

Introducing the Land and Water Management Group of Activities

What is included in this group?

This group of activities includes our Land Management, Water Quality and Quantity, and Resource Consent and Pollution Management activities.

Our Land Management Activity aims to guard and manage our Region's land and soil for current and future generations. The Water Quality and Quantity Activity seeks to preserve the quality and quantity of our water supplies while at the same time allowing our water resource to be used for the economic and social goals of our community. Our Resource Consent and Pollution Activity seeks to manage wisely and protect the Region's land and water resources.

Why does Council deliver this group of activities?

We undertake this group of activities as it strongly contributes to the following community outcomes:

- Land Management
- Water Quality
- Water Quantity
- Flood Protection
- Coastal Environmental Management

In addition the group also contributes to the following community outcome:

- Managing Indigenous Biodiversity

These activities are grouped together as they all affect our rivers and water sources and have a high degree of interconnectivity. Work in one activity will contribute to the community outcomes of the other activities. For example, erosion protection work under our Land Management Activity will not only contribute to the land management community outcome (through sustainable management of our soil), it will also benefit the water quality outcome (through less sediment resulting in higher water quality). Our Resource Consent and Pollution Activity protects all aspects of our Region's natural resources.

Significant negative effects on the community goals

While none of the activities in this group have significant negative impacts on any of the four goals, there are trade-offs between some of the community goals. Work on protecting land, water and air quality will benefit environmental goals and may restrict economic goals. However, in order to sustainably live in the Region, this trade-off is required so long-term economic, social and cultural goals can be maintained.

Highlights

Land Management

In the 2015-25 LTP we signalled our continued support for the Land Management Activity, which includes SLUI, Whanganui Catchment Strategy and other general land programmes. During the term of the 2016-17 Annual Plan we will bring 20,000 ha of land under a Whole Farm Plan and treat (plant or mitigate issues) over 2,800 ha of highly erodible land (land at risk of accelerated erosion). A further 200 ha of erodible land will be treated in the Whanganui Catchment and an additional 150 ha of other land in the wider catchment also suffering from erosion and soil issues will be treated. To complete these works we will spend \$6.23 million in 2016-17, of which the regional community will fund \$4.56 million.

Water Quality and Quantity

As agreed in the LTP, this Plan will continue to expand our research and monitoring programme of the Regional water (quality and quantity) at a cost of \$6.09 million for 2016-17 to not only seek water quality improvements but to also support economic development. The increase in funding will allow us to increase research in areas such as the interaction between ground and surface water, periphyton science, and lake and estuaries water quality. Of the total research budget, the Region's ratepayers will pay \$4.7 million and water consent holders \$1.4 million for 2016-17.

As agreed in the LTP we will maintain the protection programmes aimed at our priority waterways by undertaking projects and supporting landowners, community and iwi groups by making grants aimed at delivering improved water quality outcomes. This will cost \$160,000 in 2016-17, which is funded by ratepayers in the form of a General Rate.

The Manawatu River Accord programme that aims to improve water quality throughout the catchment will continue. This will cost \$410,000 for 2016-17 and is entirely funded by the ratepayers in the Manawatu Catchment. We will fence off 45 km of the catchment over 2016-17 while improving whitebait and indigenous fish habitats in 10 sites.

This Plan also sees the inclusion of additional funding to clean up Lake Horowhenua. In association with Horowhenua Lake Accord members (iwi owners, landowners and the district) we aim to harvest 50 ha of weed a year to improve water quality in the lake. This Annual Plan includes \$180,000 toward continuing the resource consenting process to get the necessary permissions in place to enable this important restoration work to get underway. This will be funded mainly by ratepayers (80 per cent) in the Horowhenua district. Weed harvesting and other initiatives in and around the Lake will contribute to improved water quality with the ultimate aim of allowing safe recreational access to the Lake.

Resource Consent and Pollution Management

We will continue our granting and monitoring of consents with emphasis on those consents that impact most on the Region's environment. Over the 2016-17 year we will focus consent processing on those land use consents associated with intensive agriculture and consents relating to territorial authority discharges. We will spend \$3.6 million in 2016-17 on this activity with the majority of these costs (\$2.0 million) being funded by consent holders.

Land and Water Management Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
LAND MANAGEMENT	5,007	5,640	6,197	6,226
WATER QUALITY AND QUANTITY	5,821	5,641	6,160	6,087
RESOURCE CONSENT AND POLLUTION MANAGEMENT	3,533	2,958	3,054	3,629
Total Operating Expenditure	14,361	14,239	15,411	15,942
Capital Expenditure	522	782	404	406
Total Funding Required	14,883	15,021	15,815	16,348
Funded By				
User Fees and Other Revenue	6,749	4,833	4,845	5,277
Individual Rates	406	486	570	557
Common Rates	8,681	9,407	10,187	10,301
Loans and Reserves	(953)	294	213	212
Total Funded	14,883	15,021	15,815	16,348

Capital Expenditure \$000	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	522	782	404	406
Total Capital Expenditure	522	782	404	406

Prospective Funding Impact Statement for the Land and Water Management Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	8,681	9,407	10,187	10,301
Targeted rates	406	486	570	557
Subsidies and grants for operating purposes	2,708	1,371	1,190	1,190
Fees and charges	4042	3,429	3,601	4,034
Internal charges and overheads recovered	-	33	54	54
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	15,836	14,727	15,602	16,136
Applications of Operating Funding				
Payments to staff and suppliers	5,889	5,421	6,269	6,727
Finance costs	-	-	-	-
Internal charges and overheads applied	8,394	8,685	9,014	9,087
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	14,284	14,106	15,283	15,814
Surplus (Deficit) of Operating Funding (A-B)	1,552	621	319	322
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	522	782	404	406
Increase (decrease) in reserves	1,030	(161)	(84)	(84)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	1,552	621	320	322
Surplus (Deficit) of Capital Funding (C-D)	(1,552)	(621)	(320)	(322)
Funding Balance	-	-	(1)	-
Depreciation	77	132	129	128



Land Management Activity

Overview

The Land Management Activity covers Horizons' main land-based initiatives: the Sustainable Land Use Initiative (SLUI), the Whanganui Catchment Strategy (WCS) and our Regional Land and Coastal Programme. All these initiatives aim to protect and manage our Region's vital assets – its land and soil.

Hill country farming is important to our Region's economy. In the past removal of trees and intensifying land use has resulted in accelerated rates of soil erosion. This leads to reduced productive capacity of soils for farming, and generates sediment that enters our streams and rivers. The sediment increases the flood risk downstream by reducing the river's carrying capacity, and also causes a decline in water quality and loss of native aquatic habitats.

Landcare Research modelling in 2014 concluded that the implementation of SLUI without any more new farm plans or works implementation from 2005 to 2014 is predicted to reduce the annual sediment load in the Region's rivers from 13.4 million tonnes in 2004 to 12.2 million tonnes of sediment by 2043. This is a 9 per cent reduction. The 2015-25 LTP approach to continuing SLUI predicted to result in an average reduction of 30 per cent overall in the Region, and over 50 per cent within some priority catchments. At the rate of work signalled in this Plan the reduction will be around 1-2 per cent per year. Further modelling work in 2014-15 investigated the potential impacts of climate change, the results of this work suggested at a medium level climate change scenario the sediment reduction is likely to be reduced to around 12 per cent overall by 2043.

Our land management initiatives continue to address the issues caused by erosion as well as other land-based issues such as protecting the health of our soils, managing fragile dune lands and reducing the impact of land use on water quality. The land research and monitoring programme supports and informs these initiatives and tracks their effectiveness. The research and monitoring component also has a wider role of informing programmes around land management and sedimentation in rivers for the other activities of the Plan eg. policy, resource consents, decisions and flood scheme management. There was also a soil health monitoring programme introduced in 2015-16 aimed at meeting national State of the Environment reporting requirements.

What we will do in 2016-17

Sustainable Land Use Initiatives (SLUI)

This programme is targeted at priority hill land that is prone to erosion. Under SLUI we aim to develop Whole Farm Plans (WFP) with farmers. These plans help us and the farmers understand the land resources of their farm and then produce works programmes, with the aid of grant money, to address the erosion and water quality issues on the farm.

Horizons has successfully contested for funding from Central Government's Hill Country Erosion Fund (HCEF) and will receive \$4.76 million in funding through until June 2019.

SLUI has been operating successfully since 2006 reducing sediment in our rivers. At the rate signalled in this Plan HRC is on track to meet its goal of reducing sediment in our river systems by around 30 per cent by 2043. This year we plan to reduce the number of WFP being prepared and any funding saved will be redirected into the works programme in an effort to increase the sediment reduction levels.

Whanganui Catchment Strategy (WCS)

This programme covers erosion prone hill country within priority areas of the Whanganui River Catchment (lower Ohura, upper Ohura and Waikaka) and also develops WFP along with one-off work programmes to address erosion and water quality issues on farms. Horizons has received funding support from the Whanganui River Enhancement Trust (WRET) to encourage more work to be completed, to establish a local demonstration farm and to increase local production of pole material to be sold for erosion control works. This work will continue this year.

Regional Land Initiatives (RLI)

Horizons continues to provide advice and one-off grants to landowners to address erosion issues throughout the Region, including our fragile sand country. We also support and partner with a variety of industry-led programmes promoting sustainable land use. The two major areas of support are to the Ballance Farm Environment Awards and the New Zealand Poplar and Willow Research Trust. RLIs also promote soil health through plans and workshops, and runs a pole nursery to support the supply of erosion control material to landowners in the Region.

Land Use Consents

The land management team continue to assist with the implementation of the One Plan through managing the on-farm consent process for a number of activities: cultivation, earth disturbance, vegetation clearance, erosion and sediment control plans for forestry.

Research and Monitoring

Research and monitoring provides information around priorities for the work programme, and the effectiveness of the work programmes. In the Land Management Activity the research programmes are:

- The land research and monitoring programme, which includes support of the SLUI programme, project work around effluent management and treatment and further research generally in partnership with others around nutrient management on farms;
- The fluvial monitoring and research programme that completes monitoring and project work around gravel management and sediment movement/storage in the Region's rivers particularly in relation to the Regions flood management infrastructure. A major component of this work is regular cross section surveys of the Region's rivers to measure changes in river channel capacity; and
- Implement Year 2 of the Regional State of the Environment (SOE) soil quality monitoring.

Land Management – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
SUSTAINABLE LAND USE INITIATIVE (SLUI)				
Erosion reduction works programmes in targeted SLUI catchments (hectares)	3,255	2,500	2,800	2,800
Hectares of Whole Farm Plan properties mapped per year	35,173	25,000	20,000	20,000
WHANGANUI CATCHMENT STRATEGY (WCS)				
Manage environmental grant programme to deliver erosion reduction works (hectares)	191	200	200	200
Deliver programme in conjunction with Whanganui River Enhancement Trust	1	1	1	1
REGIONAL LAND INITIATIVES (NON-SLUI and WCS incl. COASTAL DUNE AREAS)				
Manage environmental grant programme to deliver erosion reduction works (hectares)	171	150	150	150
Support industry initiatives that promote sustainable land use via industry partnerships	6	4	4	4
Environmental award programmes completed per year	1	1	1	1
Operate Council nursery and source additional commercial material to deliver poles (poplar and willow) to erosion control programmes (number of poles)	29,871	27,000	30,000	30,000
RESEARCH AND MONITORING				
Undertake research and monitoring to: <ul style="list-style-type: none"> Track changes in the health of the Region's land and fluvial resource; Inform policy and non-regulatory programme development; and Assess policy and implementation effectiveness. 	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year

Land Management – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Regional and Coast	578	712	739	734
Fluvial Resources	143	177	183	167
SLUI Sustainable Land Use	3,850	4,158	4,694	4,755
Land Monitoring and Research	69	72	76	74
Nursery and Trading	367	521	505	497
Total	5,007	5,640	6,197	6,226

What this work will cost

(Financial Summary \$000)

This activity is funded by:

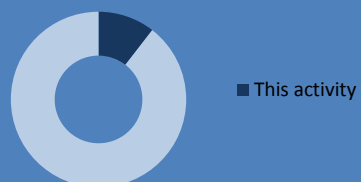
User Fees and Other Revenue

- Government Support
- Gravel Charges
- Sponsorship

Common Rates

- General Rate (EQCV)
- Sustainable Land Use Initiative Rate (UAC)
- Environmental Initiatives Rate (UAC)

Percentage of total expenditure for 10-year Plan



	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	2,281	2,017	1,895	1,871
Individual Rates	-	-	-	-
Common Rates	4,009	4,120	4,502	4,557
Total Income	6,290	6,137	6,397	6,428
Operating Expenditure	5,007	5,640	6,197	6,226
Operating Surplus/(Deficit)	1,283	497	200	202
Capital Expenditure	-	670	334	336
Total To Be Funded	1,283	(173)	(134)	(134)
Reserve Funding	-	(173)	(134)	(134)
Loan Funding	-	-	-	-
Total Funded	-	(173)	(134)	(134)



Water Quality and Quantity Activity

Overview

Water is crucial for human survival and the cultural, environmental and economic goals of the Region. The waterways provide recreational opportunities, are central to regional and cultural identity, and provide the life-blood of our towns, industries and agricultural sector.

