overall position of NPDC as a whole.</p>
<p>The table below outlines the total 10-year budget for each activity.</p>
<table>
<tr><th>Activity</th><th>Overheads ($m)</th><th>10 year operating budget ($m)</th><th>10 year capital budget ($m)</th></tr>
<tr><td>Water</td><td>51.7</td><td>168.2</td><td>125.6</td></tr>
<tr><td>Wastewater</td><td>58.6</td><td>221.9</td><td>263.9</td></tr>
<tr><td>Stormwater</td><td>7.7</td><td>64.7</td><td>82.8</td></tr>
<tr><td>Flood Protection and Control Works</td><td>2.2</td><td>2.3</td><td>0.6</td></tr>
</table>
<p>From a community perspective, water services will continue to be provided with the aim of the reforms to improve the provision of these services. There may be a change in how the services are charged, i.e. instead of paying for the service by rates, customers may be charged by a utility bill method.</p>
<p>Any change may have widespread implications across the rest of NPDC's operations. For instance, overhead allocations from these services fund parts of back office services, but there may only be a small reduction in these services if these services are no longer part of NPDC. This would increase the overhead allocation for other parts of NPDC, and therefore increase the remaining Council activities service delivery costs. NPDC allocates overheads using a number of different methods, including internal service agreements, timesheeting, internal charging and proportional to operating costs. The reforms may also require NPDC to alter its approach to rating to ensure it continues to comply with the Local Government (Rating) Act 2002, particularly the requirement in section 21 for uniform rates not to exceed 30 per cent of overall rates.</p>
</td></tr>
</table>

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr>
<td>The effect of inflation on NPDC's services
The annual cost of Council services will continue to increase at between zero and 2.9 per cent.</td>
<td>
<p>The LGCI measures cost drivers specific to local government (e.g. concrete, reinforcing steel, bitumen, roading chip, building materials, energy and wages etc.) which differs significantly from the inflation pressures affecting households as measured by the CPI. BERL provide local authorities with their view of forecast inflation on key cost drivers. Due to the uncertainty around Covid-19 recovery, BERL have presented three scenarios and NPDC has selected the mid scenario as this best aligns to NPDC's view on economic recovery. Their measure of inflation is forecast at -0.9 per cent to four per cent. NPDC will need to ensure that the community is well informed about the cost drivers affecting service delivery. NPDC's approach is to adopt BERL data and apply the prior year percentage change to create the new year budget (for instance, the 2020/21 inflation rate is applied for the 2021/22 budget).</p>
<table>
<tr><th></th><th>2020/21</th><th>2021/22</th><th>2022/23</th><th>2023/24</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th></tr>
<tr><td>LGCI for operating expenditure</td><td>-0.6%</td><td>3.6%</td><td>2.9%</td><td>2.5%</td><td>2.5%</td><td>2.5%</td><td>2.5%</td><td>2.6%</td><td>2.7%</td><td>2.7%</td><td>2.6%</td></tr>
<tr><td>LGCI for capital expenditure</td><td>-0.9%</td><td>4%</td><td>3%</td><td>2.6%</td><td>2.6%</td><td>2.7%</td><td>2.6%</td><td>2.8%</td><td>2.8%</td><td>2.9%</td><td>2.7%</td></tr>
<tr><td>LGCI - overall</td><td>-0.7%</td><td>3.7%</td><td>2.9%</td><td>2.5%</td><td>2.5%</td><td>2.6%</td><td>2.5%</td><td>2.6%</td><td>2.7%</td><td>2.7%</td><td>2.6%</td></tr>
<tr><td>CPI</td><td>1.6%</td><td>1.7%</td><td>1.7%</td><td>1.7%</td><td>1.6%</td><td>1.9%</td><td>2.0%</td><td>2.2%</td><td>2.3%</td><td>2.3%</td><td>2.3%</td></tr>
</table>
<p>NPDC has modified the BERL LGCI forecast for 2020/21 and 2021/22. This is to smooth the impact across two years of deflation followed by a significant inflation increase. This approach also provides mitigation if LGCI inflation is higher than forecast in 2020/21 (the two alternative scenarios provided by BERL both have a higher inflation rate in 2020/21). This smoothing is outlined in the following table:</p>
<table>
<tr><th></th><th>2020/21</th><th>2021/22</th></tr>
<tr><td>LGCI - modified for operating expenditure</td><td>0%</td><td>2.5%</td></tr>
<tr><td>LGCI - modified for capital expenditure</td><td>0%</td><td>2.6%</td></tr>
<tr><td>LGCI - modified overall</td><td>0%</td><td>2.5%</td></tr>
</table>
<p>NPDC has also made specific assumptions about inflation for total staff costs (one per cent in year one, two per cent thereafter), gas and electricity increases (zero in year one, three per cent thereafter), the rates payable on NPDC property (3.5 per cent per annum) and insurance (five per cent per annum).</p>
<p>There is a medium level of uncertainty. Uncertainty arises from external price inflation. If these factors change from the projection then the assumption will not be borne out.</p>
<p>Forecast inflation will impact on the ability of NPDC to deliver on its service levels and impacts future budgets. NPDC will need to ensure that the community is well informed about the cost drivers affecting service delivery. A higher or lower LGCI than forecast is likely to have impacts on NPDC budgets. A higher rate of inflation will require either increased budgets (and therefore rates increases) or adjustments to levels of service. A lower rate of inflation will either reduce budgets (and therefore rates increases) or enable increased levels of service within existing budgets.</p>
</td>
</tr>
</table>

