



Installing baffles

2023-24

Mahere ā-tau Annual Plan

This document should be read in conjunction with Horizons Regional Council's 2021-31 Long-term Plan

Rārangi tohu o te Kaunihera

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He kupu nā te Heamana me te Tumuaki Chair and Chief Executive's message



Kia ora, and welcome to our 2023-24 Annual Plan. The Plan sets out some small changes made to Council's key activities, priority work programmes for the year, and the required budget to achieve Council's community outcomes. The Annual Plan process is Council's opportunity to check in on what was indicated for each of the individual years within the 2021-31 Long-term Plan (LTP) and to make sure that the most up-to-date information and budgets are applied. All of our work programmes are planned around our vision Tō tatou rohe – taiao ora, tangata ora, mauri ora – Our place – a healthy environment where people are thriving.

This year, Council chose not to consult on the 2023-24 Annual Plan as there are no significant changes from the activities outlined in Year 3 of the LTP.

However, there are some slight budget adjustments for the financial year ahead. These adjustments include an additional \$300,000 towards insurance costs, particularly for our flood protection assets in response to recent weather events, a \$280,000 increase to fuel costs as a result of

rising inflation, and an increase of \$200,000 to the cost of the planned Palmerston North public transport network improvements as Council decided to introduce a full electric vehicle fleet for the service.

To make these small adjustments, we have refined some of our other work programmes, particularly in our river management capital work programmes.

This includes revising and refining our capital works programme to ensure we take advantage of funding from central government towards flood infrastructure projects, while accommodating for current resourcing capacity in this area. We will continue with our climate resilience infrastructure projects that will provide flood protection upgrades in Palmerston North, Lower Manawatū, Rangitīkei and Foxton.

This year will also see the continuation of the Te Pūwaha port revitalisation project. With upgrades to the North Mole completed, the aim is to initiate work on the Tanae Groyne and advance the work programme for the South Mole to support operation of the port over the 2023-24 financial year.

All other Council activities remain as planned for the next 12 months, with a continued focus on our priority areas of freshwater, biodiversity,

climate change, and making our data and information accessible to our communities. Much of this work includes progressing the implementation of the National Policy Statement and National Environmental Standards for Freshwater; dedicated work programmes around our biodiversity icon projects, river management works, and public transport improvements. We have also planned for a significant reduction in external funding for the Land Management sustainable land use initiative (SLUI) as the current contract expires. In order to maintain service levels for this programme, a \$400,000 rates increase was planned for in the LTP.

Based on the work programmes planned for the year, an additional \$3.7 million in rates revenue is needed to continue to do core business. This equates to a 6.6% total rate increase across the region, which is in line with what was planned in the LTP. It's important to keep in mind that this rate impact will differ from district to district due to factors such as changes to property values and specific rating inputs such as river schemes, biodiversity, and passenger transport. Council are aware that

any rate increase is not ideal, and have worked hard to ensure any total rates increase did not exceed what was already forecasted.

We trust that the following provides you with a good overview of our planned work for 2023-24 and the budget required to help achieve our community outcomes. While this introduction highlights the key drivers behind the rate increase, our levels of service for the rest of our business remain mostly the same. We will do this by strengthening our partnerships with iwi and working with our communities to ensure we are providing you, our residents and ratepayers with good value.

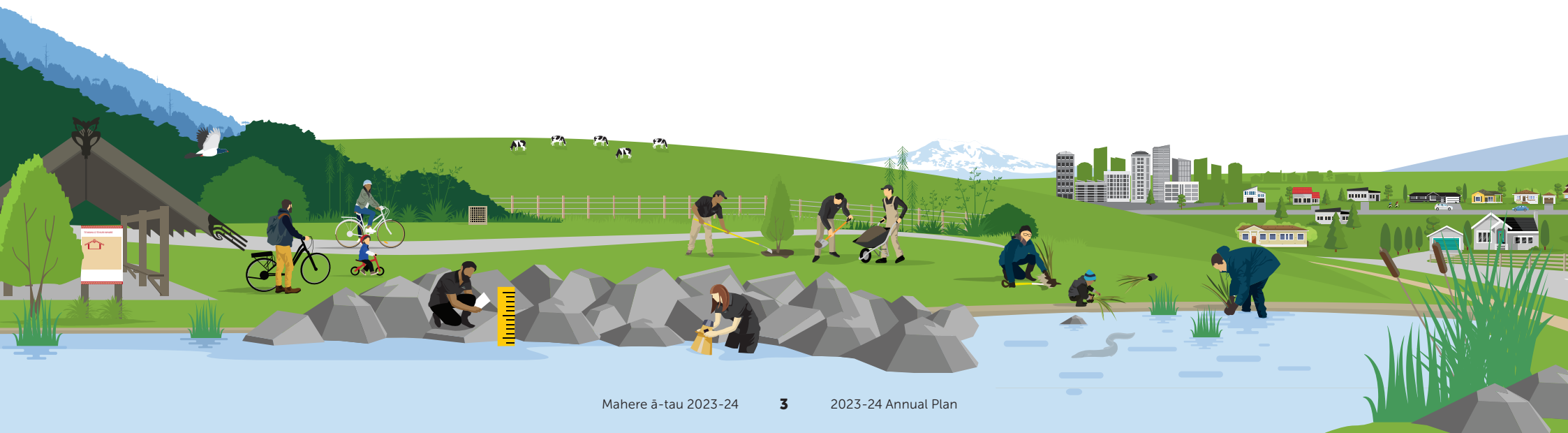
Ngā mihi nui



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Ō Kaikaunihera Your Councillors

In 2021, Council chose to include Māori constituencies at the next local government election, which occurred on 8 October 2022.

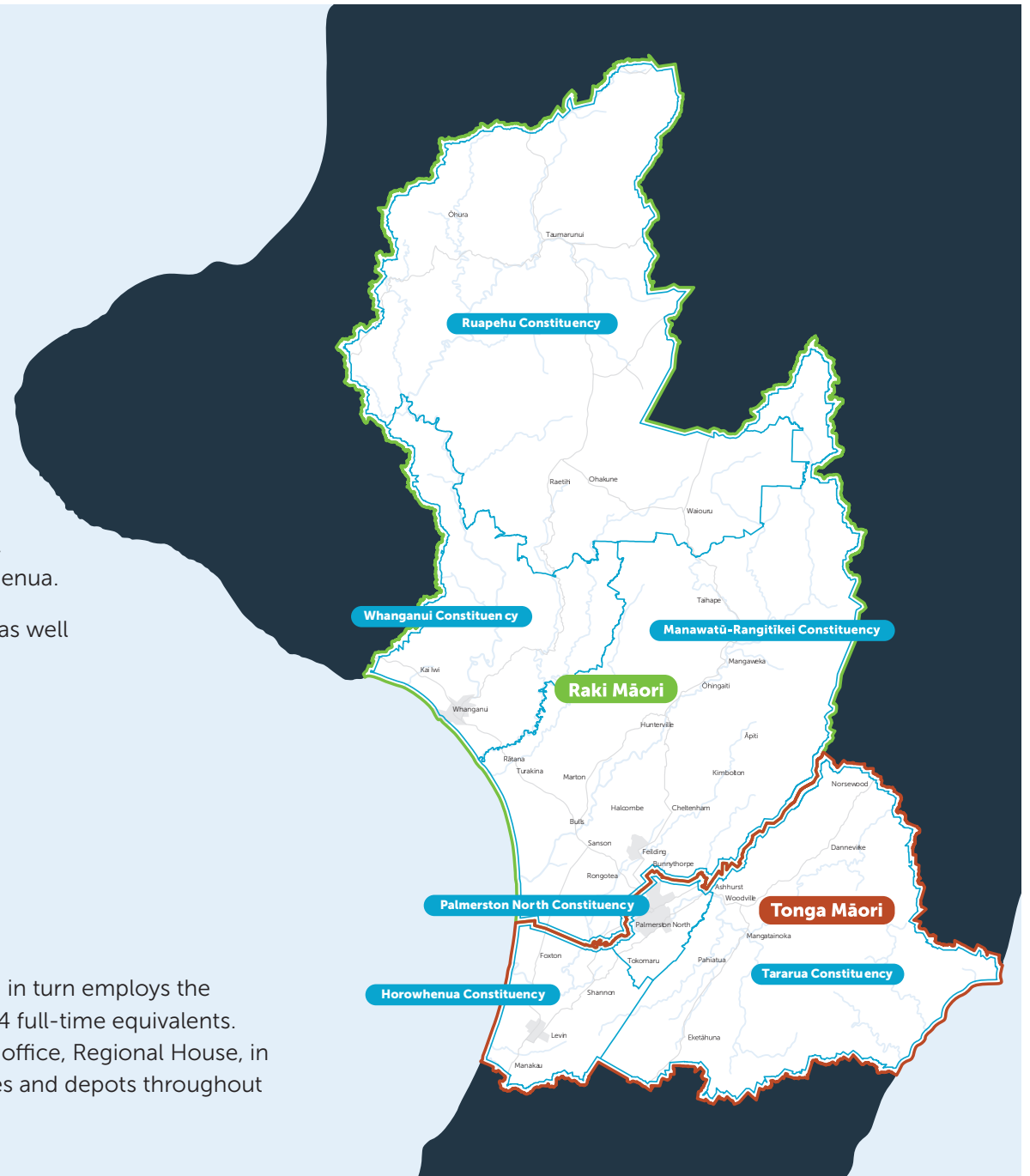
These 14 representatives (councillors) form the governance body of Horizons Regional Council, which is the trading name of the Manawatū-Whanganui Regional Council.

The councillors represent the following constituencies: Raki Māori (North), Tonga Māori (South), Ruapehu, Whanganui, Manawatū-Rangitīkei, Palmerston North, Tararua, and Horowhenua.

Following the elections, Council members elected their Chair as well as Chairs for their standing committees. These currently are:

- Audit, Risk and Investment Committee
- Integrated Catchment Committee
- Climate Action Joint Committee
- Linklater Bursary Sub-Committee
- Manawatū River Users' Advisory Group
- Passenger Transport Committee
- Regional Transport Committee
- Strategy and Policy Committee

The chief executive is employed directly by the Council, which in turn employs the organisation's staff. Horizons staff number is approximately 294 full-time equivalents. Around 48 per cent of these employees are based at the head office, Regional House, in Palmerston North. The remainder are located at service centres and depots throughout the region.



Our Region Manawatū-Whanganui



Around
260,000
PEOPLE
call it home

**WE HAVE
THREE**

major river systems,
two coasts and the
Central Plateau

Mean annual rainfall in the region
ranges from 900mm

**TO OVER
2,000mm**

**WE HAVE
SEVEN
DISTRICTS**
and approximately
70%

of our ratepayers
live in urban centres

**WE HAVE ONE
OF THE**

largest areas of hill
country in New Zealand
and highest proportion
of highly erodible land
of any region

The Horizons Region
is made up of

**2.2 MILLION
HECTARES**

of land (8% of New Zealand's total land area),
plus 31,000 hectares of marine area

Approximately
116,00

RATEABLE PROPERTIES

contribute to our
work programmes

**206,000
HECTARES**

or 18% of the nation's versatile
soils are in the region

**THERE ARE
OVER
35,000km**

of waterways in the
Horizons Region

LAND USE IS:



45% Sheep and beef
33% Native cover
8% Dairy
5% Forestry
9% Other

WE HAVE OVER

**230
LAKES**

This includes 67 dune,
44 riverine, 24 landslide,
7 volcanic lakes and 88
artificial reservoirs

THERE ARE

40

ESTUARIES

in our region, including Manawatū
Estuary, an internationally
recognised RAMSAR site

We also have two coasts
with jurisdiction extending

12

**NAUTICAL
MILES**

out to sea

**ALMOST
25%**

of our region's
people identify as Māori

There are approximately
30 iwi, 110 hapū
and more than 60 Marae

Te Wawata me ngā Hua ā-Hapori

Vision and community outcomes

Our community outcomes are what we aim to achieve to promote the social, economic, environmental, and cultural wellbeing of our communities in the present and for the future, whilst taking a sustainable development approach (Local Government Act 2002).

As a local authority, Horizons is required set out the region's community outcomes in its Long-term Plan. Council adopted its current set of community outcomes in the 2021-31 Long-term Plan. They are:



Our region's ecosystems are healthy



Our region has effective transport networks



Our region's communities are resilient to the impacts of natural hazards and climate change



Our region's economy is thriving



Our region's communities are vibrant and empowered

These outcomes form a key part of our strategic approach and align with Council's vision for the region:

Tō tātou rohe – taiao ora, tangata ora, mauri ora.
Our place – a healthy environment where people are thriving.



These community outcomes and our vision can only be fulfilled through Horizons working together with its communities. They are also a long-term commitment; this Annual Plan is simply a stepping stone towards them. Achievement of the community outcomes requires some level of prioritisation and trade-offs. To that end, Horizons has four strategic priorities to inform the 2021-24 period.

They are (in no particular order):

- Freshwater
- Climate Change
- Unlocking Information, and
- Biodiversity

Whilst these four work streams are strategic priorities, they are not all that Horizons seeks to achieve. The following section further describes each outcome and how our work programmes advance the region towards achieving them.

E kaha manahau nei ngā hapori
o tō tātou rohe ki ngā mōrearea ā-taiao me
te āhuarangi hurihuri

Our region's communities are resilient to the impacts of natural hazards and climate change

Communities understand natural hazards and our changing climate and are supported to respond and adapt.

This work primarily protects the economic and social wellbeing of our communities.

There are four components to this:

- Flood protection and control
- Emergency management
- Climate change
- Strategic management

Natural hazards, be they earthquakes, tsunamis, floods, droughts or pandemics, can be extremely disruptive to our economy and our communities. Our region has seen this during the 2004 and 2015 flooding events, the 2016 Kaikōura earthquake, and the current COVID-19 pandemic. Horizons works to ensure the region is resilient to these natural hazards in a variety of ways.

Flooding is the most significant hazard in our region, and many of our towns and cities have been built on fertile floodplains. To protect our communities,

we build and maintain a large network of flood protection, drainage and catchment monitoring infrastructure.

We have a number of significant Climate Resilience infrastructure projects that will provide flood protection upgrades in Palmerston North, Lower Manawatū, Rangitīkei, and Foxton.

Horizons' Whanganui River training structures improvements, which form part of the Te Pūwaha port revitalisation project, is another key river management activity that is well underway. Our programme of upgrades to the North Mole are completed, and repairs to the South Mole were commenced in the 2022-23 financial year.

In this Annual Plan, we have revised and refined our capital works programme to ensure we take advantage of funding from central government towards flood infrastructure projects, while accommodating for current resourcing capacity in this area.

Horizons also coordinates the Manawatū-Whanganui Civil Defence and Emergency Management Group, working with others such as territorial authorities,



Police, Fire and Emergency New Zealand, defence forces and district health boards. We work together to reduce community risk from all types of hazards, ensuring that the region is prepared for events and that we can respond to emergencies and disasters when they occur and help the region recover afterwards.

Climate change continues to pose a risk to the future resilience of our region. We are seeing impacts now. Cyclone Gabrielle, which caused severe flooding and erosion in parts of the region, was very likely made wetter and wilder due to climate change. The Climate Action Joint Committee, made up of Horizons, our territorial authorities and tangata whenua have released the inaugural Manawatū-Whanganui Climate Change Action Plan/ Mahere Hurihanga Āhuarangi, to guide the region's response. Horizons will begin to implement recommended actions from this plan over this year. Actions include working with some communities at risk due to climate change to develop their own climate adaptation plans.

E ora ana ngā pūnaha hauropi o tō tātou rohe Our region's ecosystems are healthy

A full range of healthy ecosystems, from the mountains to the sea, are valued for their intrinsic worth and provide sustainably for communities.

This work primarily protects and enhances the environmental wellbeing of our region and communities.

There are two main components to this:

- Freshwater quality and ecosystem health continue to be a challenging issue for our region. We are seeing improving trends in some areas and worsening trends in others. This is mirrored across New Zealand.
- Biodiversity on land also remains a challenge in our region and across New Zealand. Our region has lost most of its native habitats since human settlement, with some ecosystems, such as wetlands and dune forests, restricted to only small fragments.

Horizons is also responsible for the coastal marine area, extending 12 nautical miles out to sea.

A healthy environment is central to what we do. We work across the region to protect our land, water, air and coasts from inappropriate development and

pollution, through monitoring and enforcement of the One Plan. This year we will continue to work towards implementation of central government's Essential Freshwater package through Horizons' Oranga Wai—Our Freshwater Future programme.

The Horowhenua Jobs for Nature project will continue, including the design and consenting process of a wetland complex to reduce contaminants flowing into the Lake. Our two other Jobs for Nature projects also enter their final year, with a further 105 km of stream fencing and 100,000 riparian plants to be in place by the end of the financial year. Another 500 instream structures will be assessed as to whether they are barriers to fish passage, and remediation works will be undertaken at a minimum of seven locations to open up stream habitat.

Good environmental management requires robust science and data. Horizons has an extensive freshwater monitoring network across our region to identify issues and inform our responses, which we continue to expand. We also support a range of research projects to improve our understanding of environmental issues, including the impacts of climate change on our ecosystems.

We have a range of environmental projects in our Water Quality and Quantity, and Biosecurity and



Biodiversity activities. Through our Priority Sites programme, we identify and assess biodiversity sites and contribute to the management of a select few based on their vulnerability and rarity in the region. Our goal is to maintain or restore the full range of the region's indigenous ecosystems to a healthy and functioning state. This year we will undertake ecological assessments of sites representing a range of ecosystems with the intention of bringing at least 11 under active management, which will bring the total of sites to around 90. Horizons also aims to empower communities to reconnect with and improve biodiversity. We achieve this through a contestable grant fund of \$270,000 this year, by supporting community aspirations in our targeted rate projects and icon projects such as Te Āpiti Manawatū Gorge.

We also work with farmers and growers to make on-farm improvements to their environmental performance through advice and subsidies for on-farm work. One example of this is our Sustainable Land Use Initiative, which supports erosion control measures such as tree planting on hill country farms and fencing.

E tōtika ana ngā ara waka o tō tātou rohe

Our region has effective transport networks

Safe, sustainable public transport and infrastructure planning that support connected communities and reduce the region's carbon emissions.

This work aims to enhance the economic and social wellbeing of our communities and protect our environmental wellbeing.

Our region sits at the nexus of the Lower North Island and is the gateway from Wellington to Taranaki, Hawke's Bay and the rest of the North Island. Because of the centrality of our region, we have a role to play as an important transport corridor. Ensuring that people and goods can move through and around our region is critical to the region's economic function and social wellbeing.

There are three components to this:

- Land transport planning
- Public transport, including Total Mobility
- Road safety

Our Regional Land Transport Plan takes a strategic lens to our region's current and future transport needs and provides for integrated decision making between the various organisations needed to deliver effective transport networks. We're currently

reviewing it giving consideration to refreshed Government strategic direction for land transport and challenges such as climate change resilience.

Transport contributes to a quarter of our region's greenhouse gas emissions. Significant changes to how we move around will be required to reach government's net zero carbon dioxide target by 2050, and this will form part of our transport planning. In particular, we will consider how our public transport services can best contribute to reducing the region's transport emissions and will seek to provide an attractive alternative to the private car. In February 2024, an improved bus network will be introduced in Palmerston North. The buses delivering this service will all be EV buses reducing bus fleet emissions in line with our Regional Public Transport Plan.

Public transport can play a significant role in our region's transport networks and the development of well-functioning urban environments. For our cities, public transport can help reduce congestion. It can also enable those in our communities for whom private vehicles are not an option to still access employment and education and fully participate in community life. Last year, we adopted our Regional Public Transport Plan. This provides future direction



for investment in public transport in the region. We've already implemented the new Tide service in Whanganui in February 2023. A new service enhanced service will commence in Palmerston North in February 2024. Further investigation work is planned for Horowhenua and our regional & inter-regional public transport services.

For some in our communities, private and public transport are not suitable or available. For people in areas where it is available, we provide the Total Mobility Scheme, a subsidised taxi service. This enables them to move around their communities, access services and participate in community life. In other areas, there are community transport options which Horizons supports.

Deaths and serious injuries should not be an inevitable cost of travelling; we will play our part in working towards central government's goal of no deaths or serious injury on our roads through the work we do with our partners such as NZ Police, a road safety education programme, and the development of road safety strategies.

E tipu pai ana te ōhanga o tō tātou rohe Our region's economy is thriving

A sustainable economy that supports communities to thrive socially, culturally and environmentally.

This work aims to enhance the economic wellbeing of our communities.

There are 5 components to this:

- Strategic management
- Land drainage
- Land transport
- Biosecurity
- Land management

Horizons facilitates Accelerate25, a collaboration between all of the region's councils, iwi, business and central government to identify and act on strategic opportunities and enablers to enhance the region's economic performance and prosperity. Following a refresh in 2020, this programme will focus on a range of themes, including sustainable food and fibre production and specialised services.

Our region's transport networks play a critical role in enabling economic activity. In particular, our position in the centre of the lower North Island, with strategic connections north, south, east and west, provides significant opportunities to the regional economy.