Within this Plan a number of the activities contribute to the management of water quality and the resultant water quality outcomes. For example the Sustainable Land Use Initiative (SLUI) of the Land Management Activity contributes to sediment outcomes that are predicted to improve over the life of the Plan. Further initiatives through the regulatory programme and the voluntary efforts of industries, the farming sector and communities all contribute to water quality outcomes. Some good progress is being made, for example the Oroua River at the Awahuri Bridge monitoring site in the Manawatu Catchment has shown significant improvements over the last 10 years in bacteria levels, dissolved phosphorus levels and water clarity. These improvements can be attributed to a combination of upgrades to treatment of point source discharges, efforts on farms such as improved soil erosion control and effluent management as well as increased levels of stream fencing and planting.

The Water Quality and Quantity Activity of this Plan includes two components of the many that contribute to water quality outcomes. These are the non-regulatory programmes to improve water quality like the Manawatu River and Lake Horowhenua Accords (and the associated Clean-up Fund projects), and the freshwater grants programmes to enhance water quality and aquatic habitat. The other major component of the activity is the science and monitoring programmes that track changes in the water resource and inform decision-making around water management.

The Water Quality and Quantity Activity includes the management of surface and groundwater quality and quantity.

What we will do in 2016-17

Protect/Enhance Priority Waterways

The protection and enhancement of a select number of priority waterways is very much business as usual and focuses on supporting stock exclusion from waterways (through freshwater grants, advice and education), riparian enhancement and planting where desirable, aquatic habitat enhancement and supporting industry led initiatives, such as the Sustainable Dairying: Water Accord.

Manawatu River Accord

The Manawatu River Leaders' Accord Action Plan includes an array of water quality related activities to achieve the goals of the Manawatu River Leaders' Accord. This activity funds works to improve the water quality in the Manawatu Catchment as a part of the Accord including fencing off streams, riparian planting, improving fish passage and supporting community projects. A change in levels of service in this area of the activity **have started to be observed as part of the Manawatu River Clean-up Fund project that was co-funded by the Ministry for Environment, district councils, DairyNZ and Horizons and was completed in June 2015.**

Lake Horowhenua Accord

The Lake Horowhenua Accord is a partnership to address water quality issues in Lake Horowhenua. Horizons has the lead role in delivering on the Lake Horowhenua Clean-up Fund, which consists of eight projects to contribute to restoration of Lake Horowhenua. Within these projects, lake weed harvesting is a key action recommended by NIWA to reduce the frequency of toxic conditions in the lake. The Freshwater Clean-up Fund assisted with the purchase of a lake weed harvester. A funding increase was included in the 2015-25 LTP to operate the harvester to harvest around 50 hectares of lake weed per year out of the approximately 300 hectare lake and to monitor this activity. Consents for the weed harvesting programme, establishment of a sediment trap and fish pass were granted in December 2015 and a single appeal has been lodged to the Environment Court. A key focus for 2016-17 will be resolving the Environment Court appeal and undertaking the works related to these lake restoration

consents. A further initiative in 2016-17 will be the Regional Council's contribution to the Te Mana o Te Wai project for Lake Horowhenua, which has been funded by the Ministry for Environment for further restoration work for Lake Horowhenua.

Improve Knowledge and Understanding of the Region's Waterways

Decision-making around water management is highly dependent on a solid understanding of the water resource. The Water Quality and Quantity Activity supports the monitoring and science to advance this knowledge. The core of this understanding comes from the water monitoring programmes to measure river flows, rainfall, water quality and the aquatic biodiversity. These core monitoring programmes are supplemented by targeted monitoring investigations and science projects to address specific issues. New work is included in the 2016-17 year to increase the amount of science on groundwater, water quality and water quantity. This new work is in part in response to new reporting requirements of the recently revised National Policy Statement for Freshwater, and is also to provide further information for resource consent decisions around water allocation (including groundwater) and nutrient management.

Water Quality and Quantity – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
PROTECT/ENHANCE PRIORITY WATERWAYS				
Continue to work with, and provide advice to, individuals, landowners, community and iwi groups to improve waterways	131	25 per year	25 per year	25 per year
Freshwater grants are provided each year, with priority given to working in focus catchments and improving aquatic habitat	49	20 per year	20 per year	20 per year
MANAWATU RIVER ACCORD				
Stream fencing	64.909 (188.382)	45 km	45 km	45 km
Improve native fish habitat and fish passage	21 (71)	10 sites	10 sites	10 sites
Community improvement projects	5	4 per year	4 per year	4 per year
LAKE HOROWHENUA ACCORD				
Obtain consents and operate a lake weed harvester on Lake Horowhenua		Consent obtained	50 ha harvested	Environment Court process for consents completed .
Annual report on lake weed harvesting operation			1	
IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S WATER RESOURCE				
Undertake research and monitoring to: <ul style="list-style-type: none"> Track changes in the health of the Region's water resource; Inform policy and non-regulatory programme development; and Assess policy and implementation effectiveness. 	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year

Water Quality and Quantity – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Water Quality	1,919	2,116	2,240	2,223
Water Quantity	1,631	1,955	2,245	2,213
Aquatic Habitat Improvement	2,270	1,570	1,675	1,651
Total	5,821	5,641	6,160	6,087

What this work will cost

(Financial Summary \$000)

This activity is funded by:

User Fees and Other Revenue

- Science Research Charges

Individual Rates

- Manawatu River Accord (UAC)
- Horowhenua Weed Harvester (UAC)

Common Rates

- General Rate (EQCV)
- Water Quality and Quantity Rate (EQCV)
- Environmental Initiatives Rate (UAC)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	2,256	1,342	1,427	1,399
Individual Rates	406	486	570	557
Common Rates	3,354	3,804	4,154	4,123
Total Income	6,016	5,632	6,151	6,079
Operating Expenditure	5,821	5,641	6,160	6,087
Operating Surplus/(Deficit)	196	(9)	(9)	(8)
Capital Expenditure	522	112	70	70
Total To Be Funded	(326)	(121)	(79)	(78)
Reserve Funding	(522)	(121)	(79)	(78)
Loan Funding	196	-	-	-
Total Funded	(326)	(121)	(79)	(78)



Resource Consent and Pollution Management Activity

Overview

The Resource Consent and Pollution Management Activity is driven by the Resource Management Act 1991 under which Horizons is the principal agency in our Region for the provision of regulatory services to avoid, remedy or mitigate the actual or potential adverse effects of resource use on the natural environment.

This activity involves implementation of our environmental policies and plans using regulatory methods. It covers resource consent processing, compliance monitoring, responding to environmental incidents, and Resource Management Act advice focusing on natural resource use, including whether a resource consent is needed and how to apply.

This section of work also involves working with other groups within Horizons to achieve overall outcomes relating to the management of natural resources.

What we will do in 2016-17

Resource Management Act Advice

Horizons receives consent enquiries from the community and gives advice in relation to the Resource Management Act. This section of work also involves staff ensuring processes and procedures remain current in light of changes through court decisions and legislative amendments. The number of enquiries and general advice given remains high and is anticipated to increase due to both the implementation of the nutrient management consenting process and pending RMA amendments.

Consents Processing

Resource consents allow activities to take place whilst ensuring the sustainable management of natural and physical resources. They help ensure that the environment we enjoy will be looked after for future generations and that our Region continues to develop on the foundation of sustainable use of the Region's resources. The consents team is charged with providing resource management advice and processing resource consents within the Horizons Region.

The scale of the consents business has been increased by \$600,000 to reflect increased demand. However these costs will be recovered from user charges so there is no net effect to ratepayers.

Compliance Monitoring

Compliance monitoring of resource consents is undertaken to ensure that consented activities are adhering to their conditions of consent and not having actual or potential adverse effects on the environment.

Incidents and Hazards

Horizons operates a 24 hour pollution response service for environmental purposes. This includes the investigation of reported environmental pollution incidents and undertaking remedial action where appropriate. Pollution incidents include contamination of waterways, land and most commonly odour. Environmental incidents are responded to in accordance with the priority category assigned. This ensures that those incidents that have the potential to have a significant impact on the environment are attended to first.

Resource Consent and Pollution Management – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
CONSENTS PROCESSING				
Process all consents within Resource Management Act (RMA) timeframes	87%	100%	100%	97%
Advise all consent holders of consent expiry dates 12 months prior to expiration	Approx 80%	100%	100%	100%
COMPLIANCE MONITORING (See Note 1)				
Inspect rural discharge resource consents identified from the annual compliance monitoring programme	90%	90%	90%	90%
Inspect Category 1 and Category 2 sites identified in the territorial authority and industry monitoring programme	100%	100%	100%	100%
Inspect Category 3 and Category 4 sites identified in the territorial authority and industry monitoring programme	40-50%	>60%	>60%	50%
Take follow-up action for significant non-compliers	90%	90%	90%	90%
INCIDENTS AND HAZARDS				
Respond to Category 1 environmental incidents immediately	67%	100%	100%	100%
Respond to Category 2 environmental incidents within one day	54%	100%	100%	100%
Respond to Category 3 environmental incidents within two weeks	80%	100%	100%	100%
Respond to Category 4 environmental incidents when officer next in area	90%	90%	90%	90%
Record Category 5 environmental incidents only – no response	90%	90%	90%	90%
Update contaminated sites information database for one territorial authority each year	1	1	1	1

Notes:

- Industrial and territorial authorities are categorised between 1-4 encompassing three areas; potential risk on the environment, complexity of the resource consent, previous compliance history, and level of community interest. For example:
 - A C1 site requires three compliance assessments per year for it to be deemed fully inspected; and
 - A C4 site requires a site inspection over a three-year period.
- Incident response has been prioritised to ensure response is appropriate, efficient and effective, with Category 1 being the highest priority. Prioritisation includes: effects on environment; human population; amenity value, agricultural commerce, and breach of RMA.

Resource Consent and Pollution Management – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Compliance Monitoring	824	1,021	1,060	987
Consent Processing	1,970	821	843	1,415
RMA Advice	374	686	705	790
Incidents and Hazards	365	430	445	437
Total	3,533	2,958	3,053	3,629

What this work will cost (Financial Summary \$'000)

This activity is funded by:

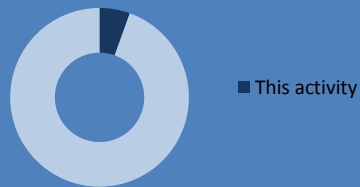
User Fees and Other Revenue

- Consent Fees
- Compliance Fees
- Incident Recoveries

Common Rates

- Resource and Consent Monitoring (EQCV)

Percentage of total expenditure
for 10-year Plan



	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	2,212	1,474	1,523	2,007
Individual Rates	-	-	-	-
Common Rates	1,317	1,484	1,531	1,622
Total Income	3,529	2,958	3,054	3,629
Operating Expenditure	3,533	2,958	3,054	3,629
Operating Surplus/(Deficit)	(5)	-	-	-
Capital Expenditure	-	-	-	-
Total To Be Funded	(5)	-	-	-
Reserve Funding	(5)	-	-	-
Loan Funding	-	-	-	-
Total Funded	(5)	-	-	-

Introducing the Flood Protection and Control Works Group of Activities

What is included in this group?

This group includes the Region's river and drainage general and specific scheme activities.

Why does Council deliver this group of activities?

We undertake this group of activities as it strongly contributes to the following community outcome:

- Flood Protection

In addition the group also contributes to the following community outcome:

- Natural Hazards

These activities are grouped together as required by the Local Government Act 2002 Schedule 10 (2).

Significant negative effects on the community goals

These activities from time to time have transitory negative effects on environmental goals during the construction of flood protection works. Consent conditions ensure that these effects are minimised and environmental recovery is rapid once works are completed. These temporary negative effects on environmental goals are more than offset by the extensive positive benefits generated by flood protection and control works for economic, social and cultural community goals.

Highlights

River and Drainage – General

In August 2014 Council undertook a comprehensive first level assessment of community risk associated with flood and/or erosion hazards in those parts of the Region not serviced by river/ flood control schemes, and produced a report titled Non-scheme Rivers Investigation – Prioritising Future Studies. The report identifies a total of 28 high to medium priority studies that should be undertaken. The higher priority studies included those for a number of lower Whanganui River tributary streams and those priorities were confirmed during the extreme rainfall

event in June 2015. Accordingly studies to be undertaken during 2016-17 will be focused in that area.

River and Drainage – Scheme

We will continue with and expect to substantially complete, the reinstatement of flood damage suffered by infrastructure within 20 river and drainage schemes during the June 2015 region-wide flood event. We will continue to undertake maintenance and capital renewal programmes across all 34 schemes, in accordance with asset management plans adopted as part of the 2015-25 Long-term Plan, and with annual programmes agreed with scheme stakeholders. Finally we will continue with capital projects that provide an increased level of service, as consulted on through previous Long-term Plans. In particular we will undertake the penultimate year's works on the Lower Manawatu Scheme Rural Flood Protection Upgrade Project; will complete the two relatively minor outstanding works within the Lower Manawatu City Reach Project; and will complete works scheduled for Year 12 of a 15-year programme of stopbank upgrades within the Rangitikei Scheme.