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>**The effect of inflation on NPDC's services** (continued)</td><td>NPDC has planned a mixed approach for year one of the LTP. NPDC has removed the expected deflationary pressure in the LGCI, but also assumed staff, gas and electricity costs do not increase as much as in other years. This provides a balance to reflect the unusual economic circumstance. The overall impact of the smoothing of LGCI in years one and two result in a decreased in inflation forecast by 0.5 per cent. NPDC will need to find internal savings to match this lower LGCI assumption. If these savings are not found then NPDC may need to increase rates to match this reduction.</td></tr>
<tr><td>**Revaluation of assets**
The fair value of assets that are revalued will increase in line with inflation.</td><td>The revaluation of assets will result in book values that rise in line with inflation. NPDC last revalued its land, building and infrastructure assets in 2019, revaluations are expected in 2022, 2025, 2028 and 2031 (every three years). Forestry assets are revalued annually.
NPDC's assets deliver services to the community and hold a 'value in use'. The Council's significant assets are long life assets. Any reassessment of current replacement costs are used to determine the cost of the asset renewal programme as outlined in the respective asset management plans. This in turn means NPDC will need to make an increased budgetary provision through general rates for renewal funding.
There is a low level of uncertainty. Uncertainty arises from replacement costs. If these factors change from the projection then the assumption will not be borne out.
There is a risk that assets are revalued at a lower or higher amount than inflation. Any substantive change in asset revaluation may result in an increase or decrease in the cost of the asset renewal programme.</td></tr>
<tr><td>**Useful lives of significant assets**
The actual lives of significant assets are in line with expected useful lives.</td><td>Assets are expected to have a lifespan as set in the depreciation policy in the Statement of Accounting Policies.
<table>
<tr><th>Asset class</th><th>Roads</th><th>Laboratory</th><th>Solid Waste</th><th>Stormwater</th><th>Flood Protection</th><th>Water</th><th>Wastewater</th></tr>
<tr><td>Years</td><td>5-100</td><td>8-30</td><td>35-100</td><td>50-140</td><td>50-200</td><td>10-120</td><td>10-140</td></tr>
</table>
There is a low level of uncertainty. Uncertainty arises from asset condition and whether assets receive more or less use than anticipated. If these factors change from the projection then the assumption will not be borne out.
Where actual asset lives differ (favourably or unfavourably) from the expected live of the asset, there is a corresponding impact on the asset renewals and maintenance programme. Assets that have longer lives than assumed will either result in savings through later replacement or may still be replaced at the time set out (e.g. if it is difficult to determine the state of the asset until replacement, such as for underground assets). Assets that have shorter lives than assumed may either result in reduced levels of service or require replacement earlier than expected, potentially before the asset is fully depreciated. NPDC has, and continues to develop, appropriate asset management plans together with regular inspection, maintenance and management practices to manage these risks.</td></tr>
</table>