Accessing Central New Zealand is an Accelerate25 project aiming to capitalise on this. Working alongside Whanganui iwi, Whanganui District Council, Q-West Boat Builders, the Whanganui District Employment Training Trust, and community members, Te Pūwaha, the river training structures project, will secure the port as a long-term community economic and recreational asset. Horizons' component of this programme of work is upgrading the river training structures to the North Mole, and repairs to the South Mole will commence in the 2022-23 financial year. These repairs will help enable an operational port and provide flood protection.

Agriculture is a significant component of our region's economy, and Horizons has a range of activities to support the sector's prosperity. Our flood control and land drainage activities allow productive farming on land that would otherwise be unsuitable for agriculture or horticulture purposes. As well as protecting our native ecosystems, our biosecurity work also protects farmers from pest plants and animals that could compromise agricultural production.

The Regional Pest Management Plan activity directs this work; protecting clear land via rules and direct control of species of high risk and low abundance.



This work includes 153 Possum Control Operations across 1.5 million hectares. Through 2023/24, we will service around 110,000 bait stations across 900,000 hectares. Pest plant management of 24 agricultural pest plant targets across the region is undertaken by a team of eight staff by preventing the establishment of new pests, diminishing more entrenched infestations and managing spread to clear land or the more widespread pest plants.

Our region has one of the highest proportions of highly erodible land in New Zealand, and soil erosion represents the loss of a valuable natural asset for primary production, in addition to its environmental impacts. Through the Sustainable Land Use Initiative, we support farmers to target and carry out erosion control works to protect our region's valuable soil resource.

E ngangahau ana ō tātou nei rohe hapori e noho whakamana ana hoki

Our region's communities are vibrant and empowered

Communities are enabled to participate meaningfully in decision making and take action to benefit our collective wellbeing.

This work aims to empower communities to enhance all four wellbeings. There are six components to this:

- Governance
- Community engagement
- Iwi and hapū
- Community partnerships
- Strategic management
- Information

A key function of local government is 'to enable democratic local decision making and action by, and on behalf of, communities. Our councillors are an important component of this as representatives of their constituencies. Following the October 2022 local government elections, two additional Councillors representing voters on the Māori electoral roll have joined Horizons' governance table, which ensures Māori are represented in council decision-making.

As tangata whenua, iwi, and hapū have a special place in our region, Horizons values the relationships and partnerships we have built together, particularly in

the climate change, emergency management and freshwater spaces. This year, we will continue to invest in these partnerships to input into a range of activities across Horizons, including Oranga Wai, Our Freshwater Future programme. We recognise that the pressure on the capacity of iwi and hapū to engage with local government continues to grow, and we will continue to provide support to support this. We will also continue to play our role in post-settlement governance systems as appropriate.

Supporting our communities in their own actions to enhance the wellbeing of their communities is important. Our Kanorau Koiara Taketake – Indigenous Biodiversity Grant, Pūtea Hapori Urupare Āhuarangi – Community Climate Response Fund, and staff support and funding towards the Manawatū River Leaders' Accord Community Grant are just some of the ways we support community groups, schools, catchment care groups, and iwi and hapū with projects that increase engagement with our environment and help to improve its wellbeing.

We engage with our communities through a range of channels, including print, digital, and in-person, seeking genuine two-way communication as we work towards our vision for the region. This year, we will continue our stakeholder engagement and public



consultation processes about freshwater through Oranga Wai - Our Freshwater Future.

We also have to look ahead to the future and plan accordingly. This year we will be preparing our Long-term (10-year) Plan, which will cover the period 2024-2034. Potential reform of the Resource Management Act 1991 will also have major implications for local government, which requires strategic thinking and planning.

Horizons also holds a range of information and expertise which we seek to make accessible to our communities where possible, whether to inform farmers on environmental works, communities engaging in biodiversity projects, or homeowners seeking to understand natural hazard risk. Information is also key to decision-making, and we have huge amounts of information coming in from our networks monitoring the water quality in lakes, rivers and groundwater. This information is critical for planning and policy development and for the science that underpins that policy.

Whakarāpopotanga o ngā take kaunihera me ōna panonitanga mo te Mahere ā-tau 2023-24

Summary of Rates and their changes for the Annual Plan 2023-24

		Annual Plan Year 2 2022-23 (A)
Common Rates *1	Rating Method	
General Rate	Capital Value (Equalised)	23,644
Uniform Annual General Charge (UAGC)	UAGC per separately used or inhabited part of a property (SUIP)	5,248
Sustainable Land Use Initiative (SLUI) UAC	SUIP	3,928
Environmental Initiatives UAC	SUIP	3,095
Drinking Water Monitoring and Research	SUIP	103
Individual Rates *2		
Manawatū River Accord	SUIP	424
Biosecurity and Biodiversity (per ha)	Per hectare >4 ha	1,390
Rangitikei Environment Group greater than 4	SUIP	49
Rangitikei Environment Group less than 4 ha	SUIP	49
River & Drainage Scheme	Mix of Rating Mechanisms	10,746
River & Drainage Scheme Rates (UAC)	SUIP	1,306
Regional Park UAC	SUIP	25
Transport Passenger Services	Capital Value	3,786
Waitārere Community Biodiversity Project	SUIP	7
Lake Horowhenua Restoration	SUIP	550
Sub Total	Total Common and Individual	54,350
Penalties and Remissions		1,110
Grand Total	Total Funding From Rates	55,460
UAC total (for 30% Cap)		14,784
		27%

Long-term Plan Year 3			Annual Plan		
2023-24	Annual Change (B-A)		2023-24	Annual Change (C-A)	
(B)	\$	%	(C)	\$	%
25,152	1,508	6%	25,220	1,576	7%
5,253	5	0%	5,514	266	5%
4,315	387	10%	4,372	444	11%
3,282	187	6%	3,270	175	6%
107	4	4%	107	4	4%
444	20	5%	445	21	5%
1,474	84	6%	1,476	86	6%
51	2	4%	51	2	4%
51	2	4%	51	2	4%
11,555	809	8%	10,352	(394)	(4%)
1,383	77	6%	1,281	(25)	(2%)
25	-	-	18	(7)	(28%)
4,492	706	19%	5,098	1,312	35%
7	0	3%	7	0	3%
304	(246)	(45%)	627	77	14%
57,895	3,545	6.5%	57,890	3,540	6.5%
1,185	75	7%	1,185	75	7%
59,080	3,620	6.5%	59,075	3,615	6.5%
15,222			15,743		
26%			27%		

Rates in the above table are stated exclusive of GST

*1 Common rates apply to all properties across the region and are either EQCV or uniform.

*2 Individual rates apply to properties depending on the location and size of each individual property. Some of these rates will not apply for some properties. For example, the Biosecurity and Biodiversity (per ha) hectare rate will not apply to properties under 4 ha.

He rārangi utu reiti ā-rohe

Sample ratepayers for 2023-24

Hectares	Old CV	New CV	2022-23	2023-24	Change \$	Change %
HOROWHENUA DISTRICT						
					Average for District	13.81%
0.082	340,000	530,000	294.04	350.75	56.71	19.28%
0.081	385,000	590,000	309.43	369.01	59.58	19.25%
3.887	1,500,000	1,780,000	935.74	925.84	(9.90)	(1.05%)
260.511	3,002,000	3,881,000	1,564.00	1,736.44	172.44	11.02%
278.636	4,210,000	5,290,000	2,360.78	2,558.85	198.07	8.38%
					Average for District	10.78%
0.082	415,000	590,000	418.53	434.94	16.41	3.92%
0.441	610,000	690,000	546.49	483.02	(63.47)	(11.61%)
80.707	1,580,000	2,580,000	759.11	1,016.70	257.59	33.93%
10.749	2,481,000	3,550,000	1,059.74	1,307.51	247.77	23.38%
77.732	3,060,000	3,245,000	9,161.43	8,920.31	(241.12)	(2.63%)
					Average for District	2.66%
0.066	760,000	760,000	439.90	453.72	13.82	3.14%
0.101	1,030,000	1,030,000	498.18	512.67	14.49	2.90%
49.305	1,280,000	1,280,000	487.73	502.00	14.27	2.92%
0.154	2,580,000	2,580,000	1,498.04	1,533.01	34.97	2.33%
0.428	4,800,000	4,800,000	1,207.65	1,198.81	(8.84)	(0.73%)
					Average for District	-1.76%
0.110	365,000	365,000	305.56	297.38	(8.18)	(2.67%)
0.081	430,000	430,000	1,278.53	1,271.22	(7.31)	(0.57%)
84.602	2,050,000	2,050,000	957.10	895.57	(61.53)	(6.42%)
491.318	4,830,000	4,830,000	2,440.01	2,318.40	(121.61)	(4.98%)
1,844.203	6,310,000	6,310,000	5,287.49	5,191.65	(95.84)	(1.81%)
					Average for District	-2.10%
0.438	280,000	280,000	231.50	228.71	(2.79)	(1.20%)
0.260	370,000	370,000	298.97	295.48	(3.49)	(1.16%)
1,994.310	2,338,000	2,338,000	2,975.50	3,021.71	46.21	1.55%
86.911	2,490,000	2,490,000	1,126.88	1,046.54	(80.34)	(7.12%)
263.431	5,940,000	5,940,000	2,598.51	2,406.77	(191.74)	(7.37%)
					Average for District	-1.97%
0.554	300,000	300,000	253.18	253.45	0.27	0.10%
0.216	375,000	375,000	398.52	383.97	(14.55)	(3.65%)
288.038	1,770,000	1,770,000	1,069.68	1,053.14	(16.54)	(1.54%)
191.017	3,810,000	3,810,000	2,258.18	2,147.01	(111.17)	(4.92%)
814.480	5,770,000	5,770,000	3,760.38	3,674.16	(86.22)	(2.29%)
					Average for District	17.76%
0.030	355,000	510,000	345.82	379.09	33.27	9.62%
0.058	490,000	670,000	428.92	455.76	26.84	6.25%
419.866	1,160,000	1,560,000	1,112.92	1,218.74	105.82	9.50%
90.505	3,270,000	3,800,000	1,363.34	1,408.33	44.99	3.30%
1,039.360	5,510,000	9,690,000	3,368.97	4,501.21	1,132.24	33.60%
-	-	-	-	-	-	-

2023-24 Whakarāpopototanga o te Pārongo Ahumoni

2023-24 Summary Financial Information

Our financial strategy summary below reflects some budgetary highlights for 2023-24.

TOTAL RATE INCREASE
6.6%

TOTAL FUNDING
\$106M

OPERATING SPEND
\$89M

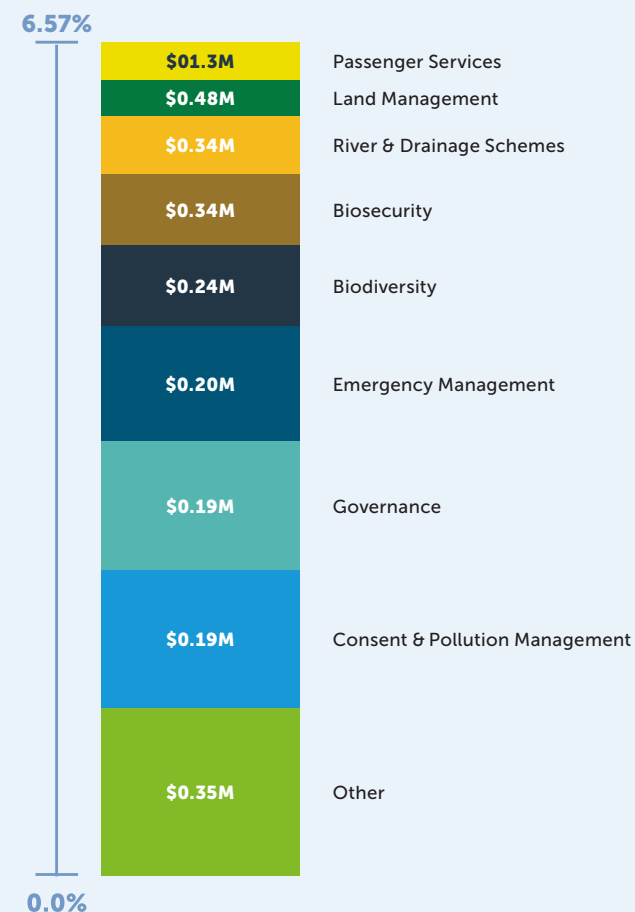
CAPITAL SPEND
\$17.5M

BORROWINGS
\$71.2M*

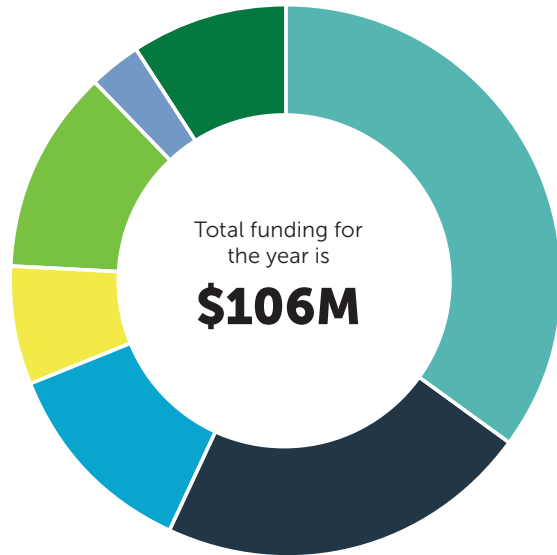
TOTAL ASSETS
\$1.2B

*This includes \$18.5M of borrowings which have been on-loaned to MWRC Holdings

The chart below provides a high level summary of what contributes to the total rate increase of 6.6 per cent, as well as our key activity areas for 2023-24. We strongly encourage everyone to read our 2021-31 Long-term Plan to understand the full spectrum of work Horizons Regional Council undertakes to make our place a healthy environment where people thrive.

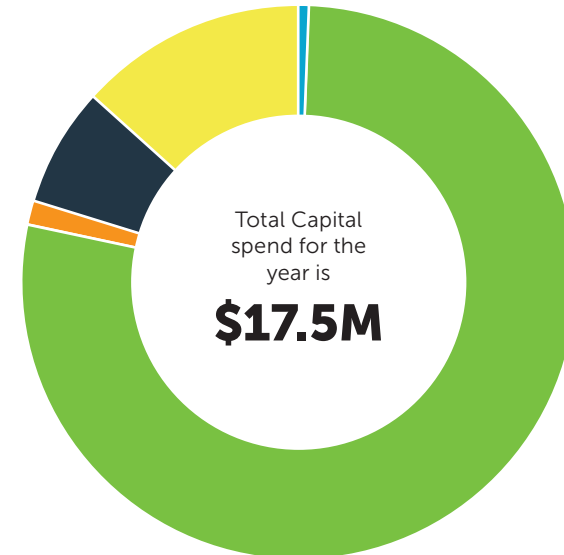


How are we funding our activities?



■ \$36,351k	General Rates, UAGC, Rates Penalties
■ \$22,717k	Targeted Rates
■ \$12,644k	Subsidies and Grants
■ \$8,232k	Dedicated Capital Funding
■ \$13,537k	Fees and Charges
■ \$3,470k	Interest and Dividends
■ \$9,032k	Increase/(Decrease) in debt

Our Capital Investment



■ 145k	Land and Water Management
■ \$13,528k	Flood Protection and Control Works
■ \$265k	Biosecurity and Biodiversity
■ \$1,236k	Regional Leadership and Governance
■ \$2,280k	Corporate

Operational expenditure by group of activities

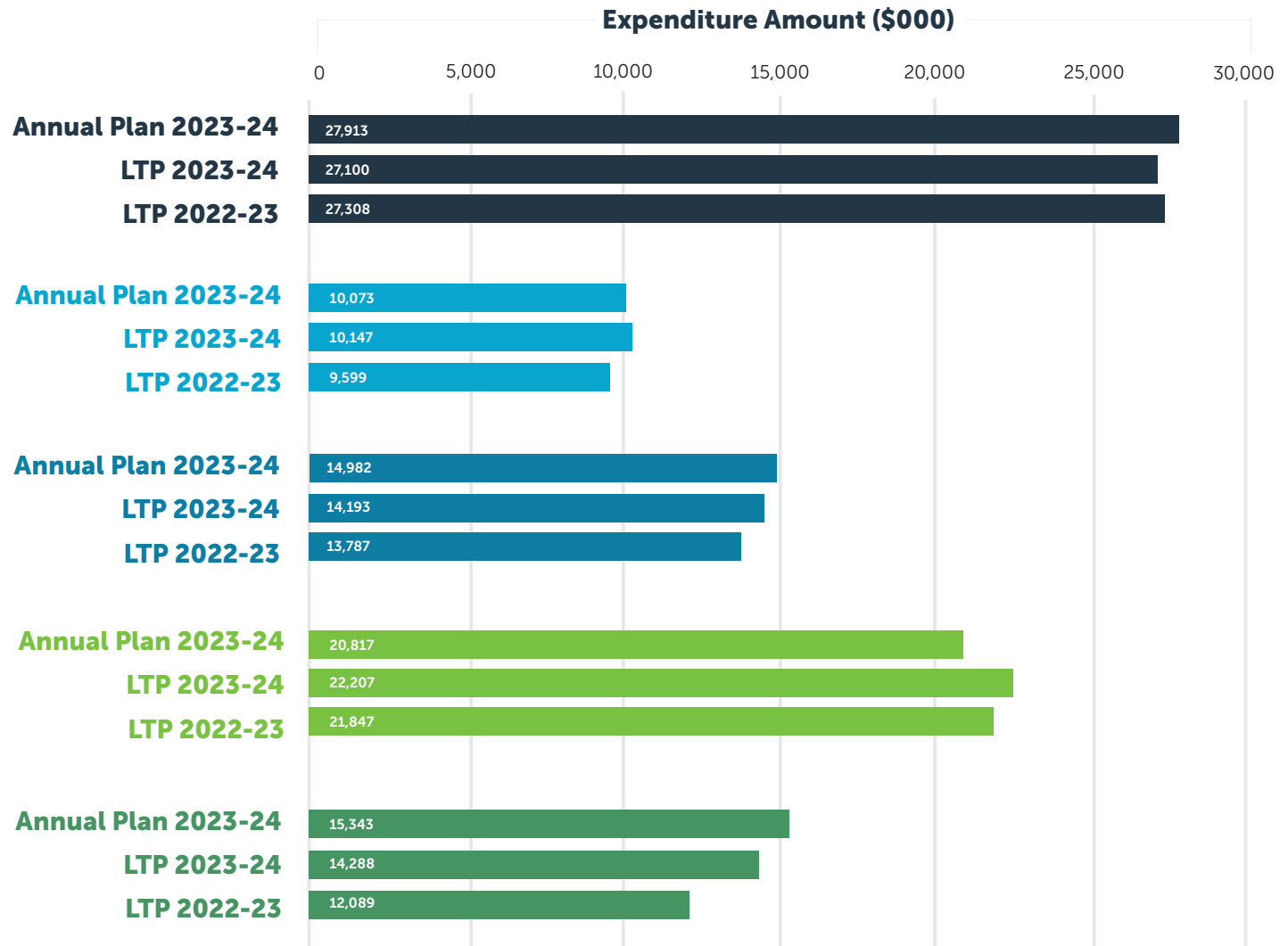
Land and Water Management

Biosecurity and Biodiversity

Flood Protection and Control Works

Regional Leadership and Governance

Transport



Investments

Expenditure for this activity remains relatively stable as this activity has administrative costs relating to Council's borrowing. Any surplus revenue generated by this activity is used to supplement the General Rate which funds other activities across Council.