We are also proposing that we:

- Undertake capital works within the Koputaroa Scheme to better manage future over-design floods and mitigate stopbank damage.
- Investigate options for improving the level of flood protection service for Foxton township, through improvements to Foxton East Drainage Scheme infrastructure.
- Increase the level of expenditure on silt management/removal from the Oroua River and investigate future management options in that regard.
- Continue the 10-yearly cycle of scheme audits;
- Continue to fund asset renewals; and
- Encourage increased contributions to individual scheme emergency reserve funds for those schemes where present contributions are not commensurate with the average annual damage cost estimate.

Flood Protection and Control Works Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
RIVER AND DRAINAGE – GENERAL ACTIVITY	481	446	417	448
RIVER AND DRAINAGE – SCHEMES ACTIVITY	10,354	10,095	10,497	10,486
Total Operating Expenditure	10,835	10,541	10,914	10,934
Capital Expenditure	7,892	6,904	5,843	6,227
Loan Repayments	2,535	1,922	2,068	2,103
Total Funding Required	21,262	19,367	18,825	19,264
Funded By				
User Fees and Other Revenue	1,803	1,764	1,859	1,728
Individual Rates	9,899	9,357	9,541	9,504
Common Rates	3,320	3,184	3,275	3,308
Loans and Reserves	6,240	5,064	4,150	4,724
Total Funded	21,262	19,369	18,825	19,264

Capital Expenditure \$000	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	7,892	6,670	5,561	5,949
Renew Existing Assets	-	234	282	278
Total Capital Expenditure	7,892	6,904	5,843	6,227

Prospective Funding Impact Statement for the Flood Protection and Control Works Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	3,320	3,184	3,275	3,308
Targeted rates	9,899	9,357	9,541	9,504
Subsidies and grants for operating purposes	-	447	524	413
Fees and charges	1,392	1,317	1,335	1,315
Internal charges and overheads recovered	411	-	-	-
Interest and dividends from investments		-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts		-	-	-
Total sources of operating funding (A)	15,007	14,305	14,675	14,540
Applications of Operating Funding				
Payments to staff and suppliers	4,249	3,815	3,861	3,955
Finance costs	-	-	-	-
Internal charges and overheads applied	5,507	5,894	6,219	6,146
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	9,756	9,709	10,080	10,101
Surplus (Deficit) of Operating Funding (A-B)	5,266	4,596	4,595	4,439
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	3,691	3,269	1,993	2,282
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	3,691	3,269	1,993	2,282
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	7,892	6,670	5,561	5,949
· to replace existing assets	-	234	282	278
Increase (decrease) in reserves	1,066	960	744	494
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	8,958	7,864	6,587	6,721
Surplus (Deficit) of Capital Funding (C-D)	(5,266)	(4,595)	(4,594)	(4,439)
Funding Balance	-	1	1	-
Depreciation	1,080	833	833	833



River and Drainage (General) Activity

Overview

The River and Drainage General Activity focuses on protecting life, property and infrastructure from flooding and erosion outside of scheme areas. This activity includes investigating erosion and flooding risks and developing mitigation options in consultation with affected communities. The more comprehensive mitigation options may be addressed through new river management schemes, and the activity includes the development of scheme proposals and associated funding systems. More localised problems may be addressed through the provision of river and drainage engineering advice or through implementation of mitigation works with funding assistance through the Environmental Grant facility. The activity also includes the identification and removal of 'man-made' hazards to recreational navigation in the Region's major rivers.

What we will do in 2016-17

Investigations and Advice

Council, through its management of 34 river and drainage schemes, currently mitigates flooding and erosion risks associated with a large number of the rivers and streams throughout the Region. These include most of the water courses where the hazards are the greatest. However there are still a significant number of streams where community assets, private property and people are at risk to some degree. Accordingly in August 2014 Council undertook a comprehensive first-level assessment of those risks and produced a report titled Non-scheme Rivers Investigation – Prioritising Future Studies. The report identifies a total of 28 high to medium priority studies that should be undertaken in order to better understand the risks and to identify mitigation options for discussion with the affected communities.

In 2016-17 we will give priority to a study of the Ngatarua Stream, which caused significant flooding in Putiki during the June 2015 floods. Investigations will also be undertaken to identify flood mitigation options for the Kaikokopu/Tutaeika Streams in Wanganui. The findings from both studies will initially be referred to the Wanganui Flood Management Review Group. No provision has been made in this Plan for the implementation of any recommendations that might arise from the studies.

Following a study of flood risk arising from the upper Mangawhero River and tributaries in 2014-15, we will develop proposals for a scheme to give effect to the study recommendations around capital flood protection works and on-going channel maintenance.

We will endeavour to satisfy the demand for river and drainage engineering advice, which is largely weather/flood event related, within the constraint of a relatively small activity budget.

We will undertake annual surveys of those navigable rivers within the Region that are the subject of river management schemes, to identify and remove man-made hazards to safe navigation.

Implementation

We will receive and process applications for Environmental Grant assistance with flood and erosion mitigation measures that satisfy Council's criteria. In essence those proposals that provide a 'community' benefit and are located outside scheme areas will be supported. We will fully fund the investigation, design, development, consultation and works supervision phases of mitigation proposals and will contribute 30 per cent of the cost of actual mitigation works. Again the demand for this activity is largely weather/flood event related.

River and Drainage (General) – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
INVESTIGATIONS AND ADVICE				
Undertake investigations in relation to identified or potential flooding or erosion hazards, identify mitigation measures and consult with affected communities. Develop works and funding measures where appropriate	1	2	2	2
Provide river and drainage advice on demand, in relation to flooding and erosion problems	18+	18	18	18
Survey rivers annually for identification and removal of obstacles presenting hazards to navigation and recreational use	5	5	5	5
IMPLEMENTATION				
Respond to the need for urgent flood or erosion mitigation works in situations where there is insufficient time to identify beneficiaries and arrange funding	1	1	1	1
Undertake investigations and designs, prepare engineering proposals for flood or erosion measures, and supervise works	6	10	10	10
Apply funding assistance where criteria are satisfied	5	10	10	10

River and Drainage (General) – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Investigations and Advice	333	303	275	308
Implementation	148	143	142	140
Total	481	446	417	448

What this work will cost

(Financial Summary \$000)

This activity is funded by:

Common Rates

- River and Drainage (EQCV)

Percentage of total expenditure
for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	96	8	8	5
Individual Rates	-	-	-	-
Common Rates	459	439	409	443
Total Income	555	447	417	448
Operating Expenditure	481	446	417	448
Operating Surplus/(Deficit)	74	1	-	-
Capital Expenditure	-	-	-	-
Total To Be Funded	74	1	-	-
Reserve Funding	74	1	-	-
Loan Funding	-	-	-	-
Total Funded	74	1	-	-



River and Drainage (Schemes) Activity

Overview

The River and Drainage Schemes Activity is carried out under the Soil Conservation and Rivers Control Act 1941 and the Resource Management Act 1991. The schemes facilitate protection from flooding and erosion for both rural and urban communities, preventing significant disruption to the economic and social goals of these communities. Many of the Region's urban communities are located on flood plains and an appropriate standard of flood risk mitigation is essential for their safety and social goals. Similarly, the flood plains comprise highly productive land, and the protection of that land from flooding and the provision of good drainage is fundamental to the economic goals of not only the immediately affected areas but also the wider Region.

What we will do in 2016-17

We currently manage 24 river management and erosion control schemes that provide protection from flooding, riverbank erosion and channel movement to 71,000 ha of land and 10 urban areas. These schemes allow full utilisation of, and capital investment on, river margins. We also manage 10 drainage schemes to increase production potential across 62,000 ha by lowering soil water levels and increasing drainage efficiency.

The River and Drainage Scheme Activity includes the management, design and operational activities associated with the various river and erosion control and drainage schemes located throughout the Region. The nature and scope of activities vary among the different schemes, as specified in the relevant scheme establishment, review and asset management documents.

In 2016-17 we will implement maintenance programmes in respect of all 34 river and drainage schemes to achieve agreed levels of service as set out in the respective Scheme or Asset Management Plans, as last reviewed and updated as at 1 July 2015, and in accordance with detailed programmes agreed with stakeholders at annual scheme meetings. In addition, we will continue with current programmes of capital upgrade works in a number of schemes.

Flood damage reinstatement

Substantial flood damage was suffered by 20 schemes in the region-wide extreme weather event in June 2015. Total damage reinstatement cost was estimated at \$5.9 million. Of that, it was estimated that repairs with an estimated cost of \$1.8 million could be accommodated within maintenance programmes over two or three years, through re-prioritisation. A claim was lodged with the Ministry of Civil Defence and Emergency Management (MCDEM) for financial assistance with damage repairs that were deemed to qualify under the Recovery Plan and that were estimated to cost \$4.1 million. Good progress has been made with damage reinstatement during 2015-16 and repairs have been completed within most schemes, using interim funding from emergency reserve accounts. Processing of the MCDEM claim in respect of many of those repairs has progressed satisfactorily. Some major repairs, particularly to rock linings, are however still outstanding and there will be a focus on completing those early in the 2016-17 year.

Major capital works

Lower Manawatu Scheme (LMS)

A review of the 12-year Rural Upgrade Project was completed in August 2014 and confirmed that this major project is on target for completion in 2017-18 and within the original \$40 million budget, adjusted only for inflation. Almost all work programmed for 2015-16 was completed and accordingly the penultimate year's work will be undertaken in 2016-17. The programme of work will be substantial and will comprise stopbank upgrades on sections of the Manawatu River at Koputaroa; Oroua River at Rangiotu, Awahuri and Feilding; Tokomaru River; Linton Main Drain; and the Mangaore Stream, together with some outstanding individual property flood mitigation works in the Taonui Basin. Upon completion of the project, all property within the scheme benefit area will enjoy a uniform standard of flood protection, being from the 1 per cent Annual Exceedance Probability (100-year) flood.

Lower Manawatu Scheme – City Reach

All outstanding works within the 8-year Lower Manawatu Scheme ‘City Reach’ flood protection upgrade project within Palmerston North City were programmed for completion in 2015-16. However, two relatively minor works, being some flood protection improvements on the Mangaone Stream at Benmore Avenue and the construction of one final amenity enhancement element downstream of Albert Street, were unable to be completed. Accordingly those two works will be completed early in 2016-17. While the re-vegetation of the newly re-contoured Anzac Park Cliffs, following major river realignment works, is not a scheme responsibility, an overview of that 3-year planting programme will be maintained by scheme management. With the present state of project completion, all of the Palmerston North ‘City’ area between Napier Road Drain and the Awapuni landfill, is protected from the 0.2 per cent Annual Exceedance Probability (500-year) flood. In addition, the Turitea Science Campus enjoys 500-year protection from Manawatu River flooding and 200-year protection from the Turitea Stream. All assets constructed as part of the City Reach Project will now be maintained in perpetuity by the Lower Manawatu Scheme. City Reach Project loans are scheduled for full repayment in 2025-26, at which time the Special Project rate over all Palmerston North ‘City’ properties will be discontinued.

Rangitikei Scheme

We will continue with our 15-year programme (Year 12 in 2016-17) of flood protection improvements in the Rangitikei Scheme. A further section of the Parewanui stopbank downstream of the McAloon property will be raised to the 100-year protection standard. We will also continue with a 15-year programme of channel clearance and capital works (Year 7 in 2016-17) designed to achieve increased flood channel width and to achieve and/or maintain design channel alignment.

Koputaroa Scheme

Following a flood in the Koputaroa Stream in June 2015 with an assessed return period of in excess of 50 years, and the associated breaching of a section of stopbank in the lower reaches of the stream, it is proposed to undertake some capital improvements designed to better control flood surcharges in future over-design floods and thereby reduce property and crop damage. Those improvements comprise the modification of a section of stopbank to incorporate

an overflow spillway, and the installation of some additional capacity at the Koputaroa No.1 pump station.

Total estimated cost is \$235,000, which would be loan funded, with annual servicing costs of \$20,500. The rating impact of those costs would primarily be felt by a relatively small number of direct benefit ratepayers in the higher benefit Koputaroa Stream Flood Protection rating categories, however there would be some lesser impact across a number of rating categories. Full details of the proposed works and associated rating impacts have been separately communicated to affected ratepayers.

Hokio Drainage Scheme

We will continue with a 3-year programme (Year 2 in 2016-17) of capital improvement works in the Drainage South area of the scheme. These works involve the rationalisation of the old drainage system and are being undertaken as an adjunct to the Lake Horowhenua Clean-Up Project.

Other significant scheme issues

Lower Whanganui River Scheme

Following the June 2015 flood, a Whanganui Flood Management Review Group, comprising staff from both Wanganui District Council and Horizons Regional Council, together with Whanganui River iwi representatives, has been established. The Group is charged with identifying flooding or erosion issues affecting Whanganui ‘City’; prioritising investigations; reporting to the respective Councils; and communicating with affected individuals and groups, and the wider community. Investigations commenced in 2015-16 and will likely continue through into 2017-18. Key tasks programmed for 2016-17 include studies of the Ngatarua, Kaikokopu and Tutaeika catchments (under the General Activity) and review of the current flood risk of the four discrete flooding compartments within the ‘City’.

Through adoption of the 2015-25 Long-term Plan, Council commenced making a provision of \$40,000 per year for the deferred maintenance of a number of existing old groynes and erosion protection structures along the South Spit, upstream of the South Mole, and for erosion protection along the Balgownie to City Wharf section of the right bank of the Whanganui River. Under this facility, it

is proposed in 2016-17 to strengthen a 135 metre-long concrete erosion protection wall immediately upstream of the South Mole. The cost of that work will be shared with Whanganui District Council.