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Vesting of new assets in NPDC Approximately $4.3m of assets will be vested in NPDC per annum.	NPDC receives vesting of assets as a result of subdivision activity. NPDC anticipates receiving approximately $4.3m of vested assets each year (this figure is for year one) and the Council assumes that this value will increase in line with inflation each year. This assumption is based a conservative long run average. There is a low level of uncertainty. Uncertainty arises from variability in subdivision activity that results in asset vesting. If these factors change from the projection then the assumption will not be borne out. Assets vested with NPDC increases the need for infrastructure renewal funding and also has additional funding implications for operating costs. NPDC is aware of likely future levels of vested assets through the resource consent process. The standard of assets proposed to be vested must meet NPDC's requirements for materials, construction techniques and quality. Any assets vested as the result of development have a minimal impact on NPDC's overall asset base per capita as the district's rate base increases with population growth. Any significant increase in vested assets will increase NPDC's asset base. However, it is unlikely to have any significant impact on NPDC's financial position or levels of service. This is because an increase in vested assets would likely reflect additional development and therefore an increased rate base. A decrease in vested assets will mean NPDC's asset base will not grow as quickly. This will not be significant in terms of impacting on NPDC's debt to asset ratio so should not impact on the ability to borrow. It is, however, likely to reflect a downturn in development.
Sources of funds for future replacement of significant assets NPDC will fund the replacement of significant assets in line with the Revenue and Financing Policy and Financial Strategy.	The Revenue and Financing Policy sets out how assets will be funded for different activities. Funding for the renewal of short life infrastructural assets is calculated on a Long Range Average Renewals Approach. This is an approach whereby NPDC uses rates to maintain a reserve. The reserve is then used to fund the renewal of assets. The amount of rates added to the reserve each year is based on the 10 year forward horizon for renewal requirements. Funding for the renewal of long life infrastructural assets is through renewal reserves but can also be met through borrowing, in accordance with the Revenue and Financing Policy. There is a low level of uncertainty. Uncertainty arises from sources of funding not being available at the time of an assets replacement. If these factors change from the projection then the assumption will not be borne out. There is a risk that a funding source is not available to fund the replacement of any given asset at the time of its replacement. Section 80 of the Local Government Act 2002 sets out the process for NPDC to make a decision that is significantly inconsistent with a policy. This process could be used at that time.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
External funding support Waka Kotahi NZ Transport Agency (NZTA) funding to maintain and renew roads and associated assets will remain at current levels. Government funding in other areas and other external funding will remain at current levels.	External funders provide operational and capital funding support to enable NPDC to maintain and/or enhance the level of service delivery. NZTA provides a significant level of subsidy for roading operations and maintenance as well as capital renewals and augmentation (51 per cent to 100 per cent of eligible works). The NZTA Financial Assistance Rate is currently set at 51 per cent. In addition, other government funding agencies provide funding support to enable NPDC to deliver on its service levels. These include funding sources such as the Department of Internal Affairs (soldiers' grave sites) and the Ministry for Culture and Heritage (arts grants). Details of this funding is set out in the relevant activity management plans. Further funding is provided by external parties for events, exhibitions and capital projects. There is a medium level of uncertainty. Uncertainty arises from changes to government and other external funders priorities changing. If these factors change from the projection then the assumption will not be borne out. Any reduction in funding support will impact on service levels and the long-term custodianship of our roading assets in particular. Less funding from NZTA will have an impact on the district's roading work programme. Projects will either have to be deferred or NPDC will need to provide extra funding through rates to counter reduced support from NZTA. An increase in the range and type of subsidies and funding support may require increased funding input from NPDC.
Rates remissions Rates remissions are estimated at $0.8m in year one and increase at 3.5 per cent per annum.	Rates remissions will continue to apply at the current level with an increase of 3.5 per cent per annum. There is a medium level of uncertainty. Uncertainty arises from potential changes to the remission policies and changes to who qualifies as a result of other changes. If these factors change from the projection then the assumption will not be borne out. The Proposed District Plan includes further properties to provide regulatory controls for which NPDC currently provides a remission. The outcome of the Proposed District Plan is unknown as there are statutory processes (including public submissions and appeal processes). The remission estimate is based on the Proposed District Plan, and a review of the remission policy may be required when the Proposed District Plan becomes operative. The Local Government (Rating of Whenua Māori) Amendment Act 2021 provides a significant change to the rating of Māori land, including increasing the non rateability of Māori land and a statutory rates remission scheme. The Council also has to review its policy on the remission and postponement of rates on Māori freehold land by 30 June 2022. NPDC does not expect this Act to have significant implications on rates remission, although some properties may shift from a rates remission to being non rateable (in effect, having no net impact). Any change in legislation or NPDC's remissions policy will have an impact on the level of rating remissions. A higher level of remission will be met through other ratepayers paying higher rates, or may cause a review of the remission policies. A lower remission level will provide a savings and reduce the rates required.