Ā mātou mahi **Our activities**





Te whakahaere whenua me te wai

Land and water management

What We Will Deliver - Land Management

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
SUSTAINABLE LAND USE INITIATIVE (SLUI)			
Erosion reduction works programmes in targeted SLUI catchments (hectares).	3,100	2,900	2,900
Hectares of Whole Farm Plan properties mapped per year.	20,000	10,000	10,000
REGIONAL LAND INITIATIVES AND WHANGANUI CATCHMENT STRATEGY			
Manage environmental grant programme to deliver erosion reduction works (hectares).	175	175	175
Support industry initiatives that promote sustainable land use via industry partnerships (incl. Whanganui River Enhancement Trust).	5	5	5
Operate Council nursery and source additional commercial material to deliver poles (poplar and willow) to erosion control programmes (number of poles).	30,000	30,000	30,000
RESEARCH AND MONITORING			
Annual report on the previous year's land and fluvial monitoring and research activities.	Achieved	Achieved	Achieved

What We Will Deliver - Water Quality and Quantity

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
FRESHWATER ENHANCEMENT TO ENABLE AND ENCOURAGE THE PROTECTION AND ENHANCEMENT OF WATER QUALITY, RIPARIAN MARGINS AND AQUATIC HABITAT			
Deliver freshwater enhancement work within the Manawatū Catchment in alignment with the Manawatū River Leaders' Accord and through delivery of the Manawatū Freshwater Improvement Fund project, including: Stream fencing (km); Riparian plants (number); Remediation of barriers to fish passage (number); Community projects (funded).	50 km 40,000 4 9	Project ends	Project ends
Delivery of the Jobs for Nature – Public Waterways and Ecosystem Restoration Fund Project Enhancing fish populations through fish passage remediation project, including: Investigation of selected areas for fish barriers; Fish / kakahi monitoring at a number of sites; and Remediation of barriers to fish passage (number).	1 12 6	1 12 7	1 12 7
Deliver freshwater enhancement work in the Waipu Catchment through the Freshwater Improvement Fund project, including: Annual report to Council on the Waipu Catchment Freshwater Improvement Fund project.	Achieved	Project ends	Project ends
Delivery of the Jobs for Nature – Public Waterways and Ecosystem Restoration Fund Project Regional Stream Fencing and Riparian Planting, including: Stream fencing (km); Riparian plants (number).	105 km 100,000	160 km 140,000	160 km 140,000
Deliver freshwater enhancement work within the Lake Horowhenua Catchment in alignment with the Lake Horowhenua Accord and through delivery of the Jobs for Nature – Public Waterways and Ecosystem Restoration Fund Project Lake Horowhenua Water Quality Interventions including: Annual report to Council on lake restoration activity, including the Jobs for Nature Fund project for Lake Horowhenua.	Achieved	Achieved	Achieved

IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S WATER RESOURCE			
Annual report to Council on the previous year's water quantity and quality monitoring and research activity and its findings.	Achieved	Achieved	Achieved

What We Will Deliver - Resource Consent and Pollution Management

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
CONSENTS PROCESSING			
Process consents within Resource Management Act (RMA) timeframes.*	85%	85%	85%
COMPLIANCE MONITORING			
Monitor compliance of all resource consents identified in the rural annual compliance monitoring programme.	90%	90%	90%
Monitor compliance on Category 1 and Category 2 (high priority) sites identified in the TA and industry annual monitoring programme.	100%	100%	100%
Take action in relation to significant or serious non-compliance.	100%	100%	100%
INCIDENT RESPONSE and HAIL			
All notifications of non-compliance from the public are responded to.**	100%	100%	100%
All HAIL (Hazardous Activities and Industries List) enquiries are responded to within 10 working days.	100%	100%	100%

* Consideration of national averages as reported by the Ministry for the Environment will be taken into account when measuring success against this measure.

** Options for response include:

- Desktop response;
- Immediate site inspection;
- Planned site inspection;
- Phone call only;
- Referred to external contractor;
- Subject to investigation; and
- Referred to other agency (i.e. relevant territorial authority, Civil Aviation Authority etc.).

Note: State of our Environment monitoring

Environmental outcomes relevant to Land and water Management Group of Activities can be found in our State of the Environment reporting at <https://www.horizons.govt.nz/managing-natural-resources/state-of-our-environment>



Ārai waipuke me te mahi whakahaere Flood protection and control works

What We Will Deliver - River and Drainage General

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
INVESTIGATIONS AND ADVICE			
In accordance with the programme identified in the Infrastructure Strategy, carry out and report to Council on reviews of schemes, assessing whether the current management approach is sustainable, how best to meet the needs of the community now and in future, and whether the associated funding model is both efficient and equitable (reports to Council).	2	3	3
In accordance with the programme identified in Table 1, assess the performance of flood protection assets in line with the Code of Practice developed by River Managers Forum (schemes assessed).	1	5	5
In accordance with the programme identified in Table 2, produce operations, maintenance and surveillance manuals that capture scheme history, operating context and the inspection and maintenance activities required to deliver the levels of service to the relevant communities (Operations and Maintenance manuals produced).	8	2	2
IMPLEMENTATION			
Apply environmental grant funding assistance to applicants where criteria is satisfied (grants).	10	10	10

What We Will Deliver - River and Drainage: All Schemes

Key Performance Indicator			Regional Area			
PROJECT GROUP: ALL SCHEMES			Northern	Central	Southern	Eastern
Objective	Measure	Annual Target 2022-2023 and 2023-24				
Flood and erosion protection assets and systems are maintained.	Completion of maintenance programme	Schemes to be maintained to full service potential in accordance with the Asset Management Plan or the Operations and Maintenance Manual.	Achieved	Achieved	Achieved	Achieved
	System performance design standard	Schemes meet level of service requirements as documented in the Asset Management Plan.	Achieved	Achieved	Achieved	Achieved
	Completion of asset inspection programme	Scheme asset inspections are completed in accordance with requirements specified in the Asset Management Plan or the Operations and Maintenance Manual.	Achieved	Achieved	Achieved	Achieved
Flood and erosion protection assets and systems are repaired.	Response to flood event or damage	Following a flood event, damage is identified and programmed for repair. High priority works are completed within 6 months.	Achieved	Achieved	Achieved	Achieved
Assets are renewed at end of useful life or to address a service level change.	Completion of renewals programme	As per Asset Management Plan Renewal programme.	Achieved	Achieved	Achieved	Achieved
New assets are constructed.	Completion of new capital works programme	Complete all capital works as outlined in the Asset Management Plan and budgeted for in the Annual Plan.	Achieved	Achieved	Achieved	Achieved

Explanatory Note: The following flood protection levels are provided by our key schemes: (refer Figure 2 in Section 3 of Infrastructure Strategy)

Lower Manawatū Scheme: 1% AEP*, with 0.2% AEP within the Palmerston North urban area

Rangitīkei scheme: 1-2% AEP depending on location

Manawatū Drainage Scheme: 20% AEP

Mangatainoka Scheme: 5-20% depending on location

South Eastern Ruahine Scheme: 20% AEP

Other Schemes that provide flood protection do so to levels between 5 -1% AEP depending on location

*Annual Exceedance Probability (AEP) refers to the probability of a flood event at or above a given size occurring in any year. For example, a large flood which may be calculated to have a 1% change to occur in any one year is described as 1% AEP. 20% AEP equates to a 1 in 5 year flood, while a 0.2% AEP equates to a 1 in 500 year flood.



Tiaki koiora Biosecurity & biodiversity protection

What We Will Deliver - Biosecurity

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
PEST ANIMAL MANAGEMENT			
Possum densities are maintained at/below 10% residual trap-catch (RTC) in existing/new possum control operation (PCO) areas. This is to enhance production, biodiversity, disease protection, and amenity values.	<10% RTC	<10% RTC	<10% RTC
All additional hectares released from OSPRI control are included in the PCO programme.	100%	100%	100%
All known rookeries are treated annually to reduce crop losses and damage.	100%	100%	100%
Provide an animal pest management advisory service. All enquiries will be responded to within two working days.	100%	100%	100%
PEST PLANT MANAGEMENT			
Any exclusion category pest plants that are found in the region are promptly managed; Response plans are produced when required; Required response plans are produced within two weeks; Response plans are enacted within their specified timeframes.	Achieved 100% 100%	Achieved 100% 100%	Achieved 100% 100%
Number of managed sites at zero-levels increases for pest plants identified for eradication in the Regional Pest Management Plan.	Overall % of eradication pest plant managed sites at zero-levels is greater than 79%	Overall % of eradication pest plant managed sites at zero-levels is greater than 83%	Overall % of eradication pest plant managed sites at zero-levels is greater than 83%

Number of managed sites at zero-levels increases for pest plants identified as progressive containment mapped in the Regional Pest Management Plan.	Overall % of progressive containment mapped pest plant managed sites at zero-levels is greater than 78%	Overall % of progressive containment mapped pest plant managed sites at zero-levels is greater than 82%	Overall % of progressive containment mapped pest plant managed sites at zero-levels is greater than 82%
Financially support the national bio-control agent development programme and report annually to Council on this programme.	Achieved	Achieved	Achieved
Monitoring of some released biological agents will be completed to assess establishment and host damage (using the national protocol): 20 assessment plots will be monitored.	100%	100%	100%
Pest plant enquiries are responded to within 3 working days.	95%	95%	95%

What We Will Deliver - Biodiversity

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
PROTECT/ENHANCE PRIORITY HABITAT REMNANTS			
Additional priority habitats managed to level 3* or higher (number of sites).	11	11	11
SUPPORT COMMUNITY INVOLVEMENT IN BIODIVERSITY PROTECTION			
Support existing community-based biodiversity improvement projects (number of projects). These may include icon projects, targeted rate projects and contestable fund projects.	12	12	12
IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S BIODIVERSITY			
Annual report to Council on the previous year's biodiversity monitoring and research activities.	Achieved	Achieved	Achieved
TOTARA RESERVE REGIONAL PARK			
Annual report to Council on the management of Totara Reserve Regional Park for biodiversity and recreational values, including managing the camping facility.	Achieved	Achieved	Achieved

*Explanatory note: Horizons categorises levels of biodiversity management from 0 to 6. Sites at level 3 or higher receive regular and ongoing maintenance.



Mana whakahaere ā-rohe Regional leadership and governance

What We Will Deliver - Emergency Management

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
ACHIEVE CDEM BUSINESS PLAN TARGETS			
Critical outputs pertaining to operational capability, community resilience and riskscape are monitored and reviewed.	Achieved	Achieved	Achieved
CDEM targets are reported to both the Joint Committee and Coordinating Executive Group (number of reports).	6	6	6
An operative Group Plan under the CDEM Act 2002 is in place at all times and reviewed within statutory timeframes by the Joint Committee.	Achieved	Achieved	Achieved
HORIZONS' RESPONSE CAPABILITY			
Emergency Operations Centre staff are trained and ready to respond; emergency management duty officer available 24/7/365; response manuals, flood action plans and procedures available and reviewed at least annually.	Achieved	Achieved	Achieved
Hazard Information is acquired and disseminated aligned to approved project plans.	Achieved	Achieved	Achieved
Emergency Management Office business continuity planning arrangements are in place and reviewed at least annually.	Achieved	Achieved	Achieved
Manage and promote navigation safety outputs via Manawatū River Users Advisory Group, Whanganui Coastguard and other river user groups (number of meetings).	4	4	4
CONTRACTED SERVICES			
Maritime New Zealand (MNZ) oil spill response capability maintained to MNZ audit standards.	Achieved	Achieved	Achieved

What We Will Deliver - Strategic Management

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
STRATEGIC MANAGEMENT			
Resource management policy and plan reviews meet statutory deadlines.	Plan change required by NPS-UD is notified.	Work plans for freshwater planning are in place and reviewed semi-annually.	Work plans for freshwater planning are in place and reviewed semi-annually.
The organisation's strategic direction is reviewed and refreshed every three years.	N/A	Council agrees strategic direction in the first quarter of the 2023-24 financial year to inform the development of the LTP for 2024-34	Council agrees strategic direction in the first quarter of the 2023-24 financial year to inform the development of the LTP for 2024-34

What We Will Deliver - Climate Change

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
Climate Change			
Implementation of Horizons' Climate Action Strategy is progressing.	Climate change risks and issues for consideration through the 2024-34 LTP identified.		
	Progress towards organisational GHG targets in accordance with emissions reduction plan.	Progress towards organisational GHG targets in accordance with emissions reduction plan.	Progress towards organisational GHG targets in accordance with emissions reduction plan.
	Regional Action Plan reviewed.		

What We Will Deliver - Community Relationships

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
COMMUNICATIONS			
Connect our communities with Horizons' work through a number of channels in a proactive and transparent way.	>105 media releases	>115 media releases	>115 media releases
	>1,860 media mentions	>1,870 media mentions	>1,870 media mentions
Likes/followers on social media (all accounts that Horizons manages).	>21,500	>22,000	>22,000
Videos produced.	20	22	22
Website sessions.	>620,000	>630,000	>630,000
DISTRICT ADVICE			
All information requests are met within RMA statutory timeframes (each year responding to approximately 400 from the Territorial Authorities and 700 from the general public).	100%	100%	100%
All large dam applicants are advised of their responsibilities in order to meet the Building Act 2004 and all other processes are completed.	100%	100%	100%
ENVIRONMENTAL EDUCATION			
Increase participation levels in the Enviroschools and Waiora programmes at a manageable rate. Engage the community through environmental education opportunities.	77 Enviroschools	79 Enviroschools	79 Enviroschools
	36 freshwater engagements	37 freshwater engagements	37 freshwater engagements
	35 community engagements	36 community engagements	36 community engagements

What We Will Deliver - Iwi and Hapū Relationship

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
Iwi and hapū satisfaction with their collaborative relationships with Horizons.	Resurvey iwi and hapū perceptions biennially. (target: improved satisfaction rating)	N/A	N/A
Hui-a-iwi are held at least annually to advance agreed work programmes.	Achieved	Achieved	Achieved

What We Will Deliver - Information

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
ENVIRONMENTAL DATA			
Hydro-Climate - Collection of 98.5% water level, rainfall, soil moisture, wind, air temperature and air quality (approx. 15 million data-points p.a.).	98.5%	98.5%	98.5%
Continuous Water Quality - Collection of 92.0% of continuous data relating to water quality parameters (approx. 2.5million data-points p.a.).	92%	92%	92%
Continuous Lake Monitoring - Collection of 85% of continuous lake level and lake water quality data (approx. 2.0 million data-points p.a.).	88%	90%	88%
NES Water Metering – Collection of 90% of continuous consented water abstraction data during standard water use periods, to support NES obligations (approx. 4.0 million data-points p.a.).	90%	90%	90%
INFORMATION MANAGEMENT			
Map and data requests received from the public and external agencies are processed and delivered according to timeframes agreed at the time of request.	95%	95%	95%

What We Will Deliver - Environmental Reporting

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
ENVIRONMENTAL MONITORING AND REPORTING			
Provide an annual summary report on the state of the environment.	Achieved	Achieved	Achieved
Implement a science communication strategy and report progress to Council annually.	Achieved	Achieved	Achieved
Air, land and water environmental monitoring data is made available to the public via LAWA and/or Horizons' website.	Achieved	Achieved	Achieved
Undertake environmental public education campaigns.	2	2	2



Ngā waka Transport

What We Will Deliver - Passenger Services

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
Percentage of customers surveyed who are 'satisfied' or better with their trip overall. [1]	No measure	No measure	No measure
Percentage of monitored scheduled services that depart the terminus on time [2] compared to public timetable.	≥95%	≥95%	≥95%
Annual patronage on bus services in the region.	Maintain or increase from the prior year	Maintain or increase from the prior year	Maintain or increase from the prior year
Percentage of households in Whanganui, Palmerston North & Feilding within 800m of a public transport stop.	≥80%	≥85%	≥85%
Percentage of registered customers who are 'satisfied' or better with the overall service of the Total Mobility scheme. [3]	≥90%	≥90%	≥90%

[1] Satisfied = score of 6-10 on a scale of 0-10, triennial survey

[2] Scheduled service depart between 59 seconds before and 4 minutes and 59 seconds after the scheduled departure time

[3] Satisfied = score of 6-10 on a scale of 0-10, as measured by survey of one district in which Total Mobility operates per year

What We Will Deliver - Road Safety Education

PERFORMANCE MEASURES *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
Deliver road safety behavioural change education initiatives [4] across the region in partnership with key agencies. [5]	≥ 30 initiatives	≥ 30 initiatives	≥ 30 initiatives

[4] Aimed at speed, alcohol and drug impairment, and seat belt use

[5] Key agencies, such as, NZ Police, KiwiRail, Waka Kotahi NZ Transport Agency, ACC, and local authorities

What We Will Deliver - Transport Planning

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
The Regional Land Transport Plan (RLTP) 2021-2031 is monitored to allow the Regional Transport Committee (RTC) to assess implementation of the plan.	Quarterly reporting to RTC to track progress on the implementation of the RLTP 2021-2031	Quarterly reporting to RTC to track progress on the implementation of the RLTP 2021-2032	Quarterly reporting to RTC to track progress on the implementation of the RLTP 2021-2032
The mid-term review of the Regional Land Transport Plan 2021-2031 is prepared and submitted in line with the Land Transport Management Act, and any guidance issued by Waka Kotahi NZ Transport Agency.	No measure	RLTP mid-term review is submitted to Waka Kotahi NZ Transport Agency by 30 June 2024	RLTP mid-term review is submitted to Waka Kotahi NZ Transport Agency by 30 June 2024
The Regional Public Transport Plan 2022-2032 is prepared and adopted in line with the Land Transport Management Act and any guidance issued by Waka Kotahi NZ Transport Agency.	No measure	No measure	No measure



Haumi Investment

What We Will Deliver - Investment

PERFORMANCE MEASURES FOR LEVELS OF SERVICE *The targets (performance measures) listed below (in lower case) are the detailed goals for each level of service over the next three years	2022-23 Target Long-Term Plan	2023-24 Target Long-Term Plan	2023-24 Target Annual Plan
INVESTMENT ACTIVITIES			
Achieve the performance targets that are set in MWRC Holdings Ltd Statement of Intent:	Achieved	Achieved	Achieved
Monthly weighted average interest rate exceeds 90-day Bank Bill Rate (BKBM) by 50 basis points (0.50%). Note, targets are based on current predicted interest rates, which will change over time.	Achieved	Achieved	Achieved
Make a return on investment for the Horizons share portfolio to provide financial income.	>3.5%	>4%	>4%



Mōhiohio pūtea

Financial

information



Introducing the Finances

Overview

Here we present standard financial statements in compliance with New Zealand Generally Accepted Accounting Practice (NZGAAP) and New Zealand International Public Sector Accounting Standards (NZIPSAS). We also provide supplementary financial information for individual river and drainage schemes.

Funding Impact Statements are included that outline revenue and rating mechanisms and provide detailed rating values for general and targeted rates for the 2023-24 year. Finally, this part of the documentation contains projections of annual administrative charges set under the Resource Management Act 1991 and the Local Government Act 2002.

Statement of Financial Performance

We, as required pursuant to PBE FRS 42, have complied with PBE FRS 42 in the preparation of these financial statements. In accordance with PBE FRS 42, we advise that:

Horizons Regional Council (the Council) is a Regional Council as defined in the Local Government Act 2002. The Council's principal activities are outlined within our Long-term Plan 2021-31.

The financial information contained within this Annual Plan and its associated policies and document is financial information in terms of current financial reporting standards, including Financial Reporting Standard (PBE FRS 42). The purpose for which it has been prepared is to enable the public to participate in the decision-making process relating to services to be provided by the Council to the community for year ending 30 June 2024, and to provide a broad accountability mechanism of the Council to the community.

In relation to those standards, the financial information for 2023-24 financial year is considered to be a forecast. (A forecast is based on assumptions that the Council reasonably expects to occur).

Cautionary Note

A cautionary note is required. The actual results covered by this plan are likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period. The information is prepared under Section 93 of the Local Government Act 2002, and may not be suitable for use in any other capacity.

Other Disclosures

The Council is responsible for the financial statements presented, including the assumptions underlying financial statements and all other disclosures. The Annual Plan is prospective, and as such, contains no actual operating results.