Rangitikei River Scheme

Repeated damage to scheme assets over the past 5 years or thereabouts, has resulted in a concerning degree of channel instability in a number of locations within the scheme. The cost of stabilising these sections is becoming unsustainable and has placed considerable strain on both annual budgets and emergency reserve funds. Accordingly Council has resolved to review the channel management requirements and funding arrangements for the scheme, during 2016-17.

Foxton East Drainage Scheme

Budgetary provision of \$13,000 has been made in this Plan for the investigation of options for increasing the level of scheme service for Foxton township. The costs will be loan funded. The investigation will be undertaken in close collaboration with the Horowhenua District Council and Foxton Community Board and findings will ultimately be discussed with the wider Foxton community.

Lower Manawatu Scheme

Flood levels achieved in the Oroua River, particularly downstream of Kaimatarau Road, during the June 2015 flood, along with survey information subsequently obtained, have confirmed that the rate of sedimentation post-2004 has significantly exceeded expectations as reflected in recent flood protection designs. A provision of \$100,000 has been included in this Plan for increased silt removal from the worst affected reach of the river. Further investigation will be undertaken in 2016-17, with a view to better quantifying the volumes of silt being deposited, their likely source, and identifying options for managing that in future years.

Flood Control Schemes with Detention Dams

Following many years of uncertainty, the Government revoked its Building (Dam Safety) Regulations 2008 in July 2015. Accordingly the significant and ongoing costs associated with the classification process, development of dam safety assurance programmes and annual compliance requirements that were expected to be incurred in respect of many of the larger detention dams owned by Horizons, have been avoided. The present monitoring and surveillance programmes employed in respect of all 53 dams within five flood protection schemes will be reviewed during 2016-17 to ensure that those programmes generally reflect best management practices as set out in the New Zealand Society for Large Dams (NZSOLD) Dam Safety Guidelines (2000).

Scheme Audits

We will continue with a programme of scheme audits on a 10-year cycle. The purpose of the audits is to ensure that scheme management is in accordance with the most recent review recommendations or that any deviations from agreed management philosophy or programmes have been based on a well informed, considered and documented process. Audits will also consider whether actual scheme expenditure is aligned to assumptions made in the development of targeted rating systems and whether adjustments are required in that regard. During 2016-17, we will undertake audits of the Lower Whanganui, Makirikiri and Lower Manawatu (part only) schemes. .

New River and Drainage Schemes

No provision is made in this Plan for the establishment of new schemes. While a community desire for such schemes may emanate from programmed hazard investigations under the General Activity, for example on the upper Mangawhero River and tributaries within Ohakune township, any firm proposal will need to be addressed through a future draft annual or long-term plan process.

Scheme Emergency Reserve Funds

Recent experience in responding to the June 2015 region-wide floods has again demonstrated the value of having adequate emergency reserve funds within individual schemes. The availability of those funds enabled Council to give prompt approval to proceed with damage reinstatement works, in advance of

obtaining Central Government assistance, and thereby minimise the risk of damage aggravation.

However a recent review of emergency reserve targets and annual contribution levels for individual schemes has identified some inconsistencies and potential future flood damage funding shortfalls. While Council has confirmed the estimated 50-year flood damage reinstatement cost as being an appropriate reserves target, it has endorsed the adoption of the 'average annual damage' estimate for the setting of annual emergency reserve contributions. Over a long period of time, annual contributions based on the estimated average annual damage cost should be sufficient to fund all damage incurred in events greater than 2 per cent Annual Exceedance Probability, or with return periods of less than 50 years. Individual schemes will be encouraged to raise their annual contributions to that prescribed level as quickly as possible.

Scheme Funding and Rate Increases

A summary of expenditure and funding forecasts for 2016-17 for all schemes is presented in the Financial Information section at pages 145-149 of this Plan. Scheme rates increases will range from 0.41 per cent (Pakihi Flood Control Scheme) to 16.3 per cent (Foxton East Drainage Scheme) and on average will be 2.45 per cent.

Infrastructure Assets – Risk Management

Council will continue to manage its infrastructure assets risk through a combination of the following measures:

- Maintaining the impetus for increasing individual scheme reserves as a means of ultimately being in a position to self-insure against damage incurred in up to 1 in 50-year recurrence interval floods. This Plan makes provision for a net transfer to reserves of \$504,000 in 2016-17;
- Increasing self-insurance capability through the continued growth of a regional infrastructure reserve, primarily funded through a four-tier uniform annual charge. This Plan makes provision for \$520,000 to be added to that reserve;
- Purchasing commercial insurance (40 per cent cover) for all the major scheme 'insurable' infrastructure, with a current insured value of \$262.5 million under the umbrella of the Manawatu-Wanganui LASS Insurance Proposal. This cover has a deductible of \$3 million;
- Ensuring through good management of financial ratios, in accordance with its Liability Management Policy, that there is the capacity to borrow in order to fund damage reinstatement works arising from natural disaster events, should that be necessary; and
- Ensuring through prudent risk management processes, including insurance and balance sheet management, that the criteria for Central Government assistance through its National Civil Defence Emergency Management Plan will be satisfied in the event of a major natural disaster.

River and Drainage (Schemes) – What We Will Deliver (\$000)
Mandatory Reporting (Non-financial Performance Measures Rules 2013)

LOWER MANAWATU SCHEME					
Objective	Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
		Year 3	Target Year 1	Target Year 2	Target Year 2
Flood and erosion protection assets and systems are maintained	Completion of agreed maintenance programme	Achieved	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the LMS Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the LMS Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the LMS Asset Management Plan.
	System performance design standard		Stopbanks and associated structures within the rural area are maintained to the 1% AEP standard (except for those assets programmed for renewal within LMS Rural Flood Protection Upgrade Project). Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.	Stopbanks and associated structures within the rural area are maintained to the 1% AEP standard (except for those assets programmed for renewal within LMS Rural Flood Protection Upgrade Project). Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.	Stopbanks and associated structures within the rural area are maintained to the 1% AEP standard (except for those assets programmed for renewal within LMS Rural Flood Protection Upgrade Project). Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.
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 in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.
Assets are renewed at end of useful life or to reinstate decline in service level	Completion of renewals programme		As per Asset Management Plan Renewals programme.	Replace Kara Creek timber retaining wall.	Replace Kara Creek timber retaining wall.

New assets are constructed	Completion of new capital works programme	75% complete for Year 8	Complete all programmed 'Year 10' Rural Flood Protection Upgrade Project works. Complete final works (Mangaone Stream stopbanks) under City Reach Project. These works will increase standard to 1% AEP.	Complete all programmed 'Year 11' Rural Flood Protection Upgrade Project works. These works will increase standard to 1% AEP.	Complete all programmed 'Year 11' Rural Flood Protection Upgrade Project works. These works will increase standard to 1% AEP.
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RANGITIKEI RIVER SCHEME					
Objective	Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
		Year 3	Target Year 1	Target Year 2	Target Year 2
Flood and erosion protection assets and systems are maintained	Completion of agreed maintenance programme	Achieved	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Rangitikei River Scheme Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Rangitikei River Scheme Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Rangitikei River Scheme Asset Management Plan.
	System performance design standard		Parewanui stopbanks are maintained to the 1% AEP standard (except for those assets still to be upgraded under the Parewanui flood protection upgrade project). Tangimoana, Walker's and Kakariki stopbanks are maintained to the 2.0% AEP standard.	Parewanui stopbanks are maintained to the 1% AEP standard (except for those assets still to be upgraded under the Parewanui flood protection upgrade project). Tangimoana, Walker's and Kakariki stopbanks are maintained to the 2.0% AEP standard.	Parewanui stopbanks are maintained to the 1% AEP standard (except for those assets still to be upgraded under the Parewanui flood protection upgrade project). Tangimoana, Walker's and Kakariki stopbanks are maintained to the 2.0% AEP standard.
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 in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.

Assets are renewed at end of useful life or to reinstate decline in service level	Completion of renewals programme		As per Asset Management Plan Renewal programme.	As per Asset Management Plan Renewal programme.	As per Asset Management Plan Renewal programme. (Nil renewals for 2016-17)
New assets are constructed	Completion of new capital works programme		Complete all programmed 'Year 11' Parewanui Flood Protection Upgrade Project works. These works will raise standard from approximately 2% AEP to 1% AEP. Complete 'Year 5' channel alignment project works.	Complete all programmed 'Year 12' Rural Flood Protection Upgrade Project works. These works will raise standard from approximately 2% AEP to 1% AEP. Complete 'Year 6' channel alignment project works.	Complete all programmed 'Year 12' Rural Flood Protection Upgrade Project works. These works will raise standard from approximately 2% AEP to 1% AEP. Complete 'Year 6' channel alignment project works.

MANAWATU DRAINAGE SCHEME					
Objective	Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
		Year 3	Target Year 1	Target Year 2	Target Year 2
Flood and erosion protection and drainage assets and systems are maintained	Completion of agreed maintenance programme	Achieved	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Manawatu Drainage Scheme Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Manawatu Drainage Scheme Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Manawatu Drainage Scheme Asset Management Plan.
	System performance design standard		Stopbanks and associated flood protection structures are maintained to the 20% AEP standard.	Stopbanks and associated flood protection structures are maintained to the 20% AEP standard.	Stopbanks and associated flood protection structures are maintained to the 20% AEP standard.
Flood and erosion protection and drainage assets and systems are repaired	Response to flood event or damage		Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.

Assets are renewed at end of useful life	Completion of renewals programme		Replace culvert B18.	Replace culvert B23.	Replace floodgates on culvert No's B38 and M2. Replace culvert B9.
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MANGATAINOKA SCHEME					
Objective	Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
		Year 3	Target Year 1	Target Year 2	Target Year 2
Flood and erosion protection assets and systems are maintained	Completion of agreed maintenance programme	Achieved	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Mangatainoka Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Mangatainoka Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Mangatainoka Asset Management Plan.
	System performance design standard		Maintain the Burmeister, Kamo and Hamua stopbanks to 20, 10 and 5% AEPs respectively.	Maintain the Burmeister, Kamo and Hamua stopbanks to 20, 10 and 5% AEPs respectively while also undertaking survey to confirm crest height.	Maintain the Burmeister, Kamo and Hamua stopbanks to 20, 10 and 5% AEPs respectively while also undertaking survey to confirm crest height.
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 in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.
New assets are constructed	Completion of capital works programme		Complete all capital works as outlined in the Mangatainoka Asset Management Plan.	Complete all capital works as outlined in the Mangatainoka Asset Management Plan.	Complete all capital works as outlined in the Mangatainoka Asset Management Plan.

SOUTH EASTERN RUAHINE SCHEME				
Objective	Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17
		Year 3	Target Year 1	Target Year 2
Flood and erosion protection assets and systems are maintained	Completion of agreed maintenance programme	Achieved	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the SER Asset Management Plan.	The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the SER Asset Management Plan.
	System performance design standard		Stopbanks are maintained to the 20% AEP standard.	Stopbanks are maintained to the 20% AEP standard.
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 in consultation with the scheme liaison committee. High priority works are completed within 6 months.	Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.
New assets are constructed	Completion of capital works programme		Complete all capital works as outlined in the SER Asset Management Plan.	Complete all capital works as outlined in the SER Asset Management Plan.

Annual Plan 2016-17
Target Year 2
The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the SER Asset Management Plan.
Stopbanks are maintained to the 20% AEP standard.
Following a flood event, damage is identified and programmed for repair in consultation with the scheme liaison committee. High priority works are completed within 6 months.
Complete all capital works as outlined in the SER Asset Management Plan.

ALL OTHER SCHEMES (NON-MANDATORY REPORTING)				
Level of Service Statement	Level of Service Measure	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17
		Year 3	Target Year 1	Target Year 2
Flood control, channel management and drainage schemes are maintained so as to provide communities with protection from flooding and erosion, and with drainage benefits to productive land within scheme areas	1. Prescribed asset condition ratings are achieved 2. Scheduled audits are completed	Achieved	Manage scheme and maintain scheme assets in accordance with relevant asset management plan (July 2015) and most recent scheme audit recommendations. Complete audits for Ohau-Manakau, Lower Kiwitea and Tutaenui Schemes.	Manage scheme and maintain scheme assets in accordance with relevant asset management plan (July 2015) and most recent scheme audit recommendations. Complete audits for Lower Manawatu (part only), Lower Whanganui and Makirikiri Schemes.