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td><p>Forecast return on investments</p><p>The PIF will release 3.3 per cent of its value per annum (after inflation and management fees and costs), with a rate of return of 5.7 per cent per annum.</p></td><td><p>NPDC has significant external investments in NPDC's PIF. The PIF is managed by a Full Outsourced Agent (FOA), Mercer New Zealand Limited. The FOA is reviewed and monitored by the New Plymouth PIF Guardians Limited (NPG). Annual releases from the PIF contribute significantly to reducing the annual rates requirement.</p><p>The PIF release is required to fund management fees and costs, with an amount to offset rates based on 3.3 per cent of the value of the fund after inflation and including fees and costs (with a smoothing rule applied). The PIF will release 3.4 to 3.6 per cent per annum gross of management fees and costs. The PIF's rate of return is expected to be 5.7 per cent per annum. This assumption is based on advice from the NPG. It is based on a long-term view of returns so the 10 year return may differ from the average.</p><p>There is a medium level of uncertainty. Uncertainty arises from the rate of return in market investments. If these factors change from the projection then the assumption will not be borne out.</p><p>If the average annual earnings rate of the PIF is less than forecasted and the value of the PIF decreases, this will reduce the release and may impact on NPDC's current Financial Strategy. This could have an impact on the rates requirement or adjustments to the levels of service provided to the community.</p></td></tr>
<tr><td><p>Development contributions</p><p>NPDC will receive development contributions revenue in line with the Development Contributions Policy and forecast development rates.</p></td><td><p>Residential development growth is forecast at 345 new dwellings each year for the first five years of the LTP and 361 new dwellings per annum for the second five years. Non residential growth is forecast to grow at an average rate of 191 to 200 household unit equivalent (HUE) per annum.</p><p>The LTP forecasts the following forecast development contribution revenue:</p>
<table>
<tr><th></th><th>2021/22 ($m)</th><th>2022/23 ($m)</th><th>2023/24 ($m)</th><th>2024/25 ($m)</th><th>2025/26 ($m)</th><th>2026/27 ($m)</th><th>2027/28 ($m)</th><th>2028/29 ($m)</th><th>2029/30 ($m)</th><th>2030/31 ($m)</th></tr>
<tr><td>Development contribution revenue</td><td>2.96</td><td>3.08</td><td>3.19</td><td>3.31</td><td>3.44</td><td>3.57</td><td>3.71</td><td>3.85</td><td>3.99</td><td>4.15</td></tr>
</table>
<p>This is at the rate that development contributions are expected to be collected at. However, the timing of development contribution receipts is outside NPDC's control.</p><p>Development contribution requirements are assessed according to the number of dwellings and HUE that the relevant capital project(s) cater for, and then applied to each dwelling and HUE as they are developed. NPDC records growth related capital expenditure as being fully funded by borrowings and applies development contributions when received.</p><p>There is a medium level of uncertainty. Uncertainty arises from the rate of residential and non residential development. If these factors change from the projection then the assumption will not be borne out.</p><p>As development and financial contributions are actually received they will be netted off any borrowing made for that purpose. A slower rate of development will result in a lower level of development contributions being received. This will result in increased debt, which in turn may result in higher costs to borrow and a reduced forward capacity to borrow. A faster rate of development will result in a higher level of development contributions being received. This will reduce borrowings, which in turn may reduce costs of borrowing and provide greater capacity to borrow in the future.</p></td></tr>
</table>

Significant Forecasting Assumptions

Assumption | **Detail and uncertainty**

Borrowing and interest rates

Interest rates for cash investments will be between zero and three per cent and borrowing interest rates will be around three per cent. Lenders will continue to meet NPDC's requirements for loan funding (redemption and new).

Interest rates are assumed at the following levels.

Item	Cash investment	Term deposit investment	Airport working capital loan	General borrowing	Voluntary targeted rate scheme
Interest rate	0% to 2%	1% to 3%	3.8%	3% to 3.5%	3%

Borrowings are repaid over a 20 to 30 year timeframe.