Prospective Statement of Comprehensive Revenue and Expense for the year ending 30 June 2024 (\$'000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Revenue			
Rates	55,426	59,080	59,068
Subsidies and grants	27,853	16,035	20,876
Development and financial contributions	-	-	-
Finance revenue	3,450	3,450	3,470
Other revenue	14,203	14,087	14,270
Total Revenue	100,933	92,652	97,684
Expenditure			
Personnel costs	25,813	26,639	28,272
Depreciation and amortisation expenses	5,654	5,972	5,878
Finance costs	1,479	1,520	1,500
Other expenses	51,957	43,174	53,362
Total Expenses	84,903	87,304	89,013
Subvention receipt from subsidiary	-	-	-
Surplus/(Deficit) Before Tax	16,030	5,347	8,672
Income tax expense/benefit	-	-	-
Surplus/(Deficit) After Tax	16,030	5,347	8,672
Other comprehensive revenue and expense			
Financial assets at fair value through other comprehensive revenue and expense	-	219	-
Gain on property, plant, and equipment revaluations	15,609	25,774	18,567
Total Other Comprehensive Revenue and Expense	15,609	25,993	18,567
Total Comprehensive Revenue and Expense	31,639	31,340	27,239

Prospective Statement of Financial Position for the year ending 30 June 2024 (\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Assets			
Current assets			
Cash and Cash Equivalents	1,222	4,964	3,499
Trade and Other Receivables	11,103	11,421	10,663
Accruals	7,911	4,997	7,945
Prepayments and leases - Current portion	717	581	664
Inventory	1,264	1,555	1,361
Tax refund due	-	-	-
Other financial assets (current)	-	-	-
Total Current Assets	22,217	23,518	24,132
Non-current assets			
Other financial assets			
Investments in CCOs and other similar entities	33,270	33,055	33,346
Loan to CCOs	18,500	17,000	18,500
Subtotal	51,770	50,055	51,846
Investments in other entities	3,958	3,863	3,615
Other Financial Assets	-	-	637
Total Other Financial Assets	55,728	53,918	56,098
Other non-current assets			3,438
Investment Property	3,225	3,105	3,225
Forestry assets	6,425	7,885	4,759
Land leases (prepaid) non-current	2,539	2,414	2,288
Intangible assets	11,093	6,712	17,150
Operational assets	95,656	88,148	104,066
Infrastructural assets	883,645	792,379	964,901
Total Non-current Assets	1,058,311	954,561	1,155,925
Total Assets	1,080,528	978,079	1,180,057

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Liabilities			
Current liabilities			
Trade and other payables	15,734	15,626	16,502
Provisions - general	-	-	
Provisions - employee entitlements	2,464	2,582	2,827
Debt - current portion	-	4,500	9,000
Advances and Deferred Revenues	7,000	-	-
Derivative financial instruments (current)	-	76	-
Total Current Liabilities	25,198	22,784	28,329
Non-current liabilities			
Derivative financial instruments	398	-	398
Debt - non-current portion	65,182	78,750	62,221
Non-Current Provisions	-	-	3,803
Deferred Taxation liability	-	-	-
Total Non-Current Liabilities	65,580	78,750	66,422
Total Liabilities	90,778	101,534	94,752
Net Assets (Assets Minus Liabilities)	989,751	876,545	1,085,305
Equity			
Asset revaluation reserves	564,224	442,019	635,094
Fair value through other comprehensive revenue and expense reserves	1,769	1,747	1,327
Restricted reserves	13,774	14,253	15,535
Infrastructure insurance reserves	4,800	5,040	5,040
Accumulated funds	405,184	413,486	428,309
Total Equity	989,751	876,545	1,085,305

Prospective Statement of Cash Flows for the year ending 30 June 2024

(\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Cash flows from operating activities			
Receipts from rates revenue	53,890	59,334	56,907
Subsidies and grants received	23,837	18,059	24,940
Interest received	941	1,243	985
Dividends received	2,011	2,356	2,104
Receipts from rate penalties	-	-	-
Receipts from other revenue	11,633	13,773	11,672
Payments to suppliers and employees	(76,008)	(79,555)	(76,368)
Interest paid	(1,451)	(1,503)	(1,357)
Income tax paid/refunded	-	-	-
GST (net)	-	-	-
Net cash flows from operating activities	14,854	13,707	18,885
Cash flows from investing activities			
Receipts from sale of operational assets	180	-	180
Receipts from Sale/Maturity of Assets	25,000	20,000	25,000
Repayment of loan principal from CCO	-	-	-
Investment in subsidiary	-	-	-
Purchase of shares	-	-	-
Purchase of forestry assets	(300)	(70)	(300)
Purchase of Property, Plant, and Equipment	(29,051)	(14,038)	(28,359)
Purchase of intangible assets	(1,803)	(835)	(1,803)
Purchase of investment property	-	-	-
Payment of loan to CCO	-	-	-
Acquisition of Investments	(25,040)	(20,040)	(25,000)
Investment in deposits	-	-	-
Net cash flows from investing activities	(31,014)	(14,983)	(30,282)
Cash flows from financing activities			
Proceeds from borrowings	27,341	11,304	16,053
Repayment of borrowings	(16,569)	(7,689)	(9,000)
Dividend/Subvention payments	-	-	-
Net cash flows from financing activities	10,773	3,615	7,053
Net (decrease)/increase in cash and cash equivalents, and bank overdrafts	(5,387)	2,339	(4,345)
Cash and cash equivalents, and bank overdrafts	6,609	2,625	7,844
Closing Cash Balances	1,222	4,964	3,499

Prospective Statement of Changes in Equity for the year ending 30 June 2024 (\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Balance at 1 July	958,112	845,205	1,058,066
Total comprehensive revenue and expense for the year	31,639	31,340	27,239
Balance at 30 June	989,751	876,545	1,085,305

Prospective Reserve Balances for the period ending 30 June 2024 (\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Asset Revaluation Reserves			
Balance at 1 July	548,614	416,245	616,527
Increase/(Decrease) in revaluation reserves	15,609	25,774	18,567
Transfer to Accumulated Funds	-	-	-
Balance at 30 June	564,224	442,019	635,094
Fair Value Through Other Comprehensive Revenue and Expense Reserves			
Balance at 1 July	1,769	1,528	1,327
Increase/(Decrease) in fair value reserve	-	219	-
Balance at 30 June	1,769	1,747	1,327
Restricted Reserves - River and Drainage			
Balance at 1 July	12,797	13,280	14,568
Plus/(Less) Retained Earnings	977	974	967
Balance at 30 June	13,774	14,253	15,535
Infrastructure Insurance Reserve			
Balance at 1 July	4,680	4,920	4,920
Scheme Rate Contribution	-	-	-
General Rate Contribution	120	120	120
Withdrawals	-	-	-
Balance at 30 June	4,800	5,040	5,040
Accumulated Funds			
Balance at 1 July	390,252	409,232	420,725
Less transfer to restricted reserves	(977)	(974)	(967)
Less transfer to Infrastructure Insurance Reserve	(120)	(120)	(120)
Net Surplus/Deficit for the year	16,030	5,347	8,672
Balance at 30 June	405,184	413,486	428,309

Prospective Funding Impact Statement for the Whole of Council to 30 June 2024 (\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Sources of Operating Funding			
General rates, uniform annual general charges, rates penalties	33,976	36,012	36,351
Targeted rates	21,450	23,068	22,717
Subsidies and grants for operating purposes	12,370	11,639	12,644
Fees and charges	13,536	12,938	13,537
Internal charges and overheads recovered	-	-	-
Interest and dividends from investments	3,450	3,450	3,470
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-
Total sources of operating funding (A)	84,782	87,107	88,719
Applications of Operating Funding			
Payments to staff and suppliers	79,524	80,858	82,806
Finance costs	1,479	1,520	1,500
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding (B)	81,003	82,378	84,306
Surplus (Deficit) of Operating Funding (A-B)	3,779	4,729	4,413
Sources of Capital Funding			
Subsidies and grants for capital expenditure	14,593	4,396	8,232
Development and financial contributions	-	-	-
Increase (decrease) in debt	10,773	3,615	9,032
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	890	575	-
Total sources of capital funding (C)	26,256	8,586	17,264
Applications of Capital Funding			
Capital expenditure:			
· to meet additional demand	-	-	-
· to improve the level of service	31,097	14,801	17,256
· to replace existing assets	269	212	199
Increase (decrease) in reserves	(1,332)	(1,697)	4,222
Increase (decrease) of investments	-	-	-
Total applications of capital funding (D)	30,034	13,316	21,677
Surplus (Deficit) of Capital Funding (C-D)	(3,778)	(4,730)	(4,413)
Funding Balance	-	-	-
Depreciation	5,654	5,972	5,878

Reconciliation between the Prospective Funding Impact Statement for Whole of Council and the Prospective Statement of Comprehensive Revenue and Expense for the period ending 30 June 2024 (\$000)

	Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Surplus/(Deficit) of Operating Funding	3,779	4,730	4,413
Subsidies and Grants for Capital Expenditure	14,593	4,396	8,232
Other Capital Funding	890	575	-
Gain/(loss) on revaluations through surplus/(deficit)	668	573	733
Capitalised Labour	1,754	1,045	1,172
Depreciation	(5,654)	(5,972)	(5,878)
Surplus/(Deficit) after tax	16,030	5,347	8,672

Statement of Accounting Policies to 30 June 2024

Reporting Entity

Horizons Regional Council (HRC) is the trading name of the Manawātū-Whanganui Regional Council, a Local Authority governed by the Local Government Act 2002, and is domiciled in New Zealand.

The Horizons Regional Council Group (the Group) consists of Horizons Regional Council (the 'parent entity') and its subsidiary, MWRC Holdings Limited (MWRCH), domiciled in New Zealand.

Horizons has the following as investments in the balance sheet:

- 15.5% equity share of Regional Software Holdings Ltd (RSHL), and
- 14.29% (1/7) of the shares in MW LASS Limited

MW LASS Limited has been set up as a shared service across six territorial authorities (TAs) and HRC, of which HRC has the above shareholding.

The prospective financial statements presented are those of the 'parent entity' only and are to the year ending 2024. These statements have been prepared at the 'parent entity' level only, as group financials are not considered appropriate because the group information is not readily available. Also, group financials have no impact on the Funding Impact Statement (FIS).

The prospective financial statements of the 'parent entity' HRC comprise the following groups of activities of HRC: Land and Water Management; Flood Protection and Control Works; Biosecurity and Biodiversity Management; Regional Leadership and Governance; Transport; and Investment. As these activities are carried out for environmental and community benefit and not for financial return, HRC has designated itself as a Public Benefit Entity (PBE) for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (IPSAS).

The prospective financial statements presented are those of HRC for the periods ending 2024. Council is planning to authorise for issue the 2023-24 Annual Plan on 27 June 2023.

Basis of Preparation

The prospective financial information statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period. In particular, these prospective statements have been prepared in accordance with PBE Financial Reporting Standard-42: Prospective Financial Statements.

The Council is responsible for the prospective financial statements included in this plan, including the appropriateness of the significant financial assumptions these are based on, and the other disclosures in the document.

Statement of Compliance

The prospective financial statements of HRC have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The prospective financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 1 entity. In particular, these prospective financial statements have been prepared in accordance with PBE Financial Reporting Standard-42: Prospective Financial Statements.

Comparative Information

The Long-term Plan 2022 (year 1) adopted by Council on 22 June 2021 has been provided as comparative for these prospective financial statements. The closing balances in this comparative differ from the opening position used to prepare these prospective financial statements, which is based on the most up-to-date forecast information.

Presentation and Currency

The prospective financial statements have been prepared in New Zealand dollars, and all values (other than the River and Drainage Scheme Summary) are rounded to the nearest thousand dollars (\$000). The functional currency of Horizons is New Zealand dollars. There will be rounding in numbers in the prospective financial statements as the financial model used calculates to the cent, but the Long-term Plan is rounded to the nearest thousand dollars. The prospective financial statements were prepared on an historical cost basis, modified by the revaluation of land and buildings and certain infrastructural assets.

Basis of Consolidation

These prospective financial statements are prepared at the 'parent' level only.

Subsidiaries

A subsidiary is an entity over which HRC has the capacity to control its financing and operating policies so as to obtain benefits from the activities of that entity.

The power exists where HRC controls the majority voting power on the governing body or where such policies were irreversibly predetermined by HRC, or where the determination of such policies is unable to materially affect the level of potential ownership benefits that arise from the activities of the subsidiary. Power also exists where the funding received by the entity from HRC is greater than funding from other sources.

The cost of a business combination is measured as the aggregate of:

- The consideration transferred, which is generally measured at acquisition date fair value
- The amount of any non-controlling interest measured at either fair value or the non-controlling interest in the fair value of the net identifiable assets of the acquire, and
- The acquisition date fair value of the previously held equity interest in the acquiree, if any

Any excess of the cost of the business combination over HRC's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If HRC's interest in this net fair value exceeds the cost of the business combination, the difference will be recognised immediately in the surplus or deficit.

Investments in subsidiaries are carried at cost in HRC's parent entity financial statements.

Joint Ventures

A joint venture is a binding arrangement whereby HRC and other parties undertake an economic activity that is subject to joint control. Joint control is an agreed sharing of control over an activity.

For jointly controlled activities, HRC recognises in its prospective financial statements the assets it controls, the liabilities and expenses it incurs, and the share of revenue that it earns from the joint venture.

Changes in Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Standards issued and not yet effective, and early adopted

Financial instruments

In March 2019, the XRB issued PBE IPSAS 41 Financial Instruments. PBE IPSAS 41 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and PBE IFRS 9 (not yet effective and not early adopted). PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2022, with early application permitted. The main changes under PBE IPSAS 41 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses, and

- Revised hedge accounting requirements to better reflect the management of risks

The Council has applied this standard in preparing its 2022-23 prospective financial statements. The effect of this new standard is minimal.

Standards issued and not yet effective, and not early adopted

PBE IPSAS 3.35,36 Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council and Group are:

Service Performance Reporting

In November 2017, the XRB issued PBE FRS 48 Service Performance Reporting. PBE FRS 48 is effective for annual periods beginning on or after 1 January 2022, with early application permitted. The Council plans to apply the new standards in preparing the 30 June 2023 financial statements. The Council and Group have not yet assessed the effects of the new standard.

All other standards, interpretations and amendments approved but not yet effective in the current year are either not applicable to the Group or are not expected to have a material impact on the prospective financial statements of the Group and, therefore, have not been disclosed.

Revenue

The specific accounting policies for major categories of revenue are outlined below:

Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates, and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is

not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue

- Rates arising from late payment penalties are recognised as revenue when rates become overdue
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy

Revenue from Government

Government grants and subsidies are recognised upon entitlement, which is when the conditions pertaining to eligible expenditure have been fulfilled. Non-expenditure related grants are recognised within the relevant financial year when received or apportioned.

Other Grants Received

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Vested Physical Assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council 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.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

Other Revenue

Other forms of revenue (excluding investment revenue), including fees, charges, and other revenues, are recognised on an accrual basis.

Dividends received are recognised when the right to the payment is established.

Interest revenue is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Expenditure

Expenditure is recognised on an accrual basis when the service was provided, or the goods received.

Grant Expenditure

Non-discretionary grants are those that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the criteria has been received.

Discretionary grants are those where HRC has no award obligation on receipt of the grant application and are only recognised as expenditure when a successful applicant is notified of the HRC's decision.

Leases

Operating Leases

An operating lease is a lease that does not transfer automatically, all the risks and rewards incidental to ownership of an asset.

Where HRC is the lessee, lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. SLUI land leases paid in advance will be amortised over the life of the contracts.

Where HRC is the lessor, lease receipts under an operating lease are recognised as revenue 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.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, on-demand or call deposits, other short-term deposits 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.

Trade and Other Receivables

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

The Council and 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 the Council'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.

Inventories

Inventories of HRC are deemed to be held for distribution, being material or supplies to be consumed in the rendering of services, and are not supplied on a commercial basis. They are measured at cost, adjusted when applicable, for any loss of service potential. Inventory acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost (using the weighted average cost method) and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the period of the write-down.

Financial Derivatives

Derivative financial instruments are used to manage exposure to interest rate risks arising from HRC's financing activities. In accordance with its treasury policy, HRC does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged.

The associated gains or losses on derivatives that are not hedge-accounted are recognised in surplus or deficit.

The full fair value of a hedge-accounted derivative is classified as non-current if the remaining maturity of the hedged item is more than 12 months, and as current if the remaining maturity of the hedged item is less than 12 months.

The full fair value of a non-hedge accounted foreign exchange derivative is classified as current if the contract is due for settlement within 12 months of balance date; otherwise, foreign exchange derivatives are classified as non-current. The portion of the fair value of a non-hedge accounted interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

Financial Assets

Other financial assets (other than shares in subsidiaries) are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); or
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the carrying value of the financial asset at initial recognition, unless it has been designated at FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and Group's management model for managing them.

A financial asset is classified and subsequently measured at amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding, and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to

designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense, except expected credit losses (ECL) and foreign exchange gains and losses are recognised in surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified to surplus and deficit. The Council and group do not hold any debt instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognised in surplus or deficit.

Interest revenue and dividends recognised from these financial assets are separately presented within revenue.

Instruments in this category include the Council and group's investment fund portfolio (comprising of listed shares, bonds, and units in investment funds) and LGFA borrower notes.

Expected credit loss allowance (ECL)

The Council and group recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council and group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and group's historical experience and informed credit assessment and including forward-looking information.

The Council and group considers a financial asset to be in default when the financial asset is more than 90 days past due. The Council and group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Foreign Currency Transactions (FCTs)

FCTs (including those for which foreign exchange contracts are held) are translated into the functional currency using the spot exchange rate prevailing at the dates of the transactions. Foreign exchange 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.

Investment Property

Properties leased to third parties under operating leases are classified as investment property unless the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation.

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value at each reporting date. Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Property, Plant and Equipment

Those operational assets that are revalued are classed according to the district in which they are located, and are valued each three years according to the revaluation cycle of that district. Infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different from fair value.

- i. All operational land and buildings will be valued at fair value by an independent, registered valuer, with additions at cost, less accumulated depreciation on buildings. HRC undertakes revaluations in a three-yearly cycle. In a non-revaluation year, fair values are assessed and if the values are determined to have moved significantly, a full revaluation is performed in line with relevant accounting standards.

- ii. Infrastructural assets are revalued annually at depreciated replacement cost by HRC engineering staff that are directly associated with the administration of these schemes. The valuation methodology is reviewed by suitably qualified, independent consultants, to confirm that the methodology is consistent with PBE IPSAS 17
- iii. Plant and vehicles are valued at cost less accumulated depreciation and impairment
- iv. Furniture and fittings are valued at cost less accumulated depreciation and impairment
- v. Office equipment, scientific equipment and computer equipment are valued at cost less accumulated depreciation and impairment
- vi. Capital Work in Progress includes:
 - (a) Assets in process of construction, and
 - (b) Purchases and disposals awaiting finalisation (e.g. subdivision titles) and thus not yet processed through the fixed asset register

Included within the land infrastructural assets managed by Horizons, are significant land-holdings that are legally held in the name of the Crown. This technical legal ownership by the Crown results from the fact that, prior to 1987, various government departments, e.g. the Ministry of Works, were responsible for acquiring land required for the various river control schemes. Since 1987, however, all land acquisitions were undertaken by HRC, and so legal ownership was vested in HRC. While the Crown is the legal owner of portions of HRC's river control scheme land-holdings, it is considered that HRC, or at least HRC's ratepayers, enjoy all of the risks and benefits associated with ownership of these land-holdings, and so "in substance" HRC has ownership. However, it is noted that should HRC ever decide to sell a significant portion of these land-holdings, then part of the proceeds may have to be returned to the Crown.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to HRC, 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, such items are recognised at cost. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the 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 retained earnings.

Subsequent Costs

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 the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit, as they are incurred.

Infrastructural Assets

Infrastructural assets are assets that deliver benefits directly to the community rather than being used directly by HRC. The major infrastructural assets owned by HRC are associated with the region's major flood protection and land drainage schemes. It is generally considered that the majority of infrastructural assets owned by HRC would not be readily saleable.

Depreciation

Operational assets, as listed below, are depreciated on the straight-line basis at rates that will write off the cost (or valuation) less their estimated residual values, over their useful lives, as follows:

Buildings	50 years
Heavy plant and machinery	5-15 years
Other plant and machinery	5-15 years
Motor vehicles	4-15 years
Furniture and fittings	5-15 years
Office equipment	5-6 years
Scientific equipment	3-20 years
Computer equipment	3-5 years
Communications equipment	3-15 years
Equipment and electronics	3-12 years

Infrastructural assets are depreciated on the straight-line basis at rates that will write off the carrying amount of the assets, less their estimated residual values, over their estimated useful lives, as follows:

Concrete block walls	100-200 years
Major floodgate Structures	70-100 years
Floodgate culverts (over 1.2 m)	70 years
Flow diversion structures	70-200 years
Pump station structure	70 years
Drop structures	50-120 years
Amenity enhancements	50 years
Concrete/timber flood walls	50-200 years
Grade controls	50 years
Portable flood barriers	50 years
Pump station floodgates/pumps	50 years
Timber retaining walls	50 years
Weirs	50 years
Pump station electrical/mechanical	25 years
Gabions	20 years
Permeable mesh units	20 years
Rangitikei stopbanks	20 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Several types of infrastructural assets are deemed to have an indefinite life as follows: tied tree works, protection planting, bed armouring, rockwork, concrete rip rap, stop gates, drainage channels, culverts, dams, groynes, forestry, spillways and stopbanks. These assets are not depreciated.

Accounting for Revaluations

HRC accounts for revaluations of property on a class of asset basis. The results of revaluing are credited or debited to other comprehensive revenue and expense, and are accumulated to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserves, this balance is expensed in surplus or deficit. Any subsequent increase on revaluation that off-sets a previous decrease in value so treated, will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in the prospective Statement of Revenue and Expense.

Intangible Assets

Computer Software

Costs associated with the acquisition and bringing to use of computer software, which is not an inherent or integral part of the associated computer hardware, are treated as intangible assets. Costs that are directly associated with the development of software for the internal use by HRC are also recognised as an intangible asset. These direct costs include both direct employee and other related costs, as well as an appropriate portion of relevant overheads.

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its expected useful life during which future economic benefits or service potential associated with the item will flow to HRC. For Digital Terrain Flood Modelling software, this is estimated as being from 10 to 12 years, and for other computer software, both acquired and developed, from 3 to 20 years.

Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus and deficit.

Where software in this category is replaced, upgraded or determined by HRC to be of no further operational benefit, a change in value will be recognised through surplus or deficit in the comprehensive revenue and expense. This change in value will be the difference between the carrying value of the original item and its fair value.

Costs associated with maintaining computer software are treated as an expense when incurred, as follows:

- Staff training costs were recognised in the surplus or deficit when incurred, and
- Costs associated with development and maintenance of the Council's website are recognised as an expense when incurred

Carbon Credits

These are dealt with under **Forestry Assets**.

Impairment of Property, Plant, Equipment and Intangibles

Intangible assets, subsequently measured at cost that have an indefinite useful life, or are not yet available for use and goodwill, are not subject to amortisation and are tested annually for impairment.

Property, plant, equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell, and its value-in-use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written-down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit. The reversal of an impairment loss is 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,

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.

Value in Use for Cash-generating Assets

Cash-generating assets are those assets that are 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.

Forestry Assets

Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows, discounted at a current market-determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber process, felling costs and silvicultural costs, and takes into account consideration of environmental, operational and market restrictions.