Annual Plan 2016-17
Target Year 2
Manage scheme and maintain scheme assets in accordance with relevant asset management plan (July 2015) and most recent scheme audit recommendations. Complete audits for Lower Manawatu (part only), Lower Whanganui and Makirikiri Schemes

River and Drainage (Schemes) – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Akitio	20	7	7	7
Ashhurst Drainage Scheme	31	30	31	30
Eastern Manawatu Flood Control Scheme	35	52	53	52
Forest Road Drainage Scheme	9	10	10	12
Foxton East Drainage Scheme	18	21	21	36
Haunui Drainage Scheme	10	9	9	10
Himatangi Drainage Scheme	31	20	19	19
Hokio Drainage Scheme	33	62	62	63
Ihuraua Stream Flood Control Scheme	5	7	7	7
Kahuterawa	16	15	15	16
Koputaroa Drainage Scheme	392	310	314	318
LMS Scheme	3,851	3,507	3,806	3,805
Lower Kiwitea Scheme	178	133	112	110
Lower Manawatu Scheme Special Projects	490	568	584	545
Lower Whanganui River Scheme	362	387	409	405
Makerua Drainage Scheme	615	532	539	544
Makirikiri Flood Control Scheme	28	21	35	37
Manawatu Drainage Scheme	638	681	692	701
Mangatainoka River Scheme	475	498	506	510
Matarawa Flood Control Scheme	78	64	64	63
Moutoa Drainage Scheme	371	371	376	383
Ohau-Manakau Scheme	292	349	333	326
Pakihi Flood Control Scheme	3	3	2	2
Pohangina Oroua Catchment Scheme	430	313	316	314
Porewa Valley Flood Control Scheme	63	59	76	74
Rangitikei River Control Scheme	558	797	822	812
SE Ruahines Scheme	367	349	356	369
Taringamotu	64	73	74	74
Tawataia-Mangaone Scheme	7	10	10	10
Te Kawanui Drainage Scheme	277	226	232	231
Turakina River Scheme	38	38	39	39

Tutaenui Flood Control Scheme	76	90	69	70
Upper Manawatu-Lower Mangahao Rivers Scheme	199	191	199	197
Upper Whanganui River Scheme	192	191	196	191
Whangaehu-Mangawhero River Scheme	84	79	79	77
Whirokino Drainage Scheme	18	24	24	25
Grand Total	10,354	10,097	10,498	10,486

What this work will cost (Financial Summary \$000)

This activity is funded by:

User Fees and Other Revenue

- Land Rentals
- Gravel Charges
- Forestry Income

Individual Rates

- Scheme Rates (Mixed)

Common Rates

- River and Drainage (EQCV)

Percentage of total expenditure
for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	1,707	1,756	1,851	1,723
Individual Rates	9,899	9,357	9,541	9,504
Common Rates	2,861	2,745	2,866	2,866
Total Income	14,467	13,858	14,258	14,092
Operating Expenditure	10,354	10,095	10,497	10,486
Operating Surplus/(Deficit)	4,113	3,763	3,761	3,607
Capital Expenditure	7,892	6,904	5,843	6,227
Loan Repayments	2,535	1,922	2,068	2,103
Total To Be Funded	6,314	5,063	4,150	4,724
Reserve Funding/(Repayments)	636	(128)	89	339
Net Loan Funding	5,678	5,191	4,061	4,385
Total Funded	6,314	5,063	4,150	4,724

Introducing the Biosecurity and Biodiversity Group of Activities

What is included in this group?

Biosecurity and biodiversity management is a key role of regional councils that adds significantly to the environmental, economic, social and cultural goals of the Region.

This group of activities covers Horizons' (1) Biosecurity (or species-led pest plant and pest animal control) and (2) Living Heritage or biodiversity protection of bush and wetlands on a site by site basis, as well as the support of community biodiversity projects/programmes.

Why does Council deliver this group of activities?

We undertake this group of activities as it strongly contributes to the following community outcomes:

- Managing Indigenous Biodiversity
- Control of Plant and Animal Pests

In addition the group also contributes to the following community outcomes:

- Water Quality
- Coastal Environmental Management

The two activities in this group contribute directly to Council's fauna and flora outcomes of managing indigenous biodiversity and control of pest plants and animals. There are significant synergies between these activities. For example, a possum killed to protect farm production often helps indigenous biodiversity in the neighbouring reserve. Similarly a weed eliminated in an important bush remnant prevents the spread of that weed into surrounding farm land.

Significant negative effects on the community goals

There are no significant negative effects on the community goals from this group of activities.

Highlights

Biosecurity

We are proposing to complete the 10-year Plan (adopted in 2006) to expand the area covered by a sustainably managed possum-control programme to 1.14 million hectares by 2015-16. We are also proposing to review our Regional Pest Management Strategy by aligning this with legislative changes to the Biosecurity Act and preparing a consolidated (ie. animal and plant) Regional Pest Management Plan.

Living Heritage

We are proposing to continue to fund our wetland and bush remnant programmes and continue to improve our understanding of the Region's biodiversity through research.

Due to increasing demand, we are increasing our support for community biodiversity projects and will increase funding and labour in this area.

OSPRI Formerly Animal Health Board (AHB) Tb Vector

Consistent with the regional sector and findings of a review and report commissioned by OSPRI and local government, regional councils will no longer be involved as a funding partner.

Biosecurity and Biodiversity Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Biosecurity	5,769	5,493	5,445	5,439
Living Heritage	1,715	1,817	1,844	1,804
Total Operating Expenditure	7,483	7,310	7,289	7,242
Capital Expenditure	-	100	30	30
Total Funding Required	7,483	7,410	7,319	7,272
Funded By				
User Fees and Other Revenue	499	6	7	6
Individual Rates	2,312	2,044	1,943	1,929
Common Rates	4,854	5,084	5,188	5,157
Loans and Reserves	(182)	275	180	180
Total Funded	7,483	7,409	7,318	7,272

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
Capital Expenditure	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	-	100	30	30
Total Capital Expenditure	-	100	30	30

Prospective Funding Impact Statement for the Biosecurity and Biodiversity Management Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	4,854	5,084	5,188	5,156
Targeted rates	2,312	2,044	1,943	1,929
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	499	6	7	6
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	7,665	7,134	7,138	7,092
Applications of Operating Funding				
Payments to staff and suppliers	4,031	3,549	3,494	3,446
Finance costs	-	-	-	-
Internal charges and overheads applied	3,402	3,673	3,723	3,725
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	7,433	7,222	7,217	7,171
Surplus (Deficit) of Operating Funding (A-B)	232	(88)	(79)	(79)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	-	100	30	30
Increase (decrease) in reserves	232	(187)	(109)	(109)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	232	(87)	(79)	(79)
Surplus (Deficit) of Capital Funding (C-D)	(232)	87	79	79
Funding Balance	-	(1)	-	-
Depreciation	50	88	71	71



Biosecurity Activity

Overview

Regional biosecurity is focused on the control of pests, post border (pests that have established in New Zealand), and pose a threat to our regional economic, cultural or biodiversity values.

How pests are controlled and managed within the Region is set out in the Regional Pest Management Strategies (Regional Pest Management Plan from 2016). The Strategies/Plans are supported in legislation by the Biosecurity Act 1993 and Biosecurity Law Reform Act 2012.

What we will do in 2016-17

Pest Animal Management

Pest animal control covers control work in three main categories:

- Work necessary to maintain the objectives of the Pest Animal Management Strategy/Plan (that includes substantial programmes such as the Possum Control Operations (PCO) and Rooks);
- Advice and information to support stakeholder pest management; and
- Pest control works to protect valued sites.

Horizons Regional Council provides effective animal pest control programmes to protect and enhance the nominated values at each selected site.

Pest Plant Management

Pest plant activity focuses on implementation of the Regional Pest Plant Management Strategy and supporting national initiatives at the regional level, i.e. Clean Check Dry for aquatic issues and the National Pest Plant Accord for prevention of illegal distribution and sale of nationally banned plants. Supporting research into the control of new pest plants and managing their spread (pathway management) is a growing activity.

Horizons Regional Council provides effective plant pest control programmes to protect and enhance the nominated values at each selected site.



Biosecurity – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
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	2.76%	<10% RTC	<10% RTC	<10% RTC
Additional hectares included in control programme	Partially complete	116,000	N/A* ¹	N/A* ¹
Possum densities are maintained at/below 5% RTC for all maintenance control programmes	1.85%	<5% RTC	<5% RTC	<5% RTC
All known rookeries are treated annually to reduce crop losses and damage	Complete	100%	100%	100%
Provide an urban/peri-urban animal pest management service to assist urban ratepayers with specialist advice and equipment	766 responses	>300 responses per year	>300 responses per year	>300 responses per year
Animal pest control assistance/enquiries are responded to within 48 hours	99.4 %	100%	100%	100%
PEST PLANT MANAGEMENT				
Number of listed pest plants controlled to zero density/containments increases as per RPPMS	6 plant species	6 plant species	6 plant species	6 plant species
No new listed pest plants established in the Region	Achieved	100%	100%	100%
Financially support the national biocontrol agent development programme	Complete	✓	✓	✓
Frontline inquiries for plant pest control assistance are responded to within 48 hours	100%	100%	100%	100%

Biosecurity – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Pest Animal Biosecurity	3,537	3,871	3,981	3,985
Pest Plant (Includes Old Man's Beard)	1,532	1,447	1,463	1,453
Animal Health Board (AHB)	700	175	-	-
Total	5,769	5,493	5,444	5,438

Note*1: Initial control programme completed in 2016-17.

What this work will cost (Financial Summary \$'000)

This activity is funded by:

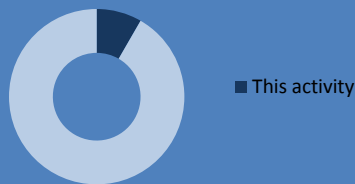
Individual Rates

- Targeted Production Pest Animal (Ha)
- Targeted Production Pest Rook (Ha)
- Targeted Production Pest Plant (UAC)
- Targeted Production Pest Plant (Ha)

Common Rates

- Biosecurity (EQCV)
- Environmental Initiatives Rate (UAC)

Percentage of total expenditure
for 10-year Plan



	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	137	6	7	6
Individual Rates	2,025	1,736	1,627	1,620
Common Rates	3,557	3,576	3,661	3,663
Total Income	5,719	5,318	5,295	5,289
Operating Expenditure	5,769	5,493	5,445	5,439
Operating Surplus/(Deficit)	(50)	(175)	(150)	(150)
Capital Expenditure	-	100	30	30
Total To Be Funded	(50)	(275)	(180)	(180)
Reserve Funding	(50)	(275)	(180)	(180)
Loan Funding	-	-	-	-
Total Funded	(50)	(275)	(180)	(180)



Living Heritage Activity

Overview

Living Heritage is the work Horizons undertakes to assist landowners and community groups to protect and enhance native habitats. The activity also includes a research and monitoring component to track changes in the Region's native habitats and to inform their management.

The Living Heritage Activity is helping to ensure that our valuable native habitats are able to be appreciated and enjoyed by future generations. The State of Environment Report in 2013 reported that 22 per cent of the Region's original native forest cover remains and 3 per cent of the original wetlands remain. Horizons has surveyed 706 bush remnants in the Region and 43 per cent of these were considered in a good or excellent state and a further 50 per cent considered in a fair state. Of the 373 surveyed wetlands, 36 per cent of these were considered in a good or excellent state and a further 32 per cent considered in a fair state.

To protect the Region's living heritage, Horizons is working towards managing 200 of the highest priority bush remnant sites and 100 of the highest priority wetland sites in the Region. Other projects are able to take advantage of our free, non-regulatory advisory service and some receive financial assistance by way of our Biodiversity Environmental Grant.

What we will do in 2016-17

Protect/Enhance Priority Habitat Remnants (Private Habitat Protection)

Priority habitat protection involves working with landowners to identify bush and wetland sites of value and potential benefit to our regional biodiversity. The sites are then managed by activities such as fencing, pest control and restoration work, like planting.

Support Community Involvement in Biodiversity Protection (Public Habitat Protection)

Community biodiversity projects can operate similarly to those involving individual landowners but with community groups or multiple organisations in partnership with Horizons. Examples include the Totara Reserve Regional Park and the Manawatu Gorge project. Alternatively, the projects may have a narrower focus, sometimes limited to a single activity like animal pest control.

Provide Environmental Grant Funding to Communities and Individuals for Biodiversity Projects

Environmental Grant is the financial assistance Horizons gives to help people with the costs associated with their biodiversity projects. Most of this funding goes towards fencing and planting activities.

Improve Knowledge and Understanding of the Region's Biodiversity

Research and monitoring provides key information around priorities for the work programmes, best practice as part of the work programmes, and the effectiveness of the work programmes. This includes providing advice to landowners and the community about the living heritage components of the One Plan. A key focus over the period of this Plan will be tracking the changes in the Region's living heritage and aligning methodologies with other regional councils and supporting of joint science projects with external agencies. This research and monitoring programme also provides support to the Biosecurity Activity of the Plan.