Overall interest rate and funding strategies are managed within the parameters of the Treasury Management Policy. Interest rate swaps are also used as per the policy. The Treasury Management Policy is reviewed as part of the LTP process every three years.

There is a low level of uncertainty. Uncertainty arises from obtaining lending from the market. If these factors change from the projection then the assumption will not be borne out.

NPDC actively seeks to receive more favourable interest rates, which then enables NPDC to lower its borrowing costs, and either pay off debt faster or to reduce debt repayment costs. There is unlikely to be any adverse implications in the plan resulting from funding or interest rate risk. However, if economic conditions result in increases in interest rates that are unable to be hedged, such cost increases may impact on NPDC's overall budget position and ability to maintain service levels without an increase in rates income. NPDC's shareholder and guarantor status for the Local Government Funding Authority minimises the risk of the Council not being able to borrow the funds it requires.

New Plymouth District Council (Waitara Lands) Act 2018

Waitara leaseholders will continue to freehold over the life of the LTP and the Waitara Perpetual Community Fund's annual release will grow to over $1m per annum by the end of the LTP.

The New Plymouth District Council (Waitara Lands) Act 2018 provides the leaseholders of the remaining approximately 600 leasehold properties in Waitara with a right to freehold. These funds are then distributed into three different funding pools – the Hapū Land Fund (held by NPDC for Te Kōwhatu Tū Moana), the Waitara Perpetual Community Fund (held by NPDC for Te Tai Pari Trust), and the Waitara River funds (held by Taranaki Regional Council).

The LTP assumes that Waitara leaseholders will continue to freehold with around 100 leaseholders remaining by 30 June 2031. The LTP also assumes that the average unimproved land value will be $184,800 in year one and increasing by five per cent per annum. The rents and sales proceeds become the following annual allocations into the three funding pools:

	2021/22 ($m)	2022/23 ($m)	2023/24 ($m)	2024/25 ($m)	2025/26 ($m)	2026/27 ($m)	2027/28 ($m)	2028/29 ($m)	2029/30 ($m)	2030/31 ($m)
Waitara Perpetual Community Fund	2.80	2.65	2.94	2.88	2.59	1.93	1.82	1.70	1.70	1.70
Hapū Land Fund	2.80	2.65	2.94	2.88	2.59	1.93	1.82	1.70	1.70	1.70
Taranaki Regional Council	2.46	2.25	2.54	2.52	2.28	1.56	1.51	1.45	1.38	1.59

Waitara Perpetual Community Fund

The Statement of Investment Policies and Objectives for the Waitara Perpetual Community Fund sets out NPDC's investment policy, with strategic asset allocation ranges, currency hedging, liquidity management and concentration risk policies. The LTP assumes that the Waitara Perpetual Community Fund earns five per cent per annum on investments.

The annual release is set in line with the release rule policy, which forms part of the Statement of Investment Policies and Objectives.