Where standing forestry assets have not been developed to the stage at which a revaluation is appropriate, these assets shall be carried at cost in the statement of financial position.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell, and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

The costs to maintain forestry assets are recognised in the surplus or deficit when incurred.

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Free carbon units 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.

Employee Entitlements

Short-term Employee Entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service, are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

A liability for sick leave is recognised to the extent that, absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

A liability and an expense are recognised for bonuses where the Council or Group has a contractual obligation or where there is a past practice that has created a constructive obligation.

Long-term Employee Entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information, and
- The present value of the estimated future cash flows.

Superannuation Schemes

Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the surplus or deficit as incurred.

Other Provisions

HRC recognises a provision for future expenditure of uncertain amount or timing; when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that expenditures will be required to settle this obligation, and a reliable estimate of the amount can be determined. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time, value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in 'finance costs'.

Creditors and Other Payables

Creditors and other payables are initially measured at the amount payable.

Borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities, unless HRC has an unconditional right to defer settlement of the liability for at least 12 months after balance date, or if expected to be settled within 12 months.

Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

Equity

Equity is the community's interest in HRC and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Asset revaluation reserves
- Fair Value through Other Comprehensive Revenue and Expense Reserve
- Restricted reserves
- Insurance infrastructure reserve, and
- Retained earnings

Asset Revaluation Reserves

These reserves relate to the revaluation of property, plant and equipment to fair value. This reserve comprises the cumulative net change in the fair value, through other comprehensive revenue and expense.

Fair Value through Other Comprehensive Revenue and Expense

These reserves relate to the revaluation of financial assets to fair value. This reserve comprises the cumulative net change in the fair value through other comprehensive revenue and expense.

Restricted Reserves

These reserves are a component of equity generally representing a particular use to which various parts of equity were assigned. Use of these reserves may be legally restricted or created by legislation or HRC.

Restricted reserves are those subject to specific conditions as binding by HRC, and which may not be revised by HRC without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Insurance Infrastructure Reserve

Following the earthquake events in Christchurch and Kaikōura, our ability to insure our infrastructure assets has reduced considerably, as we have been unable to reinsure with one of our commercial providers.

Accordingly, we have a level of rating to build reserves to provide for a level of self-insurance against our assets that now have limited or no insurance cover.

Goods and Services Tax (GST)

These financial statements are presented net of GST, except for receivables and payables, which are inclusive of GST. Where GST paid is not recoverable, due to it relating to exempt items, the GST inclusive amount is recognised as part of the related asset or expense, including the GST relating to investing and financing activities.

The net amount of GST recoverable from, or payable to, the IRD, is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or recovered from, the Inland Revenue Department is recognised as an item in operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Cost Allocation

HRC has derived the cost of service for each of its project groups using the cost allocation system outlined below:

1. Direct costs are those costs identified as being directly attributable to a project group; and are charged directly to that project group
2. Indirect costs are those costs that cannot be identified, in an economically feasible manner, as contributing directly to a project

group. Instead, these are charged to project groups using appropriate cost drivers, including actual usage, staff numbers, floor area, and telephone and computer units

Income Tax

Income tax expense may comprise both current and deferred tax; and is calculated using tax rates that were enacted or substantively enacted by balance date.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years.

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 is measured at the tax rates that are expected to apply when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which HRC expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all 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 an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the company can control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination or transactions recognised in other comprehensive revenue and expense, or directly in equity.

Currently, taxable revenue of HRC, relates to revenue derived from dividends, CentrePort Limited and MWRC Holdings Limited, and the tax liability on these is usually met by imputation credits. All other revenue of HRC is currently exempt from income tax.

Critical Accounting Estimates and Assumptions

In preparing these prospective financial statements, HRC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable, under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost (DRC) valuations, over infrastructural assets.

These include:

- The physical deterioration and condition of an asset, e.g. HRC could be carrying an asset at an amount that does not reflect its actual condition. This risk is minimised by HRC adhering to maintenance requirements included in asset management plans currently in force, to ensure design standards are adequately maintained
- Estimating any obsolescence or surplus capacity of an asset, and
- Estimates are made when determining the remaining useful lives over which the assets will be depreciated. These estimates can be impacted by local conditions; for example, weather patterns and population and/or traffic growth. To minimise this risk, HRC's infrastructural assets' useful lives were determined in conjunction

with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering (NAMS) Group

Senior engineering staff working in the river and drainage area initially revise infrastructural asset valuations, and their methodology is then subject to peer review, and also reviewed by experienced independent valuers.

Fair Value of the Investment Property

There are a number of assumptions and estimates used when performing the valuation of investment property. This includes but is not limited to the income capitalisation rate and yields.

Critical Judgement in Applying Accounting Policies

Management has exercised the following critical judgements in applying accounting policies:

Classification of Property

HRC owns properties that are currently rented as residential accommodation. The receipt of market-based rental from these is incidental to holding them, as the properties are held for service delivery objectives as part of HRC's overall service delivery and activity programmes. The properties are accounted for as property, plant and equipment.

Fair value of the Investment Property

This has been valued using advice from a third party with expertise in valuing this kind of asset. The fair value model has been used for valuing the property. The valuers utilise an income capitalisation approach referred to the lease of the property.

Capital Management

HRC's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. This is represented by HRC's net assets.

The Local Government Act 2002 (the Act) requires HRC 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. Largely as a by-product of this prudential management, ratepayers' funds are managed accordingly.

In order to achieve intergenerational equity, a principle promoted in the Act, HRC utilises asset management plans for its major assets and groups of assets, detailing renewal and maintenance programmes; to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Long-term Plan identifies the long-term expenditure needs in relation to these asset management plans, and sets out the sources and level of funding necessary to achieve these.

As part of this approach to intergenerational equity, HRC has created reserves identifying different areas of benefit. These are used where there is a discrete set of ratepayers as distinct from the general rate. Any surplus or deficit relating to these separate areas of benefit is applied solely to the specific reserves concerned.

Rates Funding Impact Statement to 30 June 2024 (\$000)

		Annual Plan 2023	Long-Term Plan 2024	Annual Plan 2024
Common Rates	Rating Method			
General Rate	Capital Value (Equalised)	23,644	25,152	25,220
Uniform Annual General Charge	UAGC per separately used or inhabited part of a property (SUIP)	5,248	5,253	5,514
Sustainable Land Use Initiative (SLUI) UAC	SUIP	3,928	4,315	4,372
Environmental Initiatives UAC	SUIP	3,095	3,282	3,270
Drinking Water Monitoring and Research	SUIP	103	107	107
Individual Rates				
Manawatū River Accord	SUIP	424	444	445
Biosecurity and Biodiversity (per ha)	Per hectare >4 ha	1,390	1,474	1,476
Rangitikei Environment Group greater than 4 ha	SUIP	49	51	51
Rangitikei Environment Group less than 4 ha	SUIP	49	51	51
River & Drainage Scheme	Mix of Rating Mechanisms	10,746	11,555	10,352
River & Drainage Scheme Rates (UAC)	SUIP	1,306	1,383	1,281
Regional Park UAC	SUIP	25	25	18
Transport Passenger Services	Capital Value	3,786	4,492	5,098
Waitārere Community Biodiversity Project	SUIP	7	7	7
Lake Horowhenua Restoration	SUIP	550	304	627
Grand Total		54,350	57,895	57,890
Penalties and Remissions		1,110	1,185	1,185
Total Rates Including Penalties and Remissions		55,460	59,080	59,075

The projected number of rating units within the region at 30 June 2023 is 116,529.

The projected total capital value of all rating units within the region at 30 June 2023 is \$104,431 million.

The projected total land value of all rating units within the region at 30 June 2023 is \$60,335 million.

All figures are exclusive of GST unless otherwise stated

Rates Funding Impact Statement

Notes:

1. All rates in this Funding Impact Statement are inclusive of GST.
2. The final payment for all rates is 30 September 2023. Except where prior arrangements are made, penalties for late payment will be applied at the maximum rates allowable, being 10 per cent on 7 October 2023. A 10% penalty will also be added to accumulated rates arrears from previous financial years on 8 July 2023 and 13 January 2024.
3. A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner/a person other than the owner, and who has the right to use or inhabit that portion by virtue of tenancy, lease, license, or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.
4. For further information on the activities funded by the targeted rates listed below, please refer to the "How we will fund this activity" in the activity sections on pages 200 to 204 of the Long-term Plan 2021-31.
5. The Council is not inviting any lump sum contributions in respect of any targeted rates.

Equalised Capital Value

The region is made up of seven districts. A portion of your rates bill (General Rate) is derived from the value of your property. Each district is valued at different times. It is important to take into account timing differences so that ratepayers in districts that have been revalued more recently don't unfairly pay more than districts valued two or three years ago. To adjust for revaluation timing differences, we annually revalue all districts to work out an individual district's share of the General Rate. Once the total General Rate for a district is known, the amount is then allocated over the capital values of the individual properties at the time of the last revaluation.

For further information about your rates classes/differentials please visit <https://www.horizons.govt.nz/faqs> Rates Classifications.

General Rate

What it funds

The general rate is used to fund part or all of the activities that are of 'public benefit', where no other direct source of funding is identified to cover the cost of the activities.

Group of Activities	Revenue Sought 2023-24 (Including GST)
Land and Water Management	12,864,573
Flood Control and Protection Works	5,162,011
Biosecurity and Biodiversity Protection	6,317,954
Regional Leadership and Governance	9,822,536
Transport	562,642
Investment	(5,726,739)
Grand Total	29,002,977

How it is applied

The general rate is set on an equalised capital value basis using projected values of each of the region's territorial authority areas to account for the different revaluation cycles in each territorial authority area.

District/City	% of EQCV	All Properties \$ per \$ of Capital Value	Revenue Sought 2023-24 (Including GST)
Horowhenua DC	15.52%	0.0003044	4,498,449
Manawatū DC	16.24%	0.0003044	4,720,107
Palmerston North CC	32.72%	0.0003042	9,487,633
Part Stratford DC	0.11%	0.0003046	31,272
Part Taupō DC	0.00%	0.0003041	485
Part Waitomo DC	0.08%	0.0003046	23,085
Rangitikei DC	6.33%	0.0003049	1,835,785
Ruapehu DC	5.80%	0.0003047	1,681,059
Taranua DC	7.61%	0.0003048	2,205,758
Whanganui DC	15.60%	0.0003045	4,519,345
Grand Total	100%		29,002,977

Uniform Annual General Charge

What it funds

The UAGC is used to fund activities that have been identified through the Revenue and Financing Policy as meeting one of the following criteria:

- The expenditure is a 'public good' to which every ratepayer has equal access
- The expenditure is related to people rather than property
- The expenditure does not directly change the condition or economic value of a property or resource

How it is applied

The revenue required is \$ 6,340,936. It is applied on a uniform basis to every SUIP in the region.

Activities	Revenue Sought 2023-24 (Including GST)
Community Relationships	1,899,279
Environmental Reporting	63,859
Hapū and Iwi	510,170
Governance	3,867,628
Grand Total	6,340,936

The 2023-24 rate is \$56.00 per SUIP (GST inclusive).

Public Transport Rate

What it funds

The public transport rate funds part of the cost of Horizons' contracted passenger transport services, including public transport (buses and trains) and Total Mobility.

How it is applied

This rate is applied to districts based on rating roll groups (as determined by territorial authorities) which are predominantly urban in character and to which the services are available, on the basis of equalised capital value. The rate is set on a differential basis, reflecting the cost of the services provided within each district.

District/City	% of EQCV	All Properties \$ per \$ of Capital Value	Revenue Sought 2023-24 (Including GST)
Horowhenua DC	13.43%	0.0000371	266,664
Manawatū DC	8.87%	0.0000801	380,743
Palmerston North CC	50.08%	0.0001492	4,005,940
Rangitīkei DC	3.24%	0.0000283	49,171
Ruapehu DC	2.86%	0.0000102	15,587
Tararua DC	2.11%	0.0000133	14,924
Whanganui DC	19.41%	0.0001088	1,130,012
Grand Total	100%		5,863,041

Sustainable Land Use Initiative Rate

What it funds

This rate funds part of the cost of the Sustainable Land Use Initiative.

How it is applied

The revenue required is \$5,027,456. It is applied on a uniform basis to every SUIP in the region.

The 2023-24 rate is \$44.40 per SUIP (GST inclusive).

Drinking Water Monitoring and Research Rate

What it funds

This rate funds the cost of Horizons' drinking water monitoring and research, part of the Environmental Reporting activity.

How it is applied

The revenue required is \$123,422. It is applied on a uniform basis to every SUIP in the region.

The 2023-24 rate is \$1.09 per SUIP (GST inclusive).

Environmental Initiatives Rate

What it funds

This rate funds the part of the cost of two activities: biosecurity and biodiversity protection and community relationships.

How it is applied

The revenue required is \$3,760,402. It is applied on a uniform basis to every SUIP in the region.

The 2023-24 rate is \$33.21 per SUIP (GST inclusive).

Biosecurity and Biodiversity Protection (per ha) Rate

What it funds

This rate funds part of the cost of Horizons' biosecurity and biodiversity protection activity.

How it is applied

The revenue required is \$1,697,900. It is applied on a per hectare basis to every rating unit larger than four hectares.

The 2023-24 is \$1.05 per ha (GST inclusive).

Regional Park Rate

What it funds

This rate funds part of the cost of the regional park campground, as part of the biosecurity and biodiversity protection activity.

How it is applied

The revenue required is \$20,637. It is applied on a uniform basis to every SUIP in the Manawatū District and Palmerston North City.

The 2023-24 rate is \$0.43 per SUIP (GST inclusive).

Rangitikei Environment Group

What it funds

This rate funds the cost of Horizons' contribution to the Rangitikei Environment Group, as part of the biosecurity and biodiversity protection activity.

How it is applied

The revenue required is \$116,967. Half of this is applied on a uniform basis to every SUIP in the Rangitikei District larger than four hectares. The other half is applied on a uniform basis to every SUIP in the Rangitikei District smaller than four hectares.

The 2023-24 rate is \$36.04 per SUIP for properties greater than 4 hectares and \$9.41 per SUIP for properties less than 4 hectares (GST inclusive).

Waitārere Community Biodiversity Project

What it funds

This rate funds the cost of Horizons' contribution to the Waitārere Community Biodiversity Project, as part of the biosecurity and biodiversity protection activity. A map of this rate can be found at <https://maps.horizons.govt.nz/Gallery/>

How it is applied

The revenue required is \$8,329. It is applied on a uniform basis to every SUIP in the Waitārere Beach community.

The 2023-24 rate is \$9.39 per SUIP (GST inclusive).

Manawatū River Accord Rate

What it funds

This rate funds the part of the cost of Horizons' Water Quality and Quantity activity specifically within the Manawatū River catchment. A map of this rate can be found at <https://maps.horizons.govt.nz/Gallery/>

How it is applied

The revenue required is \$511,379. It is applied on a uniform basis to every SUIP in the Manawatū River catchment.

The 2023-24 rate is \$8.39 per SUIP (GST inclusive).

Lake Horowhenua Restoration Rate

What it funds

This rate funds part of the cost of Horizons' Water Quality and Quantity activity specifically to restore Lake Horowhenua.

How it is applied

The revenue required is \$721,164. It is applied on a uniform basis to every SUIP unit in the Horowhenua District.

The 2023-24 rate is \$39.75 per SUIP (GST inclusive).

Targeted Rate: River and Drainage Schemes (including GST) Rates 2023-24

River and Drainage Scheme Targeted Rates

A map of these targeted rates can be seen at <https://maps.horizons.govt.nz/Gallery/>

What they fund

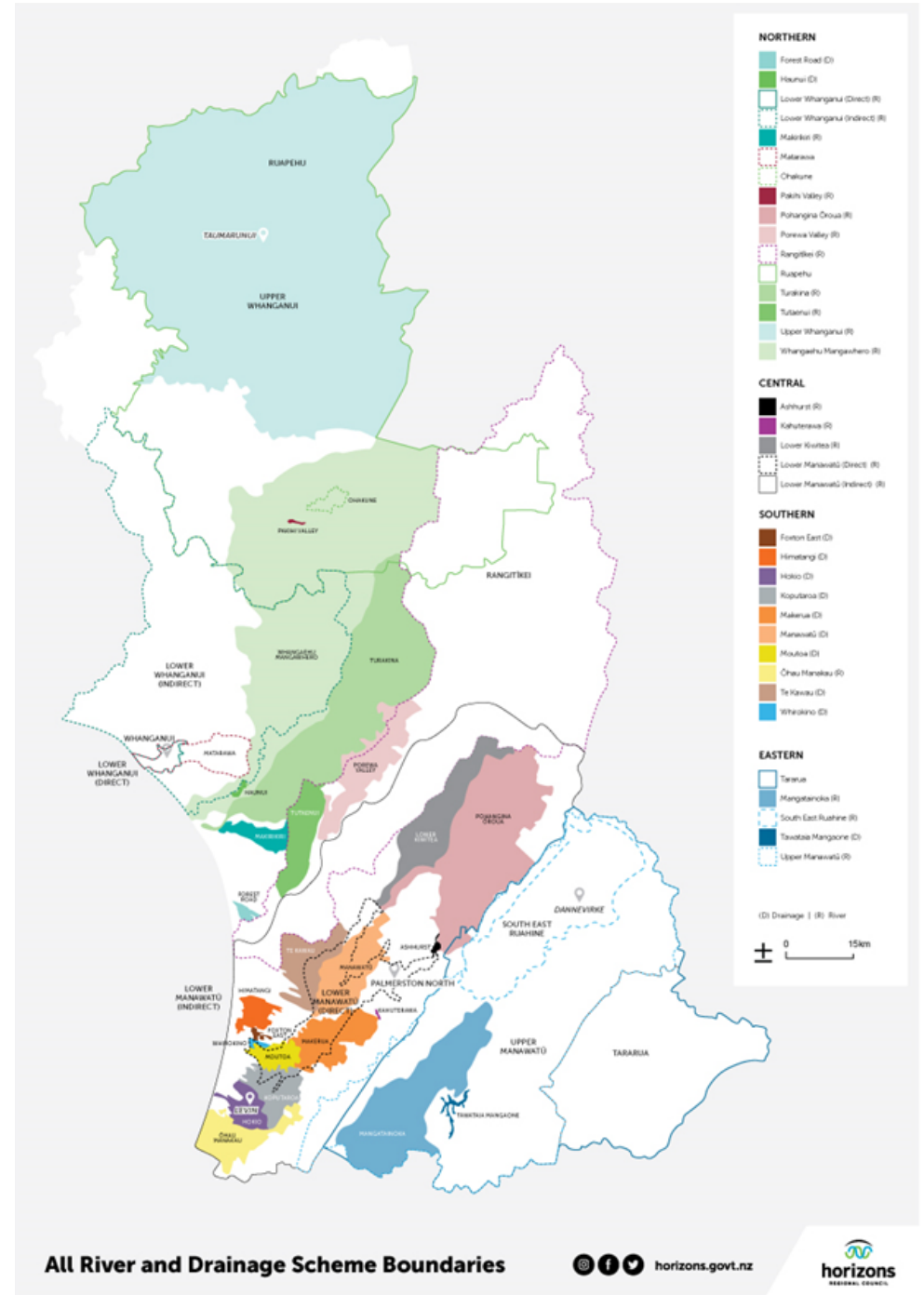
These rates fund part of the cost of the River and Drainage – Scheme activity.

How they are applied

These rates are assessed for each scheme on a benefit/contributor classification basis, using a combination of capital value, land value, land area and direct benefit.

Further details for each scheme can be found in each scheme rating review, available on request. Alternatively, the rate classification codes are available on our website.