Living Heritage – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
PROTECT/ENHANCE PRIORITY HABITAT REMNANTS				
Additional top 100 wetlands actively managed	3	3	3	3
Additional top 200 bush remnants actively managed	10	6	6	6
SUPPORT COMMUNITY INVOLVEMENT IN BIODIVERSITY PROTECTION				
Continue to support existing community-based biodiversity improvement projects	13	10	10	10
PROVIDE ENVIRONMENTAL GRANT FUNDING TO COMMUNITIES AND INDIVIDUALS FOR BIODIVERSITY PROJECTS				
Biodiversity projects supported	22	30	30	30
IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S BIODIVERSITY				
Undertake research and monitoring to: <ul style="list-style-type: none"> Track changes in the health of the Region's living heritage; Inform policy, habitat protection and biosecurity programme development; and Assess policy and implementation effectiveness. 		Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year
TOTARA RESERVE REGIONAL PARK				
Operate a regional park and camping facility that is appreciated by the community, responding to all enquiries and complaints within 48 hours. Track and report the number of campers to the park and the number of complaints/queries as a % of this figure	100%	100%	100%	100%

Living Heritage – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Biodiversity Research	173	175	176	158
Bush Remnants and Wetlands	498	590	610	602
Regional Parks	246	230	235	231
Environmental Initiatives	799	821	823	814
Total	1,716	1,816	1,844	1,804

What this work will cost

(Financial Summary \$'000)

This activity is funded by:

Individual Rates

- Rangitikei Eradication (Differentiated UAC)
- Regional Park (UAC)
- Waitarere Beach Community (UAC)

Common Rates

- General Rate (EQCV)
- Environmental Initiatives Rate (UAC)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	363	-	-	-
Individual Rates	286	309	316	310
Common Rates	1,297	1,508	1,527	1,494
Total Income	1,946	1,817	1,843	1,804
Operating Expenditure	1,715	1,817	1,844	1,804
Operating Surplus/(Deficit)	231	-	(1)	-
Capital Expenditure	-	-	-	-
Total To Be Funded	231	-	(1)	-
Reserve Funding	231	-	(1)	-
Loan Funding	-	-	-	-
Total Funded	231	-	(1)	-

Introducing the Regional Leadership and Governance Group of Activities

What is included in this group?

This group of activities brings together a range of activities that, while not directly involved in our environmental operations, encompass important aspects of what we are as a Council. These activities are: Community Relationships, Environmental Reporting, Emergency Management, Governance, Information, Hapū and Iwi, and Strategic Management.

Our Emergency Management activities, which are part of this group, focus on keeping people and property in our Region safe, and meeting our statutory obligations as the administering authority of the Manawatu-Wanganui Civil Defence Emergency Management (CDEM) Group as required by the CDEM Act 2002. This requires maintaining a CDEM Group Plan and developing and maintaining a high state of preparedness and being ready to respond promptly and efficiently when an emergency arises.

Our Information activities ensure that we are equipped with reliable and useful information about natural processes that are happening in our Region, and make that information readily available both within Horizons and to our wider public and stakeholders.

The Governance Activity is a cornerstone of our mandate to ensure democratic local decision-making, by meeting the needs of our elected representatives and working with them to ensure the smooth functioning of key planning and public consultation processes, including preparation of community and annual plans. Community relationships contribute to this and help build and maintain public awareness of and support for our activities.

The Hapū and Iwi Activity is focused on developing and nurturing positive working relationships with Māori represented by our Region's 16 iwi.

Strategic Management ensures we look to the future as an organisation. It oversees the One Plan process, deals with policy development and relationships with Central Government, and drives strategy reviews.

Why does Council deliver this group of activities?

We undertake this group of activities as it strongly contributes to the following community outcomes:

- Flood Protection
- Natural Hazards
- Air Quality

In addition the group also contributes to the following community outcomes:

- Land Management
- Water Quality
- Water Quantity
- Managing Indigenous Biodiversity
- Control of Plant and Animal Pests
- Coastal Environmental Management
- Transport

These activities are grouped together as they represent various aspects of our community leadership role for our Region.

Significant negative effects on the community goals

There are no significant negative effects on the community goals from this group of activities.

Highlights

Community Relationships

We will continue to work with the community to achieve our aims and goals. In terms of rural advice we will focus on working with farmers to help the success of

the nutrient management provisions of the One Plan. We will spend almost \$2 million during 2016-17 on the Community Relations Activity, most of which will be funded by the Region's ratepayers.

Environmental Reporting

In the long-term plan we increased the budget for the 2016-17 year for State of the Environment Reporting as well as continuing existing environmental monitoring and reporting. We will spend almost \$300,000 for the 2016-17 year on this activity, which will be funded by the Region's ratepayers.

Emergency Management

We will have similar levels of service and cost in 2016-17 for this activity. We will achieve targets as set out in the CDEM Business Plan. In total we will spend \$2.12 million for the 2016-17 year on this activity, of which \$1.46 million will be funded by the Region's ratepayers.

Governance

We will have similar levels of service and cost in 2016-17 for this activity. We will spend \$2.57 million for the 2016-17 year on this activity, all of which will be funded by the Region's ratepayers.

Information

We will have similar levels of service and cost in 2016-17 for this activity. We will keep improving our data acquisition rates and performance of our environmental network as well as work with other councils and the community to facilitate exchange of environmental information. We will spend \$3.77 million in 2016-17 on this activity, all of which will be funded by the Region's ratepayers.

Hapū and Iwi Relationships

We will continue to work with hapū and iwi on environmental projects as well as maintaining involvement in Treaty settlement processes. We will spend

\$214,000 in 2016-17 on this activity, all of which will be funded by the Region's ratepayers.

Strategic Management

As well as continuing to implement the One Plan and maintaining capacity to deal with emerging issues, we will work with other stakeholders to facilitate sustainable growth in the Region. We will spend \$1.27 million in 2016-17 on this activity, all of which will be funded by the Region's ratepayers.

Regional Leadership and Governance Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
COMMUNITY RELATIONSHIPS	1,706	1,996	2,073	1,995
ENVIRONMENTAL REPORTING	259	265	298	288
EMERGENCY MANAGEMENT	2,569	2,133	2,110	2,121
GOVERNANCE	2,368	2,336	2,579	2,565
INFORMATION	3,827	3,675	3,883	3,765
HAPŪ AND IWI	174	224	229	214
STRATEGIC MANAGEMENT	1,312	1,259	1,167	1,267
Total Operating Expenditure	12,215	11,887	12,339	12,215
Capital Expenditure	642	1,542	1,136	1,125
Total Funding Required	12,857	13,429	13,475	13,340
Funded By				
User Fees and Other Revenue	4,205	3,029	3,165	3,151
Individual Rates	-	-	-	-
Common Rates	8,629	9,164	9,261	9,149
Loans and Reserves	25	1,236	1,050	1,039
Total Funded	12,859	13,429	13,476	13,340

Capital Expenditure	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	642	1,542	1,136	1,125
Total Capital Expenditure	871	1,542	1,136	1,125

Prospective Funding Impact Statement for the Regional Leadership and Governance Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	8,629	9,164	9,261	9,149
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,945	696	711	709
Internal charges and overheads recovered	2,260	2,333	2,454	2,442
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	12,834	12,193	12,426	12,301
Applications of Operating Funding				
Payments to staff and suppliers	3,277	3,293	3,548	3,581
Finance costs	-	-	-	-
Internal charges and overheads applied	8,323	7,795	7,998	7,837
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	11,600	11,088	11,546	11,417
Surplus (Deficit) of Operating Funding (A-B)	1,234	1,105	880	884
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	642	1,542	1,136	1,125
Increase (decrease) in reserves	592	(437)	(257)	(242)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	1,234	1,105	879	884
Surplus (Deficit) of Capital Funding (C -D)	(1,234)	(1,105)	(879)	(884)
Funding Balance	-	-	1	-
Depreciation	700	799	793	798



Community Relationships Activity

Overview

Strong relationships with our communities help people understand what Horizons does and how we do it.

Community Relationships focus on providing effective communications, accessible information and accurate advice. As we engage with our regional communities, we increase public understanding of Horizons' role and encourage community participation in action and decision-making.

Public awareness of and support for our activities is essential if we are to achieve our goals. Strong relationships enhance the impact of our work and help us make this Region a great place to live, work and play.

What we will do in 2016-17

Communications

Our communications team plans external and internal communications to generate accessible, user-friendly information in a variety of ways; develops and maintains stakeholder relationships; and supports the delivery of all Horizons' work. They ensure communication is proactive and transparent, which helps develop a positive community profile and increase public understanding of Horizons' function.

District Liaison

District Liaison provides free, non-regulatory information and advice to members of the public regarding natural hazard risk and Horizon's One Plan requirements for specific properties and proposed developments. District Liaison also provides information and recommendations to territorial authorities to assist them in their decision-making with respect to Building, Subdivision and Land Use Consent Applications. District Liaison also helps coordinate Horizons' response to District Plan Changes and Private Plan Change requests.

District Liaison also manages the legislative requirements of the Building Act 2004 for dams throughout the Region. Horizons has delegated its Building Consent functions for consenting Large Dams to Waikato Regional Council, however via the District Liaison output, remains responsible for issuing Project

Information Memorandum (PIMs) for Large Dams. A PIM is a legal requirement of the Building Consent process for the modification and/or construction of Large Dams.

Rural Advice

Operating similarly to District Liaison, the rural advice team provides free, non-regulatory advice with a rural focus. Again this is general advice, not the specific full professional advice required by a person making a consent application. Through the provision of day-to-day on-call support for a variety of farming operations, our rural advice team helps ensure significant businesses achieve and maintain required standards to reduce regulatory issues. There will be a significant focus on working with farmers to help the success of the nutrient management provisions of the One Plan.

Customer Service

Customer Service is the first port of call for all general Horizons enquiries via telephone and in person. By providing friendly, efficient service and advice 24/7, this team aids the development of positive relationships with our communities.

Environmental Education

Horizons has a long history in supporting school-based environmental education through nationally recognised programmes such as Waiora, Trees for Survival and EnviroSchools. We plan to work closely with EnviroSchools to increase the number of schools in our Region involved in this programme over the life of this Plan.

Community Relationships – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
PLAN AND IMPLEMENT LONG-TERM, STRATEGIC AND MEASURABLE COMMUNICATIONS				
Awareness and understanding of Horizons is maintained through a variety of channels (eg. print, media, online, events and sponsorship)	> 90%	> 90%	> 90%	> 90%
Increase awareness and use of the website	189,622	Increase users by 10,000	Increase users by 10,000	Increase users by 10,000
DISTRICT LIAISON				
All information requests are met within timeframe (approximately 200 formal and 450 informal requests received per year, with approximately 20 plan change proposals assessed per year)	20 days	20 days	20 days	20 days
Meet Building Act 2004 legislative requirements	100%	100%	100%	100%
RURAL ADVISORY				
Deliver advisory services to the rural community (number of requests)	140+	200	200	200
CUSTOMER SERVICE				
Maintain 24-hour, seven days a week access to Horizons via internal and external call centre support	100%	100%	100%	100%
95% of all calls received on a 24/7 basis are answered	95%	95%	95%	95%
The Council provides a friendly, professional and knowledgeable service to its customers. Ninety percent of customers are satisfied with the friendliness, professionalism and knowledge of the service	90%	90%	90%	90%
ENVIRONMENTAL EDUCATION				
Increase participation levels in the EnviroSchools and Waiora programmes at a manageable rate.	35 EnviroSchools 2 Trees for Survival Schools 42 Waiora sessions per year	34 EnviroSchools 2 Trees for Survival Schools 31 Waiora sessions per year	36 EnviroSchools 2 Trees for Survival Schools 32 Waiora sessions per year	36 EnviroSchools 2 Trees for Survival Schools 32 Waiora sessions per year

Community Relationships – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Community Communications	638	710	755	738
District Liaison	262	346	369	359
Customer Services	350	407	412	377
Rural Advisor	455	532	538	521
Total	1,706	1,995	2,074	1,995

What this work will cost (Financial Summary \$'000)

This activity is funded by:

Common Rates

- General Rate (EQCV)
- Uniform Annual General Charge (UAC)

Percentage of total expenditure
for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	38	5	6	6
Individual Rates	-	-	-	-
Common Rates	1,916	1,991	2,068	1,990
Total Income	1,954	1,996	2,074	1,995
Operating Expenditure	1,706	1,996	2,073	1,995
Operating Surplus/(Deficit)	249	-	1	-
Capital Expenditure	-	-	-	-
Total To Be Funded	249	-	1	-
Reserve Funding	249	-	1	-
Loan Funding	-	-	-	-
Total Funded	249	-	1	-



Environmental Reporting and Air Quality Monitoring Activity

Overview

Effective management of the Region's natural resources is dependent on accurate and timely information about the environment and its health, ready access to this information, and having this information packaged in a way that is understandable to the intended audience.

Horizons has responded to the demand for information about the Region's natural resources through the Environmental Reporting Activity. The activity includes the core monitoring and reporting function and the work to raise the community's awareness of the environment – how it works, how it is changing and the drivers of change.

What we will do in 2016-17

Environmental Monitoring and Reporting

Environment Monitoring and Reporting is critical for effective management as it provides knowledge of the state of the resource and allows the early detection of changes and trends. Further, it enables the effectiveness of policies, approaches and management to be determined. Reporting provides a summary of the information in a way that can inform decision-making. The 2016-17 year includes an increased budget for state of environment reporting to enable further state of environment information to be compiled and communicated.

Air Quality Monitoring

The air quality monitoring programme will continue to monitor and report on air quality in the two air-sheds designated under the National Environmental Standard for Air Quality (Taihape and Taumarunui). Air quality modelling information completed as a part of this activity, predicts the two designated air sheds will become compliant with the requirements of the National Environmental Standard as older wood burners are slowly replaced with more efficient burners. A key recommendation of the various air quality studies has been to complete public awareness campaigns to provide guidance around ways

to improve air quality in these air sheds. The Plan contains a small budget to undertake such work.