Significant Forecasting Assumptions

<table>
<tr><th>Assumption</th><th>Detail and uncertainty</th></tr>
<tr><td>New Plymouth District Council (Waitara Lands) Act 2018 (continued)</td><td>
<p>The release rule aims towards a long-term release of three per cent of the Waitara Perpetual Community Fund's balance, however the release rule sets an 80 per cent weighting on the previous year's release to provide a smooth mechanism to ensure the release payment is relatively stable.</p>
<p>On that basis, the LTP assumes the following annual release from the Waitara Perpetual Community Fund:</p>
<table>
<tr><th></th><th>2021/22</th><th>2022/23</th><th>2023/24</th><th>2024/25</th><th>2025/26</th><th>2026/27</th><th>2027/28</th><th>2028/29</th><th>2029/30</th><th>2030/31</th></tr>
<tr><td>Annual release ($'000)</td><td>52.2</td><td>147.6</td><td>249.0</td><td>354.8</td><td>466.3</td><td>584.7</td><td>706.5</td><td>828.1</td><td>948.6</td><td>1,066.7</td></tr>
</table>
<p>NPDC has no role in managing the Taranaki Regional Council's Waitara River funds, and the Hapū Land Fund balance is subject to the decisions of Te Kōwhatu Tū Moana.</p>
<p>There is a medium level of uncertainty. Uncertainty arises from leaseholders' individual decisions as to whether they will freehold, which in turn is influenced by personal income, land value, lease rental and other factors. Uncertainty also arises in the returns due to house price inflation that may impact on the unimproved land value as assessed in Waitara.</p>
<p>For the purposes of this LTP, NPDC assumes that 50 per cent of the Hapū Land Fund's income is distributed over the life of the LTP. However, NPDC has no direct control of the Hapū Land Fund as Te Kōwhatu Tū Moana makes decisions on the expenditure of the Fund.</p>
<p>The net impact of this uncertainty on NPDC is minimal on the Council and services provided. However, it is acknowledged that there may be a more significant impact on Te Kōwhatu Tū Moana, Te Tai Pari Trust and the Taranaki Regional Council.</p>
</td></tr>
<tr><td>Achievement of capital works programme
NPDC will achieve its stated capital works programme</td><td>
<p>The LTP includes $963m of capital expenditure over the 10 years. Projects are planned for particular years. The LTP budgets are forecast on the basis that projects and works are undertaken in the years specified, and that there are no variations to the capital works programme.</p>
<p>There is a medium level of uncertainty overall for this assumption, however there is a high level of uncertainty for the delivery of capital expenditure to meet additional demand (growth related infrastructure, with $82m in capital expenditure). Uncertainty arises from NPDC's planning processes, project management processes, the construction market, alignment with urban growth and development, and other factors. Capital work programmes may also be varied by annual plans and future LTPs. If these factors change from the projection then the assumption will not be borne out.</p>
<p>NPDC has historically been able to undertake a similar amount of capital works compared to that set in the relevant LTP and/or annual plan. However, there has been a 'bow wave' effect of carry forwards, whereby projects carried forward from one year to the next cause a displacement of planned projects in the next year. This means that, while the quantum of works undertaken has been similar to the relevant plan, the projects undertaken in any year have differed. In order to address this NPDC is implementing a stricter programme to prevent carry forwards from 2020/21 into year one of the LTP, including early reprioritisation of some projects that will not be achieved (in part or in full) in 2020/21 into the LTP capital projects (rather than addressing them as a carry forward later on). This enables better planning of the actual quantum of capital works to be undertaken in 2021/22.</p>
<p>NPDC has an increased capital works programme outlined in the LTP compared to previous plans and undertaken a number of improvements to ensure it can deliver. The stepping in of the programme over the first five years enables the Council to grow its capacity to undertake this work. Phasing of significant projects in the LTP budgets across multiple years provides time for planning, land acquisition and resource consents before the intended construction timing. NPDC also introduced a new Portfolio, Programme and Projects</p>
</td></tr>
</table>