<https://www.horizons.govt.nz/CMSPages/GetFile.aspx?guid=5ce10e00-14fc-4a0a-bad3-31b7cbb7b424>



River and Drainage Schemes	Class/Diff	Rating Basis	Number Rating of Units	Unit Rate	Revenue Sought 2023-24
RIVER SCHEMES					
Kahuterawa	KM	\$ Per Hectare	47	44.0840000	2,091
				Scheme	2,091
Lower Kiwitea Stream	CK	\$ Per Hectare	141	160.4600000	22,576
	CN	\$ Per Hectare	23,615	1.2230000	28,882
	MK	\$ Per Hectare	300	289.1270000	86,629
				Scheme	138,086
Lower Manawatū	CE	\$ Per Hectare	270,658	0.4850000	131,269
	CL	\$ Per Hectare	142,124	1.6540000	235,073
	CW	\$ Per Hectare	78,959	0.8270000	65,299
	DR	\$ Per Hectare	187	126.4600000	23,587
	F1	\$ per \$ of Land Value	180,239,180	0.0014539	262,057
	F2	\$ per \$ of Land Value	110,199,440	0.0011632	128,178
	F3	\$ per \$ of Land Value	60,076,700	0.0008724	52,409
	F4	\$ per \$ of Land Value	459,145,540	0.0005816	267,034
	F5	\$ per \$ of Land Value	838,897,110	0.0001454	121,984
	FB	\$ per \$ of Capital Value	1,030,252,000	0.0000616	63,453
	FG	\$ per \$ of Capital Value	4,535,144,200	0.0000904	409,796
	HF	\$ Per SUIP	777	515.6700000	400,676
	IC	\$ Per SUIP	53,478	11.1300000	595,210
	IE	\$ Per SUIP	2,776	5.5700000	15,462
	IF	\$ Per SUIP	5,999	3.6700000	22,016
	IS	\$ Per SUIP	11,835	5.5700000	65,918
	IW	\$ Per SUIP	938	3.6700000	3,442
	PN	\$ per \$ of Capital Value	26,037,840,000	0.0000388	1,009,747
	R1	\$ Per Hectare	3,960	69.2740000	274,313
	R2	\$ Per Hectare	169	13.8550000	2,339
	SA	\$ per \$ of Capital Value	5,027,690	0.0012359	6,213
	SB	\$ per \$ of Capital Value	52,793,720	0.0010905	57,569
	SC	\$ per \$ of Capital Value	11,609,300	0.0007270	8,440
	SD	\$ per \$ of Capital Value	79,087,680	0.0003635	28,748
				Scheme	4,250,235

Lower Manawatū Special Project	AH	\$ per \$ of Capital Value	889,856,000	0.0000015	1,361
	SP (On specified PN scheme)	\$ per \$ of Capital Value	25,827,300,000	0.0000420	1,085,263
	TU (Turitea)	\$ per \$ of Capital Value	16,050,000	0.0008576	13,765
				Scheme	1,100,390
Lower Whanganui River	N1	\$ per \$ of Capital Value	9,744,216,764	0.0000158	153,861
	N2	\$ Per SUIP	3,610	21.2900000	76,857
	W1	\$ per \$ of Capital Value	225,296,000	0.0000926	20,853
	W2	\$ per \$ of Capital Value	9,516,755,674	0.0000463	440,435
				Scheme	692,007
Mākirikiri	A	\$ Per Hectare	24	40.2440000	982
	A1	\$ Per Hectare	24	99.4310000	2,427
	B	\$ Per Hectare	107	28.1710000	3,008
	B1	\$ Per Hectare	42	69.6020000	2,935
	C	\$ Per Hectare	64	20.1220000	1,293
	C1	\$ Per Hectare	8	49.7150000	411
	CN	\$ Per Hectare	5,229	1.4190000	7,420
	F	\$ Per Hectare	2,031	4.0260000	8,175
	F1	\$ Per Hectare	305	9.9440000	3,030
	GF	\$ Per SUIP	1	759.0000000	759
	LF	\$ Per SUIP	1	1,457.2800000	1,457
	T1	\$ Per SUIP	1	819.7200000	820
				Scheme	32,717
Mangatainoka	CK	\$ Per Hectare	16,569	0.6870000	11,383
	CM	\$ Per Hectare	5,997	0.1010000	606
	CU	\$ Per Hectare	15,968	2.6760000	42,730
	DR	\$ Per Hectare	215	107.1440000	23,000
	F1	\$ Per Hectare	461	61.8120000	28,488
	F2	\$ Per Hectare	742	37.0880000	27,516
	IN	\$ Per Hectare	39,694	0.9860000	39,138
	KL	\$ Per Hectare	168	160.0690000	26,826
	LH	\$ Per Hectare	224	18.6940000	4,194
	LL	\$ Per Hectare	592	3.7390000	2,213
	LM	\$ Per Hectare	47	11.2160000	532
	MH	\$ Per Hectare	794	56.3360000	44,758

	ML	\$ Per Hectare	540	11.2680000	6,085	OM	\$ Per Hectare	75	215.5110000	16,143	
	MM	\$ Per Hectare	1,268	33.8020000	42,860	OT	\$ Per Hectare	113	819.5050000	92,624	
	MR	\$ Per Hectare	508	9.1380000	4,645	OU	\$ Per Hectare	50	386.7140000	19,197	
	PU	\$ per \$ of Capital Value	465,038,090	0.0002781	129,336	PD	\$ Per Hectare	69	31.5470000	2,184	
	R1	\$ per \$ of Capital Value	68,750,000	0.0004077	28,029	SD	\$ Per Hectare	53	10.6720000	568	
	R2	\$ per \$ of Capital Value	7,580,000	0.0003820	2,896	TD	\$ Per Hectare	134	47.7570000	6,386	
	UH	\$ Per Hectare	399	160.7700000	64,224	UM	\$ per \$ of Capital Value	76,924,000	0.0000659	5,072	
	UL	\$ Per Hectare	507	32.1550000	16,296	UO	\$ per \$ of Capital Value	130,943,000	0.0000512	6,703	
	UM	\$ Per Hectare	249	96.4620000	24,001	UW	\$ per \$ of Capital Value	159,590,000	0.0001315	20,978	
				Scheme	569,755	WD	\$ Per Hectare	265	22.1650000	5,868	
						WL	\$ Per Hectare	86	91.0610000	7,870	
Matarawa	CM	\$ per \$ of Capital Value	9,744,499,650	0.0000038	37,419	WU	\$ Per Hectare	77	235.6810000	18,120	
	CN	\$ Per Hectare	8,163	2.8640000	23,380				Scheme	420,741	
	IN	\$ Per SUIP	325	29.9000000	9,718	Pakihi Valley	A	\$ Per Hectare	100	119.6180000	11,986
	L1	\$ Per Hectare	92	14.1740000	1,310				Scheme	11,986	
	L2	\$ Per Hectare	70	14.1740000	993	Pohangina - Ōroua	DR	\$ Per Hectare	21	274.3770000	5,750
	L3	\$ Per Hectare	14	56.6960000	790		EZ	\$ Per Hectare	369	0.1210000	45
	M1	\$ Per Hectare	395	94.4930000	37,326		IA	\$ per \$ of Capital Value	892,126,000	0.0000125	11,187
	M3	\$ Per Hectare	69	18.8990000	1,302		IN	\$ Per Hectare	55,153	2.6110000	144,004
	M4	\$ Per Hectare	32	18.8990000	597		O1	\$ Per Hectare	393	83.2580000	32,739
				Scheme	112,833		O2	\$ Per Hectare	694	103.3370000	71,742
Ohakune	UR	\$ per \$ of Capital Value	698,449,500	0.0000900	62,881		O3	\$ Per Hectare	10	66.6060000	634
				Scheme	62,881		O4	\$ Per Hectare	170	82.6700000	14,017
Ōhau-Manakau	AD	\$ Per Hectare	137	32.7250000	4,494		P1	\$ Per Hectare	282	200.3360000	56,444
	CD	\$ Per Hectare	5	21.1900000	111		P2	\$ Per Hectare	628	120.2020000	75,482
	CH	\$ Per Hectare	393	33.0520000	13,004		P3	\$ Per Hectare	128	22.1300000	2,832
	CL	\$ Per Hectare	1,373	2.4790000	3,403		P4	\$ Per Hectare	195	160.2690000	31,227
	FH	\$ Per Hectare	394	121.7870000	47,933		P5	\$ Per Hectare	24	96.1610000	2,338
	FL	\$ Per Hectare	1,373	9.1340000	12,538		P6	\$ Per Hectare	33	17.7040000	580
	HD	\$ Per Hectare	420	17.6090000	7,388				Scheme	449,024	
	IN	\$ Per Hectare	12,035	7.7670000	93,476	Porewa Valley	A	\$ per \$ of Capital Value	2,893,120	0.0053399	15,449
	KD	\$ Per Hectare	189	36.9960000	6,981		B	\$ per \$ of Capital Value	5,667,480	0.0030971	17,553
	L2	\$ Per Hectare	23	30.8650000	702		C	\$ per \$ of Capital Value	9,556,153	0.0014952	14,288
	LD	\$ Per Hectare	60	61.7300000	3,696		D	\$ per \$ of Capital Value	43,824,650	0.0002670	11,701
	MC	\$ Per Hectare	402	5.1290000	2,062		E	\$ per \$ of Capital Value	13,650,500	0.0001602	2,187
	ML	\$ Per Hectare	41	117.1320000	4,811						
	MU	\$ Per Hectare	57	280.8810000	16,044						
	OL	\$ Per Hectare	34	70.2960000	2,385						

	F	\$ per \$ of Capital Value	179,565,760	0.0000534	9,589	IN	\$ Per Hectare	64,718	1.0560000	68,342	
	U1	\$ per \$ of Capital Value	22,650,000	0.0004272	9,676	M1	\$ Per Hectare	1,212	39.6480000	48,059	
	U2	\$ per \$ of Capital Value	13,911,000	0.0001068	1,486	M2	\$ Per Hectare	621	71.6010000	44,498	
						M3	\$ Per Hectare	110	77.3330000	8,497	
				Scheme	81,928	M4	\$ Per Hectare	442	79.2050000	35,012	
						M5	\$ Per Hectare	1,907	12.5710000	23,969	
Rangitikei River	CD	\$ Per Hectare	24,999	0.3830000	9,575	RZ	\$ Per Hectare	230	0.0230000	5	
	CN	\$ Per Hectare	173,585	0.7650000	132,792	SZ	\$ Per Hectare	305	0.0170000	5	
	CU	\$ Per Hectare	40,137	0.3830000	15,372	W1	\$ Per Hectare	531	9.3920000	4,986	
	DR	\$ Per Hectare	87	227.9880000	19,721	W2	\$ Per Hectare	753	17.3820000	13,083	
	E1	\$ Per Hectare	594	80.2510000	47,666	W3	\$ Per Hectare	8,535	11.9420000	101,919	
	E2	\$ Per Hectare	702	32.1010000	22,531	WO	\$ per \$ of Capital Value	266,257,200	0.0000962	25,617	
	E3	\$ Per Hectare	1,203	144.7110000	174,074	(Woodville only)					
	E4	\$ Per Hectare	1,294	122.7500000	158,844				Scheme	527,993	
	F1	\$ Per Hectare	1,495	91.8740000	137,387						
	F2	\$ Per Hectare	784	55.1250000	43,230	Tararua	CN	\$ per \$ of Capital Value	7,238,981,800	0.0000425	307,874
	F3	\$ Per Hectare	42	13.8770000	586				Scheme	307,874	
	F4	\$ Per Hectare	160	30.4380000	4,882						
	F5	\$ Per Hectare	220	68.6190000	15,099	Tawataia - Mangaone	B	\$ Per Hectare	110	33.8270000	3,711
	F6	\$ Per Hectare	53	41.1720000	2,181		C	\$ Per Hectare	656	11.2760000	7,398
	GF	\$ Per SUIP	51	438.3800000	22,357		D	\$ Per Hectare	11	5.6390000	63
	GT	\$ Per SUIP	226	124.4200000	28,119				Scheme	11,172	
	IN	\$ Per Hectare	40,505	0.6590000	26,693						
	RF	\$ per \$ of Capital Value	1,010,000	0.0056065	5,663	Turakina	CN	\$ Per Hectare	82,311	0.1250000	10,289
	RH	\$ per \$ of Capital Value	2,750,000	0.0025561	7,029		T1	\$ Per Hectare	274	36.5150000	10,012
	RO	\$ per \$ of Capital Value	154,900,000	0.0000233	3,614		T2	\$ Per Hectare	154	32.5820000	5,006
	UF	\$ per \$ of Capital Value	17,257,000	0.0012956	22,357		T3	\$ Per Hectare	223	22.4260000	5,006
	UL	\$ per \$ of Capital Value	1,480,764,060	0.0000278	41,150		T4	\$ Per Hectare	1,412	14.3280000	20,234
	UT	\$ per \$ of Capital Value	89,398,400	0.0003144	28,105		T5	\$ Per Hectare	110	6.3530000	697
	UU	\$ per \$ of Capital Value	245,266,290	0.0000311	7,618				Scheme	51,243	
				Scheme	976,646	Tūtaenui	CN	\$ Per Hectare	12,742	0.9620000	12,257
							IN	\$ Per Hectare	12,742	0.9430000	12,015
							TL	\$ Per Hectare	456	24.5990000	11,211
							TW	\$ Per Hectare	291	52.8770000	15,362
Ruapehu DC	CN	\$ per \$ of Capital Value	5,685,422,800	0.0000147	83,519		UB (Bulls)	\$ per \$ of Capital Value	316,282,576	0.0000589	18,632
				Scheme	83,519		UM (Marton)	\$ per \$ of Capital Value	859,668,500	0.0000673	57,881
									Scheme	127,359	
South East Ruahines	CN	\$ Per Hectare	49,375	1.2860000	63,497	Upper Manawatū	CN	\$ Per Hectare	268,916	0.3310000	89,011
	DK (Dannevirke only)	\$ per \$ of Capital Value	859,447,000	0.0000812	69,804		D1	\$ Per Hectare	122	15.9520000	1,950
	DR	\$ Per Hectare	348	59.5442706	20,699						

	D2	\$ Per Hectare	213	11.8880000	2,534	D	\$ Per Hectare	550	9.2010000	5,058	
	D3	\$ Per Hectare	238	12.2990000	2,924	E	\$ Per Hectare	79	4.7850000	380	
	D4	\$ Per Hectare	85	27.3800000	2,339	F	\$ Per Hectare	139	2.5770000	357	
	IN	\$ Per Hectare	24,044	1.2760000	30,680				Scheme	15,778	
	M1	\$ Per Hectare	257	93.4100000	24,001						
	M2	\$ Per Hectare	38	295.1250000	11,188	Foxton East	CN	\$ Per Hectare	813	15.9797089	12,998
	U1	\$ Per Hectare	612	142.3500000	87,145		UB	\$ per \$ of Capital Value	667,919,000	0.0000845	56,406
	U2	\$ Per Hectare	165	107.6730000	17,748					Scheme	69,403
	U3	\$ Per Hectare	158	166.7640000	26,422						
	U4	\$ Per Hectare	125	87.2660000	10,912	Haunui	A	\$ per \$ of Land Value	15,399,000	0.0009369	14,427
				Scheme	306,856					Scheme	14,427
Upper Whanganui	IN	\$ per \$ of Capital Value	3,152,006,650	0.0000164	51,630	Himatangi	A	\$ Per Hectare	413	20.1130000	8,306
	R1	\$ per \$ of Capital Value	182,000	0.0012055	219		B	\$ Per Hectare	390	14.0790000	5,493
	R2	\$ per \$ of Capital Value	1,701,000	0.0006027	1,025		C	\$ Per Hectare	659	7.0400000	4,641
	R3	\$ per \$ of Capital Value	1,275,400	0.0010800	1,377		D	\$ Per Hectare	1,104	3.6210000	3,998
	R4	\$ per \$ of Capital Value	3,007,000	0.0005400	1,624		E	\$ Per Hectare	1,363	1.4080000	1,918
	U1	\$ per \$ of Capital Value	114,854,800	0.0002215	25,440		F	\$ Per Hectare	404	1.0060000	406
	U2	\$ per \$ of Capital Value	395,538,250	0.0000886	35,045					Scheme	24,762
				Scheme	116,361	Hōkio	AC	\$ Per SUIP	171	123.6100000	21,137
Whangaehu - Mangawhero	CN	\$ Per Hectare	129,172	0.2890000	37,331		DA	\$ Per Hectare	101	36.3100000	3,659
	IN	\$ Per SUIP	446	23.9100000	10,664		DH	\$ Per Hectare	55	24.4680000	1,357
	LW	\$ Per Hectare	843	4.9060000	4,137		DL	\$ Per Hectare	39	5.4070000	212
	MW	\$ Per Hectare	1,301	17.3670000	22,602		DM	\$ Per Hectare	172	19.3990000	3,330
	UM	\$ Per Hectare	78	75.4250000	5,921		DP	\$ Per Hectare	26	50.4600000	1,336
	UW	\$ Per Hectare	637	40.7850000	25,992		DS	\$ Per Hectare	646	32.5400000	21,019
				Scheme	106,646		IN	\$ Per Hectare	4,307	4.9320000	21,241
							UH	\$ per \$ of Capital Value	63,968,000	0.0000239	1,528
							UL	\$ per \$ of Capital Value	4,718,196,000	0.0000066	31,282
										Scheme	106,101
DRAINAGE SCHEMES											
Ashhurst Stream	AC	\$ per \$ of Capital Value	886,885,820	0.0000298	26,403	Koputaroa	A1	\$ Per Hectare	174	67.7050000	11,787
	AL	\$ Per Hectare	10	138.6550000	1,339		A2	\$ Per Hectare	216	33.8530000	7,325
	AN	\$ Per SUIP	1,284	20.5400000	26,373		C1	\$ Per Hectare	30	24.4850000	730
	AU	\$ Per Hectare	22	36.7010000	812		C2	\$ Per Hectare	127	16.1620000	2,060
				Scheme	54,927		C3	\$ Per Hectare	111	8.0810000	901
Forest Road	A	\$ Per Hectare	36	36.8040000	1,343		C4	\$ Per Hectare	99	25.8900000	2,559
	B	\$ Per Hectare	207	27.6030000	5,724		C5	\$ Per Hectare	107	17.0880000	1,826
	C	\$ Per Hectare	159	18.4020000	2,917		D1	\$ Per Hectare	501	49.5250000	24,830

D2	\$ Per Hectare	80	24.7630000	1,970	G1	\$ Per Hectare	141	8.2960000	1,168	
D3	\$ Per Hectare	141	31.0160000	4,381	K1	\$ Per Hectare	367	65.3010000	23,949	
D4	\$ Per Hectare	63	15.5080000	977	L1	\$ Per Hectare	230	22.5870000	5,205	
D5	\$ Per Hectare	348	32.3320000	11,245	L2	\$ Per Hectare	323	9.0350000	2,914	
D6	\$ Per Hectare	113	16.1660000	1,827	M1	\$ Per Hectare	219	29.6350000	6,481	
D7	\$ Per Hectare	250	56.1130000	14,011	M2	\$ Per Hectare	128	11.8540000	1,522	
D8	\$ Per Hectare	165	28.0570000	4,641	O1	\$ Per Hectare	4,079	41.7580000	170,322	
F1	\$ Per Hectare	753	13.6840000	10,307	O2	\$ Per Hectare	1,207	16.7040000	20,162	
F2	\$ Per Hectare	720	8.2100000	5,908	OC	\$ Per Hectare	6,007	4.8530000	29,150	
F3	\$ Per Hectare	109	4.1050000	448	PB	\$ Per Hectare	131	202.2370000	26,519	
F4	\$ Per Hectare	158	1.3690000	216	PK	\$ Per Hectare	357	126.2890000	45,094	
F5	\$ Per Hectare	124	45.6540000	5,670	PM	\$ Per Hectare	214	142.2960000	30,433	
F6	\$ Per Hectare	237	18.2620000	4,334	PO	\$ Per Hectare	3,499	47.4000000	165,834	
I1	\$ Per Hectare	1,294	7.3130000	9,464	R1	\$ Per Hectare	121	41.1100000	4,965	
I2	\$ Per Hectare	306	10.3360000	3,159	T1	\$ Per Hectare	223	35.1600000	7,827	
I3	\$ Per Hectare	663	8.9270000	5,920				Scheme	584,136	
I4	\$ Per Hectare	635	11.8180000	7,505						
IA	\$ Per Hectare	1,830	1.7670000	3,234	Manawatū	CL	\$ Per Hectare	31	121.8320000	3,791
IK	\$ Per Hectare	5,234	1.9330000	10,117		CN	\$ Per Hectare	15,470	8.8220000	136,475
IN	\$ Per Hectare	1,064	31.9150000	33,958		DR	\$ Per Hectare	17,213	22.4850000	387,027
K1	\$ Per Hectare	132	128.2950000	16,891		DU	\$ Per SUIP	1,349	93.5200000	126,158
K2	\$ Per Hectare	104	64.1480000	6,678		F1	\$ Per Hectare	1,183	41.9130000	49,564
P1	\$ Per Hectare	110	257.6370000	28,384		F2	\$ Per Hectare	499	20.9570000	10,458
P2	\$ Per Hectare	176	170.0410000	29,976		F3	\$ Per Hectare	214	4.1920000	899
P3	\$ Per Hectare	48	206.4310000	9,899		P1	\$ Per Hectare	724	158.8120000	115,051
P4	\$ Per Hectare	97	136.2440000	13,175		P2	\$ Per Hectare	176	79.4060000	13,939
P5	\$ Per Hectare	30	242.3990000	7,223		P3	\$ Per Hectare	911	39.7030000	36,154
P6	\$ Per Hectare	127	159.9840000	20,396		P4	\$ Per Hectare	264	7.9410000	2,097
P7	\$ Per Hectare	111	79.9920000	8,916					Scheme	881,613
P8	\$ Per Hectare	99	262.8500000	25,961						
P9	\$ Per Hectare	107	173.4810000	18,539	Moutoa	B1	\$ Per Hectare	4	207.9830000	842
			Scheme	377,346		B2	\$ Per Hectare	36	166.3870000	5,974
						B3	\$ Per Hectare	62	31.1980000	1,932
Makerua	B1	\$ Per Hectare	307	26.5970000	8,156	C1	\$ Per Hectare	124	49.3530000	6,129
	B2	\$ Per Hectare	128	10.6390000	1,365	C2	\$ Per Hectare	21	39.4820000	828
	C1	\$ Per Hectare	97	44.6700000	4,321	C3	\$ Per Hectare	5	14.8070000	81
	C2	\$ Per Hectare	144	17.8680000	2,572	D1	\$ Per Hectare	1,138	34.1290000	38,824
	CB	\$ Per Hectare	131	-	-	D2	\$ Per Hectare	712	19.4370000	13,843
	CK	\$ Per Hectare	357	12.1060000	4,323	D3	\$ Per Hectare	1,338	7.7750000	10,402
	CM	\$ Per Hectare	214	15.0220000	3,213	D4	\$ Per Hectare	1,011	8.9230000	9,023
	CO	\$ Per Hectare	3,499	1.0520000	3,681	D5	\$ Per Hectare	135	3.5700000	483
	EC	\$ Per Hectare	8,627	1.7340000	14,959	MC	\$ Per Hectare	4,460	21.4000000	95,441