Environmental Reporting and Air Quality Monitoring – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
ENVIRONMENTAL MONITORING AND REPORTING				
Complete State of the Environment reporting including reviewing and updating environmental indicators	Reported to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year
Undertake policy and programme implementation effectiveness monitoring and provide input into programmes and policies that are in development	Reported to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year
Environmental information is made available to the public via Horizons' website, Environment Committee reporting and on request, including contributions to national level reporting	100%	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year
Monitor and report on air quality		Report to Council on progress 5 times per year	Report to Council on progress 5 times per year	Report to Council on progress 5 times per year

Environmental Reporting and Air Quality Monitoring – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
SOE Policy and Performance Monitoring	208	209	241	232
Air Monitoring	51	56	57	56
Total	259	265	298	288

What this work will cost

(Financial Summary \$000)

This activity is funded by:

Common Rates

- General Rate (EQCV)

Percentage of total expenditure
for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	4	-	-	-
Individual Rates	-	-	-	-
Common Rates	253	265	298	288
Total Income	257	265	298	288
Operating Expenditure	259	265	298	288
Operating Surplus/(Deficit)	(2)	-	-	-
Capital Expenditure	-	-	-	-
Total To Be Funded	(2)	-	-	-
Reserve Funding	(2)	-	-	-
Loan Funding	-	-	-	-
Total Funded	(2)	-	-	-



Emergency Management Activity

Overview

The Emergency Management Office delivers a range of emergency related services to assist in keeping our communities safe, ensuring the continuity of critical services, and the coordination of emergency planning, response and recovery. The activity includes:

- Our response to natural and technological events such as floods, storms, earthquakes, lifeline infrastructure failure and major pollution incidents;
- Coordination of the Civil Defence Emergency Management (CDEM) Group;
- Flood plain mapping, modelling and flood forecasting;
- River navigation safety functions;
- In-house health and safety responsibilities; and
- Contracted services for marine oil spill response and local emergency management services.

What we will do in 2016-17

Achieve Targets as Set Out in CDEM Business Plan

Horizons Regional Council is the administering authority of the Manawatu-Wanganui Civil Defence Emergency Management Group as required by the Civil Defence Emergency Management Act 2002. The CDEM Group is a consortium of the local authorities in the Region working in partnership with emergency services, lifeline utilities and others to deliver CDEM at the local level. The Group maintains a CDEM Plan in accordance with legislative requirements that considers all phases of the emergency continuum (reduction, readiness, response and recovery).

A business plan is also managed by the Group with each of the member councils contributing to achieving the goals of the Group. A review of the CDEM Group Plan began in January 2015; it is intended that the Plan will be approved as operative in June 2016 as part of the Business Plan outputs.

On 1 December 2015 the National CDEM Plan 2015 came into effect, which increased the responsibilities of Civil Defence Welfare Services for CDEM Groups.

To assist with this increased responsibility the CDEM Group will be looking to engage a 0.4 FTE resource as group welfare manager. This resource will be funded via savings in other operational areas.

Horizons' Response Capability

Under this activity we:

- Prepare plans and procedures for emergency response;
- Maintain an emergency management duty officer capability 24/7/365;
- Deliver automated river height information to subscribers;
- Manage the Manawatu River & Tributaries Navigation Safety bylaw;
- Facilitate and coordinate navigation and water safety initiatives in Wanganui in conjunction with the Whanganui River Navigation & Safety Group;
- Maintain teams for flood gate operation and flood barrier deployment;
- Coordinate Council health and safety services;
- Undertake flood plain mapping, modelling and forecasting; and
- Maintain a cadre of trained staff to manage and operate an Emergency Operations Centre for Horizons response activities and an Emergency Coordination Centre for the CDEM Group.

Contracted Services

Local level emergency management services are provided under contract to the Rangitikei, Manawatu and Horowhenua District Councils for the provision of coordinated Civil Defence and Rural Fire capability. These services are provided as a fixed price contract and have been in place since 2008 and 2009.

We intend to maintain the current levels of service provided via the contract arrangements to ensure that the contracted local authorities continue to meet their respective legislative Civil Defence and Rural Fire requirements.

Services are provided to Maritime New Zealand (MNZ) to ensure a regional response capability for marine oil spill response within Horizon's area of jurisdiction. This output is 100 per cent funded by MNZ via the provision of training and equipment commensurate to our regional risk, as determined by MNZ.

Emergency Management – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
ACHIEVE TARGETS AS SET OUT IN CDEM BUSINESS PLAN				
Critical outputs pertaining to Operational Capability, Community Resilience and Riskscape are monitored and reviewed		100%	100%	100%
Emergency Coordination Centre (ECC) systems and procedures developed and maintained	100%	100%	100%	100%
CDEM targets are reported to both the Joint Standing Committee and Coordinating Executive Group	9	4 per year	4 per year	4 per year
HORIZON'S RESPONSE CAPABILITY				
Emergency Operations Centre staff are trained (min. of 4 training activities per year) 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	100%	100%	100%	100%
Hazard information update project carried out to update LIDAR information; indicative and modelled flood layers and selected seismic data layers updated as per approved project plan		100%	100%	100%
Procedures in flood plain mapping, modelling and flood forecasting in place	1	1	1	1
Manage and promote business continuity planning arrangements (BC Plans)	2	1 per year	1 per year	1 per year
Manage and promote navigation safety	100%	100%	100%	100%
Install a new river height recording site near the settlement of Herbertville – 2014-15 only	90%			
CONTRACTED SERVICES				
Maritime New Zealand (MNZ) oil spill response capability maintained to MNZ audit standards	100%	100%	100%	100%
Emergency Management contracts for Civil Defence and Rural Fire services completed to the satisfaction of Rangitikei, Manawatu and Horowhenua District Councils	100%	100%	100%	100%

Emergency Management – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Horizons' Emergency Management	1,351	1,154	1,157	1,134
Contracted Services	957	653	664	651
CDEM Group	261	326	289	336
Total	2,569	2,133	2,110	2,121

What this work will cost

(Financial Summary \$'000)

This activity is funded by:

User Fees and Other Revenue

- Territorial Authority Contract Income

Common Rates

- Emergency Management Rate (EQCV)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	1,007	651	666	666
Individual Rates	-	-	-	-
Common Rates	1,337	1,483	1,444	1,455
Total Income	2,344	2,134	2,110	2,121
Operating Expenditure	2,569	2,133	2,110	2,121
Operating Surplus/(Deficit)	(225)	1	-	-
Capital Expenditure	39	593	260	259
Total To Be Funded	(265)	(592)	(260)	(259)
Reserve Funding	(265)	(592)	(260)	(259)
Loan Funding	-	-	-	-
Total Funded	(265)	(592)	(260)	(259)

Governance Activity

Overview

Horizons covers a wide geographical area and its ratepayers and residents are represented by 12 elected members. Through their locally elected councillors, the people of the Region have the opportunity to become involved in decisions about local and regional issues. Our elected representatives provide a vital link to our communities and they are ultimately accountable through the triennial election process to the people of our Region.

Horizons' role is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. To be successful we need to identify opportunities, and respond to any changes that may impact on our business.

What we will do in 2016-17

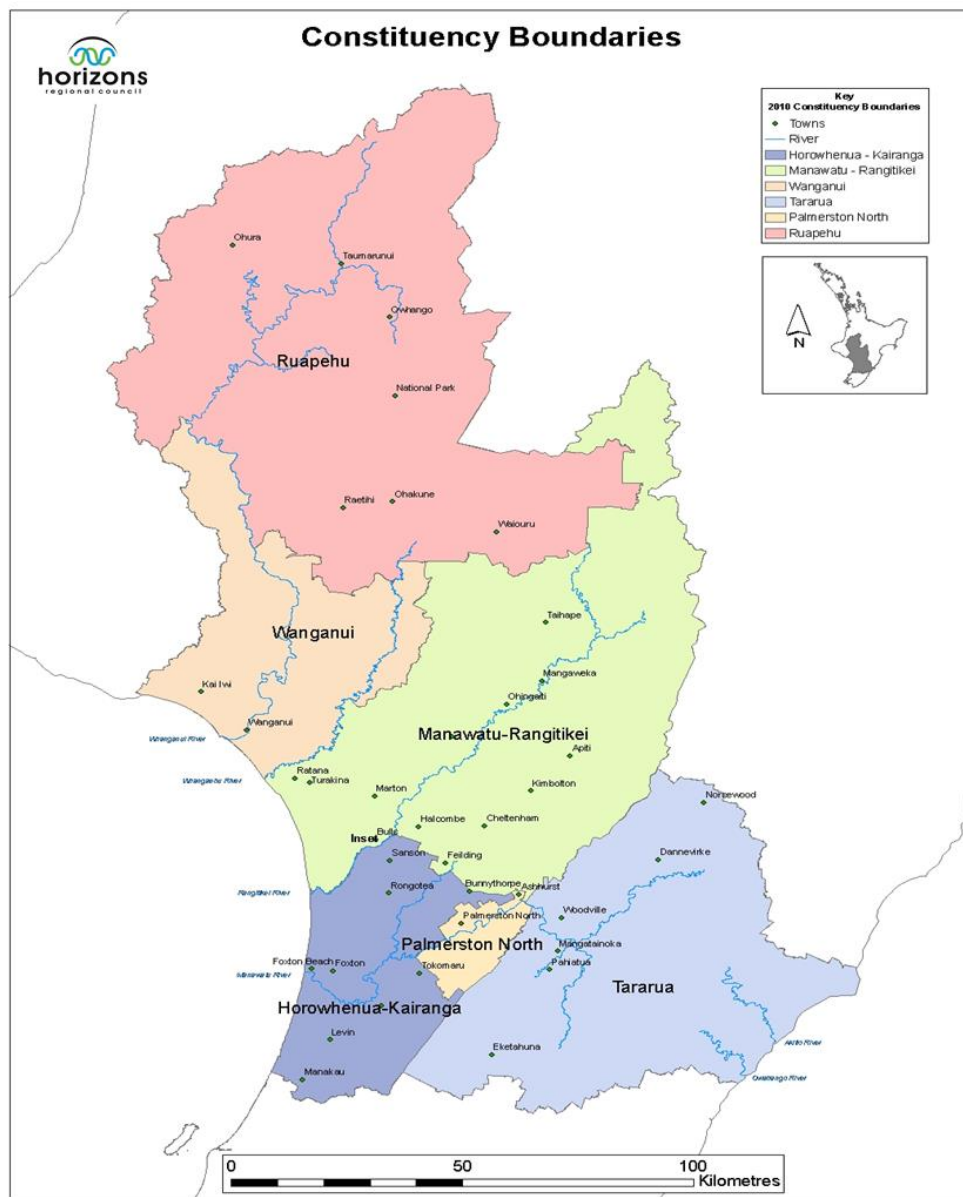
Governance

The councillors provide governance for the organisation through regular Council and committee meetings. In addition to setting and monitoring policy, the Council keeps abreast of local, regional, national and international matters, so that emerging issues of relevance for the Region can be investigated and planned for.

Changes in Central Government policy can impact on our business and these changes need to be assessed and responded to.

As mentioned in the Long-term Plan, local body elections will take place in October 2016. In order to avoid a spike in the rates in the year of the election, we will fund most of the additional cost of this election over the 2016-17 to 2018-19 years. This amount will be recovered in equal instalments of \$106,000 in the 2017-18 and 2018-19 financial years.

In the 2016-17 year we will also undertake the normal statutory requirements of planning, reporting and administering prompt payment discounts, rate penalties and remissions.



Constituency	No. of Members	Estimated Population
Horowhenua-Kairanga	2	38,600
Manawatu-Rangitikei	2	35,550
Palmerston North	4	83,440
Ruapehu	1	12,640
Tararua	1	17,420
Wanganui	2	43,530
	12	231,180

The Horizons Region

- Covers 10 local authorities, 7 completely within its boundaries
- Horizons' jurisdiction extends 12 nautical miles out to sea
- Covers 22,212 sq km of land, 8.1 per cent of New Zealand's land area
- Has 160 km of coastline, with the Tasman Sea to the west and Pacific Ocean to the east
- Is home to approximately 231,180 people

Governance – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
GOVERNANCE				
Undertake the triennial election process in accordance with the Local Electoral Act 2001 (October 2016)			✓	✓
Conduct Horizons' meetings and hearings in accordance with Horizons Regional Council Standing Orders	100%	100%	100%	100%
LONG-TERM PLAN (LTP)				
Adoption of this and subsequent annual plans, long-term plans and amendments, and annual reports by Council within statutory timeframes	100%	100%	100%	100%

Governance – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Representation	2,031	2,150	2,390	2,400
Community and Annual Plan	338	186	189	165
Total	2,368	2,336	2,579	2,565

What this work will cost

(Financial Summary \$000)

This activity is funded by:

Common Rates

- Uniform Annual General Charge (UAC)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	1	-	-	-
Individual Rates	-	-	-	-
Common Rates	2,447	2,464	2,473	2,459
Total Income	2,448	2,464	2,473	2,459
Operating Expenditure	2,368	2,336	2,579	2,565
Operating Surplus/(Deficit)	79	128	(106)	(106)
Capital Expenditure	-	-	-	-
Total To Be Funded	79	128	(106)	(106)
Reserve Funding	79	128	(106)	(106)
Loan Funding	-	-	-	-
Total Funded	79	128	(106)	(106)



Information Activity

Overview

Along with its people, information is a key strategic asset of any organisation. We put high value on having good, reliable information and the means to access and share it both within the Council and with our communities and other stakeholders in order to inform decision making.