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Achievement of capital works programme (continued)	Management system, new procurement processes, and increased both planning and project management resources in order to undertake this works programme. Much of this increase is in the works programme for the renewal of existing assets, and therefore less subject to planning, resource consent, land acquisition or other delays. Any delay in achieving the stated capital works programme may result in a carry forward, whereby some or all projects are delivered the following year. This can result in other projects being delayed as a result. Delays in service level projects may also result in reduced borrowing requirements that, in turn, reduce rates required to repay that borrowing. Delays in renewal projects may reduce the funding taken from the renewal reserve that, in turn, reduces rates required to top up that reserve. There may also be additional costs in deferred projects as result of delays. These additional costs include cost escalation from additional inflation and, for renewals, the existing asset may require additional maintenance before replacement. From a resident viewpoint, it may mean that the Council does not improve service level in the timeframe expected, or increases the risk of asset failure through delayed renewal. **Growth capital expenditure** Historically projects related to urban growth are subject to the highest degree of delay or underspend when compared to planned expenditure out of the three categories of capital expenditure. This is because some growth related infrastructure is contingent on developers undertaking works, or can be delayed due to the lack of demand. There has been an underspend in land purchases arising from development for new reserves and other NPDC infrastructure. These delays do not result in failure to meet a level of service as outlined in the LTP, and do not increase risk of existing assets failing. The delays of these projects are prudent in light of the situation when compared to undertaking works or land purchases not required at that time. The Proposed District Plan provides a more directive approach to the timing of developments and requirements for the infrastructure to service those developments. This provides greater confidence that the infrastructure will be required in the year earmarked for its construction. However, the Proposed District Plan is still subject to change because of submission and appeal processes, which may in turn result in changes to timing from that contained in the Proposed District Plan and this LTP. NPDC has started a regular forum with developers to improve the process by which developers and the Council work together, and provides the Council with better information about developers' subdivision intentions. The Council has also scheduled most specific growth projects reliant on developers in for years four to eight of the LTP to provide time to plan infrastructure required with developers. The financial forecasts contained within this LTP are based on the Council achieving the stated capital works programme for growth related infrastructure. NPDC is confident that the programme put in place will better enable the Council to do that programme. However, there is a risk that the capital works programme for growth related infrastructure is not met. The delay of growth related infrastructure results in delayed borrowing. This will generally not result in a reduced rates requirement because growth related infrastructure is repaid through development contributions rather than rates. However, some growth related projects do have a component of funding for any renewal or service level impact, and so may have a small impact on rates required to repay that borrowing in the short-term. There may also be an impact on the level of service received by the community, or an increased risk of asset failure. If the additional work to improve timing and delivery of growth related infrastructure is partially successful, and NPDC achieves delivery of 75 per cent of the growth related infrastructure over the life of the LTP, then across the 10 years there will be $14.7m reduction in debt and $5.5m reduction in interest and principal repayments. By the end of the LTP rates will be 0.6 per cent lower than forecast.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Achievement of capital works programme (continued)	However, if NPDC achieved only half of its growth related infrastructure over the life of the LTP (slightly below the recent average achievement of growth related infrastructure) then across the 10 years there will $29.5m reduction in debt and $11m reduction in interest and principal repayments. By the end of the LTP rates will be 1.2 per cent lower than forecast. These calculations are based on projects where the main driver is growth, so does not take into account renewal or service level projects with a growth related element. The calculations also do not assume that delayed/underspent projects are undertaken at a later time within the 10 year period. Section 210 of the Local Government Act 2002 provides that the Council must refund development contributions received for a specified reserve purpose if the money is not applied to that purpose within 10 years of receipt (or other period specified in the Development Contributions Policy). Not achieving its growth related capital works programme creates a potential for liability for NPDC. Development contributions collected for specified reserve purposes are a small proportion of development contributions levied. Specified reserve purposes constitute $84 of the overall charge (varies by area of development – see NPDC's Development and Financial Contributions Policy for more information (figures are for year one) and inflation adjusted annually). These specified projects are less likely to be subject to considerable delay as they refer to the upgrade of an existing specified reserve rather than being for land purchase or development of future reserves that are not currently owned by NPDC. The maximum potential liability the Council faces to refund these development contributions is $55,000 per annum (year one figure, based on an estimated 659 HUEs, development contributions are inflation adjusted annually) and would start outside of the LTP's 10 year financial forecasting horizon.
Capital costs The actual capital cost of a project is close to the forecast capital cost.	The LTP includes a large number of capital projects with estimated costs. The financial information and statements are prepared on the basis of these estimated costs. There is a medium level of uncertainty. Uncertainty arises from the scope of the business case, as well as the changing costs of materials and labour involved in undertaking capital projects. If these factors change from the projection then the assumption will not be borne out. One project, the Urenui and Onaero sewer system, is considered to have a high level of uncertainty as detailed below. NPDC has developed a system to classify capital work budgets. Each class indicates a different stage of planning and estimating methodology. Therefore, each class has a different expected accuracy range. The table below summarises these classes and their accuracy.

Class	Estimating methodology	Expected accuracy range
5 Identify	Historic, judgement and analogy	±100%
4 Assess	Equipment factored	±50%
3 Select	Semi-detailed unit costs	±20%
2 Define	Detailed unit costs with some design assumptions	±15%
1 Execute	Detailed unit costs with detailed designed	±5%

The intention of NPDC is to continually develop and refine the pipeline of capital projects so that cost estimates are continually refined in the lead up to the delivery of a project. Costs may increase or decrease during the development and refinement process as better information about the project is known.