P1	\$ Per Hectare	206	122.8600000	25,354
P2	\$ Per Hectare	835	98.2880000	82,055
P3	\$ Per Hectare	410	36.8580000	15,098
P4	\$ Per Hectare	600	97.9490000	58,804
P5	\$ Per Hectare	375	78.3590000	29,423
P6	\$ Per Hectare	102	29.3850000	3,012

Scheme 397,546

Te Kawau

AC	\$ Per SUIP	552	84.2700000	46,517
C1	\$ Per Hectare	82	14.0220000	1,146
C2	\$ Per Hectare	849	0.5390000	458
CF	\$ Per Hectare	13,326	1.4210000	18,937
CR	\$ Per Hectare	713	3.3780000	2,408
CU	\$ Per Hectare	36	43.6810000	1,577
DA	\$ Per Hectare	1,637	1.8760000	3,070
DO	\$ Per Hectare	4,173	7.4850000	31,236
DR	\$ Per Hectare	314	10.0610000	3,160
DS	\$ Per Hectare	7,517	13.4300000	100,950
FK	\$ Per Hectare	207	11.1980000	2,316
FM	\$ Per Hectare	1,089	41.7350000	45,467
P1	\$ Per Hectare	40	48.2620000	1,935
P2	\$ Per Hectare	11	12.0660000	129
PR	\$ Per Hectare	333	15.9090000	5,298

Scheme 264,605

Whirokino

D1	\$ Per Hectare	111	70.9720000	7,903
D2	\$ Per Hectare	156	46.8420000	7,289
D3	\$ Per Hectare	4	7.0970000	29
D4	\$ Per Hectare	45	163.7430000	7,349
D5	\$ Per Hectare	26	65.4990000	1,689
F1	\$ Per Hectare	89	54.5940000	4,832
F2	\$ Per Hectare	4	32.7560000	133
F3	\$ Per Hectare	267	5.4600000	1,457
IN	\$ Per Hectare	457	5.1990000	2,378
P1	\$ Per Hectare	28	366.8810000	10,354
P2	\$ Per Hectare	16	146.7530000	2,395
P3	\$ Per Hectare	48	36.6890000	1,759

Scheme 47,566

Including GST **13,378,555**

Excluding GST **11,633,526**

Total Rates Summary (\$000)	Including GST	Excluding GST
General Rate	29,003	25,220
Uniform Annual General Charge	6,341	5,514
Sustainable Land Use Initiative (SLUI) UAC	5,027	4,372
Environmental Initiatives UAC	3,760	3,270
Drinking Water Monitoring and Research	123	107
Manawatū River Accord	511	445
River and Drainage Scheme	11,905	10,352
River and Drainage Scheme Rates (UAC)	1,474	1,281
Regional Park UAC	21	18
Biosecurity and Biodiversity Protection (per ha) Rate	1,698	1,476
Rangitīkei Environment Group greater than 4 ha	58	51
Rangitīkei Environment Group less than 4 ha	58	51
Public Transport	5,863	5,098
Waitārere Community Biodiversity Project	8	7
Lake Horowhenua Restoration	721	627
Sub Total	66,573	57,890
Penalties and Remissions	1,363	1,185
Total Rates Including Penalties and Remissions	67,936	59,075

River and Drainage Scheme Reserves Summary for the year ending 30 June 2024

Overview

Under our River and Drainage Scheme Activity, all of our schemes set aside funds in scheme-specific emergency reserve accounts. The purpose of these funds, as set out in our Infrastructural Asset Management Plans, is to:

- Meet costs of urgent and un-programmed works, usually associated with flood damage;
- Enable a rapid start on damage repairs, avoiding time delays associated with other funding mechanisms; and
- Fund the deductible in respect of an insurance claim.

The total estimated opening balance of these funds at 1 July 2023 is \$13.41 million. Deposits in total of \$0.86 million (including interest) and withdrawals in total of \$0.02 million are estimated to occur during the year. The total estimated closing balance of these reserves is \$14.25 million.

The table below shows the estimated opening balance for the respective reserve accounts, the amounts expected to be deposited into those accounts (including interest) over the term of the Plan, the amounts expected to be withdrawn from the accounts over that term, and the estimated closing balances at the end of the Plan.

Scheme Reserve Name	Estimated Opening Balance 1 July 2023 Credit/(Debit)	Transfers In Credit/(Debit)	Transfers Out Credit/(Debit)	Estimated Closing Balance 30 June 2024 Credit/(Debit)
Akitio River Scheme	18,595	-	-	18,595
Ashhurst Drainage Scheme	55,217	4,079	-	59,296
Forest Road Drainage Scheme	3,052	806	-	3,858
Foxton East Drainage Scheme	784,240	19,355	-	803,595
Haunui Drainage Scheme	12,428	266	(200)	12,494
Himatangi Drainage Scheme	12,434	953	-	13,387
Hōkio Drainage Scheme	72,065	993	-	73,058
Kahuterawa River Scheme	8,031	259	-	8,290
Koputaroa Drainage Scheme	170,727	5,691	(559)	175,859
Lower Kiwitea Scheme	357,727	23,216	-	380,943
Lower Manawatū Scheme	3,409,064	72,329	-	3,481,393
Lower Manawatū Scheme Special Projects	423,750	10,917	-	434,667
Lower Whanganui River Management Scheme	1,099,352	72,980	-	1,172,332

Makerua Drainage Scheme	115,472	5,035	-	120,507
Makirikiri Flood Control Scheme	23,402	526	-	23,928
Manawatū Drainage Scheme	232,662	17,609	-	250,271
Mangatainoka River Scheme	1,413,654	102,300	-	1,515,954
Matarawa Flood Control Scheme	153,137	4,057	-	157,194
Moutoa Drainage Scheme	107,099	3,515	-	110,614
Ohakune Flood Protection Scheme	57,745	1,442	-	59,187
Ōhau-Manakau Scheme	524,307	65,591	-	589,898
Pakihi Flood Control Scheme	11,594	3,047	-	14,641
Pohangina-Ōroua River Control Scheme	833,647	104,833	-	938,480
Porewa Flood Control Scheme	15,204	2,651	-	17,855
Rangitikei River Control Scheme	1,322,525	78,496	-	1,401,021
Ruapehu Scheme	82,209	1,090	-	83,299
South-East Ruahines Scheme	645,193	117,228	-	762,421
Tararua Scheme	47,370	1,208	-	48,578
Tawataia-Mangaone Scheme	22,048	1,914	-	23,962
Te Kawai Drainage Scheme	64,208	3,282	-	67,490
Turakina River Scheme	133,111	3,966	(15,000)	122,077
Tūtaenui Flood Control Scheme	16,141	1,536	-	17,677
Upper Manawatū-Lower Mangahao Scheme	503,981	57,993	-	561,974
Upper Whanganui River Scheme	316,667	9,847	-	326,514
Whangaehu-Mangawhero River Scheme	86,975	2,244	(4,000)	85,219
Whirokino Drainage Scheme	1,936	862	-	2,798
Amenity Enhancements - Contestable	250,801	59,186	-	309,987
Total Scheme Reserve	13,407,770	861,302	(19,759)	14,249,313

River and Drainage Scheme Capex Renewal Reserves Summary for the year ending 30 June 2024

Overview

In accordance with our new 30-Year Infrastructure Strategy we will, as from 1 July 2018, set aside funds in scheme-specific renewal reserve accounts. The purpose of these funds is to enable the renewal of infrastructure assets at the end of their useful lives, as assessed in accordance with Council's Asset Management policy.

The total estimated opening balance of these funds at 1 July 2023 is \$1.16 million. Deposits in total of \$0.34 million (including interest) and withdrawals in total of \$0.21 million are estimated to occur during the year. The total estimated closing balance of these reserves is \$1.29 million.

The table below shows the estimated opening balance for the respective reserves accounts; the amounts expected to be deposited into those accounts (including interest) over the term of the Plan, the amounts expected to be withdrawn from the accounts over that term and the estimated closing balances at the end of the Plan.

Renewal Scheme Reserve Name	Estimated Opening Balance 1 July 2023 Credit/(Debit)	Transfers In Credit/(Debit)	Transfers Out Credit/(Debit)	Estimated Closing Balance 30 June 2024 Credit/(Debit)
Ashhurst Drainage Scheme	1,881	-	-	1,881
Forest Road Drainage Scheme	3,778	200	-	3,978
Foxton East Drainage Scheme	4,426	630	-	5,056
Himatangi Drainage Scheme	3,080	489	-	3,569
Hōkio Drainage Scheme	3,309	516	-	3,825
Koputaroa Drainage Scheme	128,332	38,826	(13,050)	154,108
Lower Manawatū Scheme	17,227	-	-	17,227
Lower Whanganui Drainage Scheme	(6,598)	-	-	(6,598)
Makerua Drainage Scheme	256,324	74,395	(57,424)	273,295
Makirikiri Flood Control Scheme	43,267	3,500	-	46,767
Manawatū Drainage Scheme	205,696	55,928	(36,684)	224,940
Matarawa Flood Control Scheme	30,094	6,750	-	36,844
Moutoa Drainage Scheme	39,940	81,569	(55,000)	66,509
Ōhau-Manakau Scheme	174,255	10,098	-	184,353
Pakihi Flood Control Scheme	1,247	345	-	1,592
Pohangina-Ōroua River Control Scheme	(23,623)	-	-	(23,623)
Porewa Flood Control Scheme	27,084	5,100	-	32,184

South-East Ruahines Scheme	57,705	12,814	-	70,519
Tawataia-Mangaone Scheme	9,249	100	-	9,349
Te Kawau Drainage Scheme	164,035	44,726	(51,736)	157,025
Tūtaenui Flood Control Scheme	6,435	350	-	6,785
Upper Manawatū-Lower Mangahao Scheme	4,876	1,000	-	5,876
Whirokino Drainage Scheme	8,348	1,589	-	9,937
Total Scheme Reserve	1,160,367	338,925	(213,894)	1,285,398

Annual Administrative Charges for the year ending 30 June 2024

Pursuant to Section 36 of the Resource Management Act 1991, Section 243 of the Building Act 2004 and Section 150 of the Local Government Act 2002

A. Overview

Section 36 of the Resource Management Act 1991 (RMA), Section 243 of the Building Act 2004 and Section 150 of the Local Government Act 2002 (LGA) enables local authorities to fix charges for various administrative and monitoring activities. The Council sets charges on an annual basis in the Annual Plan or Annual Plan/Amendment.

The charges outlined here are for the period 1 July 2023 to 2024. They are for:

- Processing of resource consent applications (Section B)
- Compliance monitoring of resource consents (Section C)
- Research and monitoring (Section D)
- Dam consents, Project Information Memoranda (PIMs) and dam safety charges (Section E)
- Totara Reserve camping fees (Section F)
- Undertaking generic administrative functions (Section G)

These charges are based on cost recoveries specified in this Annual Plan. Projected recoveries for 2023-24 are \$2,155,299 for consents processing, \$1,368,387 for all compliance monitoring charges, and \$2,019,318 for contributions from resource users to research and science programmes.

Two statutes guide the Council in setting its administrative charges: the Revenue and Financing Policy prepared under the Local Government Act 2002 (LGA), and the criteria in Section 36 of the RMA. The matters to be considered under both Acts are similar and can be briefly summarised as follows.

Matching costs to benefits

Both Council's Revenue and Financing Policy and the Section 36 consent criteria led Council to decide that individual users should pay most of the costs of resource administration or monitoring where the benefits are enjoyed by consent holders rather than the community as a whole (exacerbator and beneficiary pays principles). The charges reflect this. Where beneficiaries cannot be individually identified, then charges are made against a group of beneficiaries. Examples are for monitoring surface water flows, and groundwater quality and quantity monitoring.

In setting its charges, the Council also considers one further principle.

Equity

Classes of users should be treated in the same manner. To achieve this, charges for basic inspections are applied equitably across the region, with travel costs charged uniformly irrespective of location. More detailed inspections will be charged on an actual and reasonable basis, particularly in instances of non-compliance.

B. Resource consent processing charges

The RMA enables Council to recover all reasonable costs incurred in respect of particular activities to which the charge relates. These costs are largely associated with (but not limited to) the receiving, processing, granting and monitoring of resource consents, as well as the change or cancellation of conditions, reviews, certificates of compliance and deemed permitted activities (DPAs).

The net costs of services for this output reflect Council's policies as follows:

- Council’s policy is to recover from applicants, 100 per cent of the actual and reasonable costs of receiving, processing and granting resource consent applications and their subsequent administration and monitoring. It should be noted that some community-based applications (excluding territorial authorities) will, at the sole discretion of Council, not be charged with the full cost of processing consents
- Council’s policy is to recover its actual and reasonable costs associated with monitoring compliance of resource consents
- Council officers are available to assist with queries before a resource consent application is lodged. There is no charge for the first hour of pre-application assistance. After the first hour, Council’s policy is to charge for this service, and
- In accordance with the Resource Management (Discount on Administrative Charges) Regulations 2010, where Council fails to process resource consent applications, including applications seeking to change or cancel conditions under Section 127 within statutory timeframes, Council will provide a discount of 1 per cent per day, up to a maximum of 50 working days. Council does not have to provide a discount in relation to applications seeking to extend lapse dates under Section 127 as this is not provided for under these Regulations.

When dealing with applications under the RMA, including, among others, consent applications, applications seeking to vary consents or initiating consent reviews, applications for certificates of compliance, existing use and DPAs, requests under Section 100A of the RMA and objections pursuant to Section 357AB of the RMA, Council will recover costs via a combination of fixed charges (as initial deposits), which are detailed below; and additional charges where the initial deposit is insufficient. The deposit is set by reference to the average costs for processing various consent types, whilst the additional charges are recovered on the basis of the hourly rate of the staff involved. These hourly rates are determined using actual employment costs plus a factor to cover administration and operating costs in receiving, processing, granting and monitoring resource consents. A similar approach is taken to compliance monitoring charges, as detailed later in this section.

Application Charges

Section 36(1)(b) of the RMA enables Council to recover from applicants, its actual and reasonable costs in carrying out its functions in relation to the receiving, processing and granting of resource consent applications (including consent variations, certificates of compliance and existing use certificates). Council is also permitted, under Section 36, to recover its costs associated with various activities including, for example, resource consent reviews (Section 36(1)(cb) and issuing notices for DPAs (Section 36(1)(ae)).

Application charges involve payment of an initial fixed deposit (minimum application fee) at the time an application is lodged with Council. Where an application is to be limited or publicly notified, a further fixed deposit is required to be paid to Council one week prior to notification occurring. In instances where the total cost of processing an application is not fully covered by the fixed deposit(s), an additional charge(s) will be made under Section 36(5) of the RMA to recover the actual and reasonable costs incurred by the Council in carrying out its statutory functions.

Unless the initial fixed deposit(s) are paid in full when applications are first lodged and/or when additional charges for limited notified or fully notified consents are required, Council reserves its right under Section 36AAB(2) of the RMA to suspend processing an application until the charge has been paid.

Fixed initial deposits for applications

The following tables set out the fixed initial deposit amounts for various types of activities, payable on lodgement of application. As set out above, if the application is to be limited or publicly notified, a further fixed deposit will be required one week prior to notification occurring – see below for details as to the fixed initial deposits for notified consent application processes.

ACTIVITY TYPE	Fixed Initial Deposit GST Inclusive
Utilising Groundwater	
For stock purposes	\$885.50
For irrigation	\$1,863.00
Other uses	\$1,115.00
Utilising Surface Water	
For stock purposes	\$977.50
For irrigation	\$1,207.50
Other uses	\$1,150.00
For damming and diversion of water	\$1,150.00
Utilising Land	
Within a coastal area (excluding marine farms)	\$920.00
Drilling of a well or bore	\$575.00
For intensive farming purposes	\$1,725.00
Use or disturbance of land (e.g. earthworks, vegetation clearance and land-based gravel extraction)	\$920.00
Use or disturbance of land and vegetation clearance – infield consents	\$200.00
Land disturbance and vegetation clearance associated with forestry activities (including activities that require consent under the NES-PF)	\$920.00
Activities associated with the NES-FW	\$940.00
Discharging Contaminants (Excludes Intensive Farming)	
Discharges to land	\$885.50
Discharges to water	\$1,150.00
Discharges to air	\$1,150.00
Works in Beds of Rivers or Lake	
Extraction of gravel	\$1,667.50
Culvert	\$885.50
Bridge	\$885.50

ACTIVITY TYPE	Fixed Initial Deposit GST Inclusive
Certificate of Compliance	\$885.50
Deemed Permitted Activity	\$885.50
Existing Authorised Activities	
Review (Section 128)	\$885.50
Addition of land parcels	\$200.00
Transfer activity location	\$885.50
Transfer of consent	\$100.00
Existing use certificate	\$885.50
Variation (Section 127) – administration conditions only (see notes below)	\$500.00
Variation (Section 127) – all other conditions (see notes below)	\$885.50
Other	
Covers the processing of resource consents that do not fit within the consent activities above.	\$885.50

Notes:

1. NES-PF refers to the Resource Management (National Environmental Standards for Plantation Forestry) Regulations 2017.
2. NES-FW refers to the Resource Management (National Environmental Standards for Freshwater) Regulations 2020.
3. Administrative conditions include monitoring and reporting requirements. All other conditions relate to avoiding, remedying or mitigating adverse effects on the environment (e.g. water quality standards, construction methodology, maintaining environmental flows etc.).
4. Resource consent reviews initiated by Council will take place regardless of whether the consent holder pays the initial fixed deposit or not. The consent holder will be liable for the actual and reasonable costs incurred at the end of the review.

Further fixed deposit for notified applications

If an application is required to be limited or publicly notified, the Council will require a further fixed deposit as set out below. This deposit is in

addition to the initial fixed deposit. The further fixed deposits also apply to applications lodged seeking to vary conditions of a consent or a review of conditions initiated by Council.

NOTIFICATION TYPE	Further Fixed Deposit GST Inclusive
Limited notification	\$7,500.00
Publicly notified (full notification)	\$20,000.00

Hearing by a commissioner if requested by applicant or submitter

Section 36(1)(aa) and (ab) enables Council to set charges in the event an applicant or submitter makes a request in writing, pursuant to Section 100A of the RMA that Council delegate its functions, powers and duties required to hear and decide an application to one or more hearing commissioners who are not members of Council. In the event this occurs, a fixed preliminary deposit, as detailed below, is required to be paid to Council upon the request being made pursuant to Section 100A of the RMA. Where fixed preliminary deposit is insufficient, then actual and reasonable costs will be recovered from the applicant or submitter in accordance with Section 35(6), and as detailed in the Schedule of Additional Charges. The charge detailed below is to be paid to Council upon the request being lodged with Council.

HEARING BY A COMMISSIONER IF REQUESTED BY APPLICANT OR SUBMITTER	Fixed Preliminary Deposit GST Inclusive
Hearing by a commissioner if requested by applicant or submitter.	\$5,000.00

Objections

Section 36(1)(af) of the RMA enables Council to set charges when considering an objection under Section 357A(1)(f) or (g) if a person requests under Section 357AB that the objection be considered by a hearing commissioner. In the event this occurs, a fixed preliminary deposit as detailed below is required. In the event costs exceed this

amount, actual and reasonable costs will be recovered from the applicant under Section 36(5), and as detailed under the Schedule of Additional Charges. The charge detailed below is to be paid to Council upon the request being lodged with Council.

OBJECTIONS UNDER SECTION 357(1)(f) or (g)	Fixed Preliminary Deposit GST Inclusive
Objection	\$5,000.00

Direct referral

Where an application is to proceed via direct referral to the Environment Court, all actual and reasonable costs incurred by Council up until formal referral to the Environment Court, will be recovered from the applicant under Section 36 of the RMA. All costs incurred after that will be recovered by agreement with the applicant or by way of application to the Environment Court under Section 285 of the RMA.

Notes

In the event that there are applications involving multiple consents, the initial deposit charge will apply to each separate consent forming part of the proposal.

Applicants will be charged all actual and reasonable costs above the deposit fee. Such costs may include, without limitation, Council officer time, consultants, hearing commissioners, technical advisors and the like (plus disbursements). Hourly rates are set out in the Schedule of Additional Charges.

Council will provide an estimate of any additional charge when requested to do so. This is required under Section 36(6). Interim monthly invoices will also be provided for notified applications on request, or where appropriate to assist with tracking of actual and reasonable costs.

Where the initial deposit exceeds the actual and reasonable costs, the difference will be refunded to the applicant.

Where an application is withdrawn, the initial fixed deposit will be refunded, minus costs incurred by Council in processing the consent prior to the application being withdrawn. In the event costs incurred by Council exceed the deposit amount, these actual and reasonable costs will be recovered from the applicant.

The Council may remit any charge referred to in the tables, in part or in full, on a case by case basis, and solely at Council's discretion. There will be no charge for the first hour of Council officer time in responding to queries in advance of a resource consent application being lodged. After the first hour, costs will be accrued, and applicants (or potential applicants) will be invoiced for staff time, and consultant and technical costs, plus disbursements whether an application is lodged or not.

Mileage will be charged at the applicable Inland Revenue Department rate, when the travel is incurred. In relation to staff travel time, each visit may only be charged to a maximum of 2 hours per visit. This ensures those consent applicants or consent holders who are located in remote locations are not unduly penalised.

Costs for hearing commissioners will be recovered at actual and reasonable rates, including disbursements. Costs associated with councillors will be recovered at the rates identified in the Other Charges table, detailed below.

These charges shall come into effect on 1 July 2023 and remain in effect until 30 June 2024.

Schedule of additional charges

The processing of consent applications (including certificates of compliance and existing use certificates), any review and variation processes and the issue of DPA notices may require further charges that exceed the fixed preliminary deposit or further fixed deposit identified above. In these cases, the following schedule of charges shall form the basis for calculating and charging actual and reasonable costs under Section 36(5). Any additional charges will have regard to the factors in Section 36(4) of the RMA.

Applicants have the ability to object to additional charges levied by the Council under Section 36(5) on the basis that they do not reflect actual costs or are unreasonable, but a similar right does not exist in respect of the fixed deposits set out above.

Methodology

Additional charges are calculated by multiplying staff time (including travel) by the hourly rate (as set out below), plus disbursements (such as specialist advice).

Charges for council officers and decision-makers

The hourly rates for Council officers and decision-makers will be relied on when calculating any additional charges under the RMA (both processing and monitoring components). All hourly rates are GST exclusive. Please note that not all positions are detailed in the list below. In these circumstances, the hourly rate will be calculated based on actual employment costs plus a factor to cover administration and operating costs in receiving, processing, granting and monitoring resource consents.

Staff hourly charge rates

ROLE	Hourly Rate GST Exclusive
Consents Administrator	\$66
Consents Monitoring Officer	\$88
Consents Planner	\$89
Senior Consents Planner	\$114
Senior Communications Advisor	\$103
Team Leader Consents	\$122
Team Leader Compliance	\$144
Scientist	\$112
Senior Scientist	\$133
Rural Industry Advisor	\$119
Freshwater & Partnerships Manager	\$175
Investigations & Design Manager	\$175
Regulatory Manager	\$175
Group Manager	\$200
Commissioner	At Cost Plus Disbursements
Hearings Committee Chair and Members	At Cost Plus Disbursements

Other charges

DESCRIPTOR	Charge Rate GST Exclusive
Pre-lodgement checking and advice (first hour)	\$0.00
Pre-lodgement checking and advice (subsequent hour)	@ Hourly Rate
Replacement copies and other documents (per page)	\$1.00
Consultant and solicitor fees	At Cost Plus Disbursements
Specialist or technical services	At Cost Plus Disbursements
Legal advice	At Cost Plus Disbursements
Hearings	At Cost
Production of order papers	At Cost
Advertising costs	At Cost Plus Disbursements
Independent commissioners	At Cost Plus Disbursements
Hearing committee chair and members	At Cost Plus Disbursements
Councillor as chairperson of a hearing	\$100 per Hour of Hearing Time
Councillor on a hearing (but not chairperson)	\$80 per Hour of Hearing Time

Notes

Solicitor fees include, but are not limited to, costs associated with attendance at consent hearings and court.

C. Compliance monitoring charges

Pursuant to Section 36(1)(c) of the RMA, Council can recover the actual and reasonable costs associated with the monitoring and supervision of resource consents and certificates of compliance. This includes the costs associated with assessing whether consent holders are complying with their resource consents. How much compliance monitoring is required will vary depending on the nature of the activity, its size and frequency, and the potential for environmental effects.

Additionally, under Section 36(1)(cc) Council can recover costs associated with monitoring those activities permitted by a national environmental standard (NES) if that NES provides for monitoring the costs associated with the NES.

Council can also, under Section 35 of the COVID-19 Recovery (Fast-track Consenting) Act 2020, recover costs associated with monitoring activities permitted under that same Act. Note: under Section 36 of the RMA, Council can, if costs exceed these charges, seek to recover additional costs on an actual and reasonable basis from resource users. This will be done at the sole discretion of Horizons.

Under Section 150 of the LGA, where Council receives a complaint about a person or organisation carrying out an activity that does not comply with the RMA, and that person is subsequently found to be non-compliant, Council will charge that person or organisation for the cost of any inspection it undertakes in relation to that activity. An initial minimum charge of \$194 excl. GST will apply to all incidents inspected which covers travel time, inspection time, identification of relevant parties and any follow-up administration (e.g. entering outcomes into database, follow-up correspondence, etc).

Any additional charges will only be made to cover actual and reasonable costs from the person or organisation who is found to be non-compliant with the RMA.

Apart from those activities listed in the fixed schedule of charges below, annual costs associated with monitoring resource consents, and any NES, will be recovered via a combination of a fixed annual preliminary charge (as a deposit) and additional charges where the initial charge is insufficient, based on:

- Staff time multiplied by the chargeable hourly rate identified in Schedule of Charges, plus disbursements (such as specialist advice).

The fixed annual preliminary charge accounts for costs associated with the first compliance assessment, with any further time to undertake the total annual monitoring activity recovered through additional charges based on actual and reasonable costs. Additional charges (over and above the annual preliminary charge) will also account for extra compliance monitoring (including site visits, sampling, assessment, reporting and follow up processes), which is required as a result of non-compliance with consent conditions.

In the event consultants are required to assist in monitoring compliance, the costs associated with this will be recovered from the consent holder, at cost plus disbursements.

Annual fixed charges

ACTIVITY TYPE	Fixed Charge GST Inclusive
Aquifer drilling and on-going monitoring	\$224.00
Farm culverts, bridges and fords (excludes those required under intensive land-use consents and associated with infrastructure projects)	\$224.00
Domestic on-site wastewater	\$224.00

Fixed annual preliminary compliance charge

ACTIVITY TYPE	Fixed Annual Preliminary Compliance Charge GST Inclusive
Freshwater	
Telemetered irrigation and stock water takes	\$122.00
Un-telemetered stock water takes	\$224.00
Un-telemetered irrigation takes	\$224.00
Municipal water takes	\$327.00

ACTIVITY TYPE	Fixed Annual Preliminary Compliance Charge GST Inclusive
Major industrial water takes: Category 1 and Category 2 sites	\$941.00
Minor industrial water takes: Category 3 and Category 4 sites	\$429.00
Waste Management	
Major discharges to water: Category 1 to Category 3 municipal wastewater treatment plant discharges, plus other Category 1 and Category 2 industrial discharges to water	\$1,043.00
Minor discharges to water: Category 3 and Category 4 discharges to water	\$326.00
Major discharges to air: Category 1 and Category 2 discharges to air	\$1,043.00
Minor discharges to air: Category 3 to Category 4 discharges to air	\$429.00
Major discharges to land: Category 1 and Category 2 discharges to land	\$1,043.00
Minor discharges to land: Category 3 and Category 4 discharges to land	\$327.00
Other on-site wastewater	\$327.00
Rural	
Farm dairy effluent	\$224.00
Intensive land use	\$224.00
Piggery discharges	\$429.00
Infrastructure	
Major use or disturbance of land (e.g. earthworks, vegetation clearance, land-based gravel extraction and quarry operations) – earthworks that have a medium to high risk of discharging into the receiving environment	\$839.00
Minor use or disturbance of land (e.g. earthworks, vegetation clearance, land-based gravel extraction and quarry operations) – earthworks activities that	\$429.00

ACTIVITY TYPE	Fixed Annual Preliminary Compliance Charge GST Inclusive
have a low risk of discharging into receiving environment	
Land disturbance, vegetation clearance and other activities associated with forestry activities (including activities that require consent under the National Environmental Standard Production Forestry)	\$429.00
Major discharge of stormwater – Category 1 and Category 2 discharges	\$1,043.00
Minor discharge of stormwater – Category 3 and Category 4 discharges	\$225.00
Works in beds of rivers or lakes, including gravel extraction and construction of culverts, bridges and fords	\$225.00
Activities Permitted by a National Environment Standard	
National Environmental Standard for Plantation Forestry (NES-PF)*	\$429.00
National Environment Standard for Freshwater (NES-FW)**	\$224.00
National Environmental Standards for Storing Tyres Outdoors (NES-STO)***	\$224.00
Other Activities	
Covers activities that require resource consent that do not fit within the consent activities above, but which may have environmental effects and will require some supervision and monitoring by Council	\$429.00

*The NES-PF specifies which activities councils may charge for through Regulation 106, These activities relate to earthworks (Regulation 24), river crossings (Regulation 37), forestry quarrying (Regulation 51) and harvesting (Regulation 63(2)).

**The NES-FW provides for recovery of costs for monitoring of permitted activities under Part 4 of the NES-FW.

***Section 16 of the NES-STO provide for the recovery of costs for monitoring of permitted activities.

Annual consents administration charge

The resource consent annual administration charge fee of \$50 excluding GST per consent, contributes to the costs Council incurs in undertaking its consenting, monitoring and administrative functions required under the RMA. This includes maintaining consent and compliance information, reviewing annual charges and ensuring information on our databases and files is accurate and current. This charge is the same for all categories of resource consent.

Annual charges apply to all current resource consents.

The charges apply regardless of whether the consent is being monitored or used. The reason being the consent holders either actively use their resource consents and derive direct private benefit from that use, or if they are not, are reserving the right to use a resource or carry out an activity, which in turn may limit others from holding similar resource consents. If a consent holder is not using a consent and does not wish to pay charges, they have the option of surrendering their resource consent. This is provided for under section 138 of the RMA.

D. Research and Monitoring Charges

The following charges, made pursuant to Section 36(1)(c) of the RMA, are payable by holders of resource consents and offset the Council's costs for its surface water, ground-water, and gravel resource research and monitoring programmes.

Overview of charging policy

The net cost of services for this output reflects Council's policies as follows:

- Council's policy (as outlined in the Revenue and Financing Policy) is to recover from consent holders, 60 per cent of the costs of research and monitoring relating to gravel resources and 30 per cent of the costs relating to water quantity. For water quantity charges, Council has introduced a scale of fees based on restrictions on water takes and portions of the year during which the take occurs, and
- Council's policy (as outlined in the Revenue and Financing Policy) is to recover from consent holders 30 per cent of the costs of research and monitoring relating to water quality.

Schedule of charges

Charges for surface and groundwater takes

Standard Charges	
Water Quantity Environmental Monitoring Base Charge	\$30.63
Water Quantity Environmental Monitoring (based on maximum daily rate)	\$0.72 per m ³
Non-domestic Power Schemes	
Draw and Discharge or Abstract less than 0.05 m ³ /second	Nil
Draw and Discharge or Abstract between 0.05 - 0.2 m ³ /second	\$222.34
Hydro Electricity Power Scheme Fixed Charges	
KCE Mangahao Limited	Mangahao – \$11,388

Genesis Power Limited	Tongariro Power Development – \$44,600 Plus additional costs for specific projects as per the Schedule of Administrative Charges.
NZ Energy Limited	\$2,051
KCE Piriaka	\$11,388

Other Permits

Other holders of permits	A charge of \$30.63 plus \$0.72 per cubic metre authorised as a maximum daily take.
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Land Use Permits (fluvial resources/gravel extractions)

Holders of land use consents to remove gravel* \$0.42 per cubic metre extracted.

- The cost of gravel per cubic metre rate is calculated as the overall required revenue divided by the expected total volume extracted in cubic metres, plus a 15 per cent contingency.
- The costs may change throughout the Long-term Plan if there are strong environmental or river engineering benefits.

Water quality charges for discharge consents

Discharge Monitoring	2023-24 Annual Fee
AFFCO Feilding	\$5,109
Fonterra – Longburn	\$3,475
Fonterra – Pahiatua	\$1,746
Horowhenua District Council	\$4,582
Manawatū District Council	\$25,807
NZ Defence Force	\$7,301
Palmerston North City Council	\$9,456
Rangitīkei District Council	\$27,574
Riverlands Manawatū	\$4,292

Discharge Monitoring	2023-24 Annual Fee
Ruapehu District Council	\$29,523
Scanpower	\$2,629
Winstone Pulp	\$4,998

Consent Monitoring (Contracted)	2023-24 Annual Fee
Tararua District Council	As per contract

State of Environment Monitoring and Research Type and Quantity	2023-24 Annual Fee
Discharge to Land <25 m ³ /day	\$256
Discharge to Land 25 to 50 m ³ /day	\$341
Discharge to Land 50 to 100 m ³ /day	\$512
Discharge to Land 100 to 200 m ³ /day	\$682
Discharge to Land 200 to 1,000 m ³ /day	\$2,274
Discharge to Land 1,000 to 10,000 m ³ /day	\$2,558
Discharge to Land >10,000 m ³ /day	\$2,842
Discharge to Water <25 m ³ /day	\$512
Discharge to Water 25 to 50 m ³ /day	\$682
Discharge to Water 50 to 100 m ³ /day	\$1,023
Discharge to Water 100 to 200 m ³ /day	\$1,364
Discharge to Water 200 to 1,000 m ³ /day	\$4,547
Discharge to Water 1,000 to 10,000 m ³ /day	\$5,116
Discharge to Water >10,000 m ³ /day	\$5,684
Unspecified Volume Discharge	\$2,842
Land Fill – High Impact	\$5,684
Land Fill – Medium Impact	\$853
Land Fill – Low Impact	\$284

- Categorisation of landfills as 'high', 'medium' or 'low' impact takes into account key factors regarding the site and its operation are taken into account. These include, but are not limited to, site risks, pathways for contamination and the nature of the receiving environment.

Notes:

1. All charges are payable on request.
2. These charges shall come into effect on 1 July 2023 and remain in effect until 30 June 2024. These charges are reviewed annually for each Annual Plan and are likely to increase in line with increased costs.
3. In setting these charges, the Council has had regard to the criteria set out in Section 36 of the Resource Management Act 1991.
4. All charges are exclusive of GST.
5. Where the consent does not cover the full year, all research and monitoring annual fees and/or cubic metre charges will be pro-rated based on the commenced and/or expiry dates of the consent. This excludes the surface and groundwater charge of \$30.63.
6. Specified fees for discharge monitoring and consent monitoring apply to specific consents holders, and are additional to general State of Environment Monitoring and Research charges.

E. Dam consents, project information memoranda (PIMs) and dam safety charges

The following charges, made pursuant to Section 243 of the Building Act, are payable by dam owners and related to goods and services provided by Council staff. While fixed charges have been set, it is Council policy to recover actual and reasonable costs incurred on behalf of dam owners in relation to dam consents, PIMs and dam safety work.

Overview of charging policy

The net costs of services for this output reflect Council's policies as follows:

- a. Council's policy (as outlined in the Revenue and Financing Policy) is to recover 100 per cent of costs from dam owners.

Schedule of Charges

Dam consent, PIM and safety work charges

Please note these charges are the minimum charges. Additional charges may be incurred based on actual and reasonable costs for staff time, expert advice and other disbursements.

ACTIVITY TYPE	Fixed Minimum Charge	Lodgement Fee
Dam Project Information Memoranda (PIM)	\$1,000	\$1,000
(i) Large Value Dam (above \$100,000)	\$750	\$750
(ii) Medium Value Dam (\$20,000 to \$99,999)	\$500	\$500
(iii) Small Value Dam (\$0 to \$19,999)		

ACTIVITY TYPE	Fixed Minimum Charge	Lodgement Fee
Dam Building Consent and Certificate of Acceptance *1		
(i) Large Value Dam (above \$100,000)	\$1,000	\$1,000
(ii) Medium Value Dam (\$20,000 to \$99,999)	\$750	\$750
(iii) Small Value Dam (\$0 to \$19,999)	\$500	\$500
*1 The charges associated with building consent applications are those that are directly applied by Waikato Regional Council (WRC) as these functions have been transferred to WRC. It is therefore advised to contact WRC (www.waikatoregion.govt.nz) to check building consent application charges and charge-out rates. Please note that building consents incur BRANZ and Department of Building and Housing levies. These are payable to WRC		
Lodge dam potential impact category	\$100	\$100
Review dam safety assurance programme	\$100	\$100
Lodge annual dam safety compliance certificate	\$100	\$100
Policy implementation – dangerous dams, earthquake-prone dams and flood-prone dams	\$100	\$100
Amendment to compliance schedule	\$100	\$100
Any other activity under the Building Act 2004 (actual and reasonable costs)	\$100	N/A

Charges for council officers and decision makers

The hourly rates (stated in the table found on page 84) for the council officers and decision makers will be charged for work under the Building Act 2004 that do not have a fixed charge or where the fixed charge is inadequate to cover the actual and reasonable costs of Council.

F. Totara Reserve

The following charges are made pursuant to Sections 103(2) of the LGA and are payable by campers at the Totara Reserve.

Overview of charging policy

The net costs of services for this output reflect Council's policies as follows:

- Council's policy (as outlined in the Revenue and Financing Policy) is to recover from campers more than 30 per cent of the costs of running the Totara Reserve Camp.

Schedule of charges

Camp fees

Powered site:	\$37.00 (for two people) plus \$6.00 per person per night
Non-powered site:	\$16.00 (for two people) plus \$6.00 per person per night
Children under 5:	Free

Camp Rangī Woods Rental

As negotiated with the Camp Rangī Woods Trust Board.

Notes:

- All charges are payable on request.
- These charges shall come into effect on 1 July 2023 and remain in effect until 30 June 2024.
- All charges are inclusive of GST.

G. Other administrative charges

The following charges are made pursuant to Sections 36(1)(a), (c), (e) and (f) of the RMA, and/or Section 13 of the Local Government Official Information and Meetings Act 1987 (LGOIMA), and are payable firstly by applicants for the preparation or change of a policy statement or plan; secondly by persons seeking information in respect of plans and resource consents; and finally, by persons seeking the supply of documents.

Schedule of charges

Application for the preparation of a plan	A deposit of \$1,000 or the actual and reasonable costs of notification, whichever is the greater.
Application to change a policy statement or plan	A deposit of \$600 or the actual and reasonable costs of notification, whichever is the greater.
Information for general education/public use and normal public enquiries	No charge for first half hour or 20 A4 photocopies. Beyond that, actual and reasonable costs may be charged.
Information for planning, technical and commercial purposes	Actual and reasonable cost recovery.

Photocopies	Black and White	Colour
A4 single sided	10c per page	60c per page
A4 double sided	20c per page	\$1.20 per page
A3 single sided	20c per page	80c per page
A3 double sided	40c per page	\$1.60 per page
A2 single sided	\$14.00 per page	Not available

Copying charges are GST inclusive and should be paid immediately by cash or eftpos. For large amounts, credit may be approved on application.

Supply of Council documents	A set charge may be made for recovery of production costs.
Request for information from Council databases	After first half hour, \$90 per hour.

Notes:

1. Staff costs per hour will be charged as per the table on page 84.
2. These charges shall come into effect on 1 July 2023 and remain in effect until 30 June 2024.
3. In accordance with Section 13 of the LGOIMA, a deposit for part of a charge for Council information may be sought in advance of a request being actioned.
4. In making these charges, the Council has had regard to the criteria set out in Section 36 of the RMA, and the practice guides accompanying the LGOIMA.
5. All charges are exclusive of GST.

Annual Plan Disclosure Statement for the year ending 30 June 2024

What is the purpose of this statement?

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

The council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Limit	Planned	Met
Rates affordability benchmark			
• income	\$56.38M	\$55.43M	Met
• increases	10.0%	8.1%	Met
Debt affordability benchmark	\$175.16M	\$72.18M	Met
Balanced budget benchmark	100%	118%	Met
Essential services benchmark	100%	1,433%	Met
Debt servicing benchmark	15%	1.48%	Met

Notes

1 Rates affordability benchmark

(1) For this benchmark,—

(a) the council’s planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the council’s long-term plan; and

(b) the council’s planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the council’s long-term plan.

(2) The council meets the rates affordability benchmark if—

(a) its planned rates income for the year equals or is less than each quantified limit on rates; and

(b) its planned rates increases for the year equal or are less than each quantified limit on rates increases

2 Debt affordability benchmark

(1) For this benchmark, the council’s planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the council’s long-term plan.

(2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

(1) For this benchmark, the council’s planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

(2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

(1) For this benchmark, the council’s planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

(2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

(1) For this benchmark, the council's planned borrowing costs are presented 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).

(2) Because Statistics New Zealand projects that the council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.



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