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Capital costs (continued)	The prioritisation process for the LTP has intended to place projects with higher accuracy of budgeting within the first three years of the plan. Projects with a less accurate budget (and higher range) have generally been placed into outer years. However, the prioritisation process is subject to other timing considerations as well. **Urenui and Onaero sewer system** NPDC has include a $29.2m budget for the sewage reticulation of the Urenui and Onaero townships. Given the pressure to address the environmental issues in these townships, the timeline has been condensed by foregoing the investigation and assessment of alternative options. Instead, NPDC has decided to reticulate these townships with a small land based wastewater treatment plant. This moves the estimated completion of construction forward from 2030/31 to 2025/26. Because planning work is still only in the early stages there are a range of unknowns, including the potential sites and land purchases for the treatment plant, overall system design and the number and location of any reticulation pump stations. As such, there is a high level of uncertainty and the cost estimate is a Class 5 budget. NPDC views this higher level of uncertainty as an acceptable risk in order to address the environmental issues sooner than a standard planning process. NPDC estimates that the final costs may vary between $26.3m (being 10 per cent less than budget) to $58.3m (being double the budget). This will have consequential implications for debt and rates.
Asset sales NPDC will not undertake significant asset sales during the life of the LTP.	NPDC has not proposed any significant asset sales during the LTP. (This assumption excludes the Waitara leasehold properties, which are included in the New Plymouth District Council (Waitara Lands) Act 2018 assumption.) During the LTP there may be some minor surplus operating assets that are sold. There is a medium level of uncertainty. Uncertainty arises from political decision making. If these factors change from the projection then the assumption will not be borne out. If NPDC determines to sell a significant asset then the net proceeds will be used to either pay for a new capital project or to pay down debt. There may also be a reduction in associated operating expenditure with operating the sold asset.
Significant contingencies and commitments not budgeted for There will not be unforeseen events or circumstances that could impact NPDC's finances and/or levels of service.	While there are always unexpected events that may have an impact on NPDC's operations, NPDC mitigates these through its risk mitigation strategies including indepth insurance cover, established bank credit lines, and business continuity plans. Commitments and contingencies that NPDC is aware of include the following. **Local Government Funding Agency (LGFA)** NPDC is a guarantor of the LGFA. The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. LGFA has a local currency rating from Fitch Ratings and Standard and Poor's of AA+. NPDC is one of 31 local authority shareholders and 52 local authority guarantors of the LGFA. NPDC has a commitment to fund uncalled shareholder capital in the event an imminent default is identified. Together with the other shareholders and guarantors, NPDC is a guarantor of all of LGFA's borrowings. This is based on NPDC's rates as a proportion of the total rates for all guaranteeing local authorities. At 30 June 2020, LGFA had borrowings totalling $11.9b (2018/19: $9.5b).

Significant Forecasting Assumptions

Assumption	Detail and uncertainty
Significant contingencies and commitments not budgeted for (continued)	Financial reporting standards require NPDC to recognise the guarantee liability at fair value. However, NPDC has been unable to determine a sufficiently reliable fair value for the guarantee and therefore has not recognised a liability. NPDC considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that: • NPDC is not aware of any local authority debt default events in New Zealand; and • local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required. **Local Authority Protection Programme (LAPP)** NPDC is a member of LAPP, which is designed to assist local authorities to fund the rebuild of mainly underground infrastructure assets after a natural disaster. The fund was depleted by the Christchurch earthquakes and again by the Kaikōura earthquake. Membership has also reduced in recent years to the extent that NPDC is now the largest member by asset value under LAPP. Member contributions are expected to continue increasing due to the increasing value of assets covered and the cost of insurance and reinsurance generally. There is also a potential need for local authorities to increase their insurance provisions generally in the future if the central government 60/40 recovery funding split review progresses. **Yarrow Stadium** The stands at Yarrow Stadium have been found to be earthquake-prone and are not suitable for public use. Taranaki Regional Council (TRC) have consulted on and committed to undertaking a $50m project, with $20m of central government funding, in order to earthquake strengthen both stands. Yarrow Stadium is operated through an agreement between NPDC and TRC. Under that agreement, Yarrow Stadium is owned by TRC, which funds the facility's maintenance and long-term development and it is operated by NPDC, which meets day to day staffing and operational costs. The agreement also enables TRC to hand back the ownership of Yarrow Stadium to NPDC. The LTP assumes that TRC will continue to own Yarrow Stadium. **Other** NPDC is not aware of any other additional contingencies or commitments not already covered by the prospective financial statements and/or asset management plans. There is a low level of uncertainty. Uncertainty arises from these being externally driven events. If these factors change from the projection then the assumption will not be borne out. NPDC has planned appropriately for known potential commitments and has the necessary risk mitigation strategies in place to ensure any impact from unknown events can be managed without any undue impacts.

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