The Information Activity puts an emphasis on integration of systems within the Council and on increasing standardisation of underlying technologies to future-proof our information collection and storage. It also provides opportunities and supports initiatives to share data and information with our communities, and other interested groups like iwi, other regional and territorial councils, and Central Government.

What we will do in 2016-17

Catchment Data

A large quantity of environmental data is collected by Horizons via a comprehensive network of physical sites throughout the Region. This data is utilised by a range of internal customers for river scheme design and operation, emergency management and science related activities. In addition, significant use is made of this data by external agencies and ratepayers. Data collection programmes for river level, flow, dissolved oxygen, water temperature, suspended sediment and nutrients for our Region's rivers, as an example, have been established. Data is also collected in relation to groundwater levels and quality, air quality, rainfall and soil moisture. Key services provided for emergency management purposes are flood warning and automated flood forecasting for the Region's major rivers. For Horizons science output, data provision is primarily in relation to real-time data for water allocation/management and for the establishment and maintenance of a long-term archive of environmental data for decision making.

The team responsible for the data that is collected maintains ISO certification. This ensures independent review of processes, and so ensures the reliability of data collected and archived within Horizons' systems. The Information Activity is looking to continue to improve access to this information resource by our

Region's communities and ratepayers, thus allowing decision makers access to timely and current environmental information.

Catchment Information

With a large quantity of environmental data coming in, alongside other operational and financial information generated by the wider organisation, there is a need to define, implement and/or support systems that store, analyse and report on this data to meet current and evolving operational requirements. This work is guided by the underlying principles of Council's Information Strategy, namely that systems should be integrated, efficient and provide accurate and audited information, along with ensuring systems implemented are supported adequately externally and internally, that information is protected and secured, and that appropriate governance processes are followed for product development, purchase or review.

To this end, and supporting the work of Catchment Data and other teams throughout Horizons to deliver this information to the external agencies and ratepayers, the Catchment Information team provides the technical expertise to create and maintain specialised reporting and mapping systems and portals, supporting internal project teams and staff alongside with delivering products to the external agencies and ratepayers. These systems build on, or integrate with, existing business system architectures.

As an outcome of this work, the reliability of data holdings are progressively improved, with concurrent impacts on decision making; the technical capacity and capability of the wider organisation is maintained into the long term; and progressive improvements delivered to overall business processes.

Information – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
CATCHMENT DATA				
Collection of 98.5% water level, rainfall, soil moisture, wind and water temperature data (approx. 15.2 million data-points p.a.)	99.1%	98.5%	98.5%	98.5%
Collection of 92.0% of continuous data relating to other water quality parameters (approx. 2.0 million data-points p.a.)	97.1%	90.0%	90.0%	94.0%
CATCHMENT INFORMATION				
Information requests received from the public and external agencies are processed and delivered according to agreed timeframes	95%	95.0%	95.0%	95.0%

Information – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Catchment Information	1,422	1,273	1,361	1,251
Catchment Data	2,406	2,374	2,493	2,486
Hydro Contracting Works	-	28	29	28
Total	3,828	3,675	3,883	3,765

What this work will cost (Financial Summary \$000)

This activity is funded by:

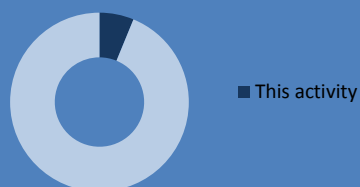
User Fees and Other Revenue

- Catchment Data Recharge

Common Rates

- Information (EQCV)

Percentage of total expenditure
for 10-year Plan



	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	2,750	2,374	2,493	2,480
Individual Rates	-	-	-	-
Common Rates	1,218	1,301	1,390	1,285
Total Income	3,968	3,675	3,883	3,765
Operating Expenditure	3,827	3,675	3,883	3,765
Operating Surplus/(Deficit)	141	-	-	-
Capital Expenditure	602	949	877	866
Total To Be Funded	(461)	(949)	(877)	(866)
Reserve Funding	(461)	(949)	(877)	(866)
Loan Funding	-	-	-	-
Total Funded	(461)	(949)	(877)	(866)



Hapū and Iwi Relationships Activity

Overview

Horizons values its positive working relationships with the Region's hapū and iwi. These relationships are important for Treaty of Waitangi settlement processes, to encourage iwi participation during decision-making processes, recognise iwi interests, and progress initiatives that enhance iwi capacity to participate in resource management.

What we will do in 2016-17

Treaty Settlement Participation

The Regional Council sees the Treaty settlement process as an opportunity to build enduring relationships with iwi. We will work collaboratively and in good faith during Treaty of Waitangi settlement processes, and implement with iwi the settlement matters for which we are responsible.

Council continues to work with Whanganui River iwi and Rangitaane o Manawatu and looks forward to the enactment of these settlements. Council is also currently engaged with other settlement negotiations throughout the Region – Ngati Rangi, Rangitane ki Tamaki Nui a Rua, Ngati Kahungunu ki Wairarapa Tamaki Nui a Rua and Muaupoko – and looks forward to further developing relationships and supporting these settlements in areas of shared mutual interest.

Resource Management Projects

The Māori worldview is integral to Council's business, in particular during implementation, monitoring and review of the One Plan. Methods in Chapter 2: Te Ao Māori focus on improving working relationships with hapū and iwi to achieve mutually satisfactory outcomes. Initiatives include:

- Treaty settlement participation;
- Investigating options for joint management agreements;
- Memoranda of partnership;
- Identification of cultural sites of significance;
- Development of a wāhi tapu and wāhi tūpuna protection and discovery code of practice;

- Habitat restoration;
- Resource management capacity building;
- Iwi involvement in consent decision-making at an early stage;
- Support for iwi and hapū resource management plans;
- Development and implementation of a cultural monitoring framework; and
- Other projects such as accords and wider community environmental projects.

Hapū and Iwi Relationships – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
JOINT REGIONAL RESOURCE MANAGEMENT PROJECTS				
Implement One Plan Te Ao Māori methods	On-going	Method targets met	Method targets met	Method targets met
IWI RELATIONS/TREATY SETTLEMENT				
Treaty Settlement and Memorandum of Partnership projects	As required	Deliverables met	Deliverables met	Deliverables met

Hapū and Iwi Relationships – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Iwi	174	224	229	214
Total	174	224	229	214

What this work will cost

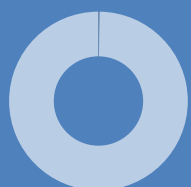
(Financial Summary \$000)

This activity is funded by:

Common Rates

- Uniform Annual General Charge (UAC)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	-	-	-	-
Individual Rates	-	-	-	-
Common Rates	181	224	229	214
Total Income	181	224	229	214
Operating Expenditure	174	224	229	214
Operating Surplus/(Deficit)	7	-	-	-
Capital Expenditure	-	-	-	-
Total To Be Funded	7	-	-	-
Reserve Funding	7	-	-	-
Loan Funding	-	-	-	-
Total Funded	7	-	-	-



Strategic Management Activity

Overview

The focus of this activity is planning for the future and working with others, both within and external to Horizons, to ensure our plans and strategies are implemented. The activity also provides for monitoring how successful the plans are at achieving objectives so we can identify and make improvements where necessary. This activity covers our participation in development and implementation of central government policy and working with territorial authorities where this helps integrate regional and district plans.

What we will do in 2016-17

One Plan Implementation and Monitoring

The One Plan became fully operative in December 2014. All rules have been implemented; work is continuing to implement non-regulatory methods laid out in the One Plan. The focus during 2016-17 will continue to be on monitoring progress of implementation of the One Plan and evaluating policy effectiveness.

If improvements to the Plan are identified, a plan change may be initiated. A plan change may also be triggered by national policy requirements in national policy statements (NPS) or national environmental standards (NES). A revised NPS for Freshwater Management came into effect on 1 August 2014. The One Plan is largely consistent with its requirements.

Maintain Emerging Issues Capacity

The Regional Council participates in the planning cycles of government and territorial authorities. This involves advocating for the interests of the Region during development of law changes, NPS and NES, and encouraging integration of work streams with territorial authorities during their district plan reviews and annual planning processes. From time to time issues and opportunities arise where Horizons takes a leadership role on behalf of the Region. Council will further consider the issue of climate change during 2016-17.

Several national policy instruments are at varying stages of development and may require Regional Council involvement during 2016-17, including NPS on Indigenous Biodiversity and on Urban Development, and NES on Plantation

Forestry and for Air Quality. Further reform to the Resource Management Act is also being progressed and will require Horizons' consideration, along with proposals to reform the regulatory framework around pest management and eradication.

Regional Prosperity

One of the key issues for the Manawatu-Wanganui Region is its future prosperity. Over the last 24 months, in collaboration with the Region's mayors, ministers, iwi and business, Horizons has played a pivotal role in facilitating the production by government of a Regional Growth Study. We are now focused on the Regional Council's role in the Accelerate25 programme, which is implementing the growth study. This programme's purpose is to realise opportunities in the Region around key business areas including: tourism and visitor services, sheep and beef production and processing, fresh vegetables, and manuka honey.

Government has highlighted the importance of councils collaborating with each other and with industry and iwi to facilitate growth. Horizons' contribution to achieving sustainable growth in the Region may include finding ways to better use the information it holds on the Region's resources, bringing key parties together, and utilising Horizons' existing connection with Central Government.

In this Annual Plan, Horizons' work in this area is covered through the Emerging Issues Activity.

Strategic Management – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
ONE PLAN IMPLEMENTATION				
One Plan implementation programme	On-going	Method targets met	Method targets met	Method targets met
Monitoring and evaluation of the One Plan	Further framework development	Monitoring programme implemented	Evaluation programme implemented	Evaluation programme implemented
National policies and standards incorporated into the Plan within statutory deadlines	Not required	100% as required	100% as required	100% as required

Strategic Management – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
New Projects/Emerging Issues	620	511	516	509
Strategy Reviews	7	-	-	-
One Plan	685	748	651	757
Total	1,312	1,259	1,167	1,267

What this work will cost

(Financial Summary \$000)

This activity is funded by:

Common Rates

- Strategic Management Rate (EQCV)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	406	-	-	-
Individual Rates	-	-	-	-
Common Rates	1,277	1,437	1,359	1,459
Total Income	1,683	1,437	1,359	1,459
Operating Expenditure	1,312	1,259	1,167	1,267
Operating Surplus/(Deficit)	370	178	192	192
Capital Expenditure	1	-	-	-
Total To Be Funded	369	178	192	192
Reserve Funding	369	178	192	192
Loan Funding	-	-	-	-
Total Funded	369	178	192	192

Introducing the Transport Group of Activities

What is included in this group?

Transport plays a vital role in our communities and contributes to the social and economic goals of our Region.

This group of activities includes three activities – Transport Planning, Road Safety and Public Transport. Our role is to coordinate land transport planning within the Region, plan and implement public passenger transport services, and coordinate and implement a programme of community road safety education. These transport activities receive varying amounts of funding from Central Government via the National Land Transport Fund (this funding is shown as ‘User Fees and Other Revenue’ in the financial information below).

Why does Council deliver this group of activities?

We undertake this group of activities as it strongly contributes to the following community outcome:

- Transport

These activities are grouped together as they contribute towards well-planned and integrated transport networks that encourage walking, cycling and public transport (including specialised services for people with disabilities), as well as catering for commercial and private vehicle needs. This ensures that all those in our Region can access services and do business safely and easily.

Significant negative effects on the community goals

While the use of fossil fuelled vehicles in all forms could be considered a negative effect on environmental goals, this group of activities seeks to minimise this impact through efficient use of transport.

Highlights

Transport Planning

We will hold constant the levels of service for this activity with the majority of effort going into monitoring the effectiveness of the Regional Land Transport Plan. During this year we will continue with implementation of the Regional Land Transport Plan and commence work on the revision of this document for the 2018-21 period. Implementation will focus on delivery of the identified programme of works and other works that will help enable regional economic growth.

Passenger Transport

Generally existing levels of service will be maintained (including the Total Mobility scheme) with a number of new and improved services being trialled to improve connectedness between centres. New services to be operated include:

- A weekday service between Ashhurst and Palmerston North;
- A two-year trial service of increased peak frequency on the Milson/Cloverlea route in Palmerston North to 10 minutes, subject to NZTA business case approval;
- Increased frequency on the Palmerston North Fernlea Heights route to 20 minutes during peak times.
- A Wanganui to Palmerston North commuter service;
- Increased levels of service to Palmerston North’s Summerhill suburb;
- A Levin to Waikanae weekday service;
- A day out in Horowhenua loop bus service.

Most of these new services will be funded from reserves and later years funded from rates. We will spend approximately \$6.36 million this year, which will be funded by Central Government and other contributors (\$4.29 million year) and the Transport Scheme ratepayers (\$1.87 million per year).

Road Safety

The New Zealand Transport Agency have confirmed that road safety education is a core function of a regional council's Regional Transport Committee. In the 2015-25 LTP Council chose to reinstate the road safety activity in Year 2 and onwards. The delivery of road safety education programmes will be funded at an NZTA Funding Assistance Rate of 64 per cent equating to \$170,000 local share of which \$25,000 will come from reserves.

Transport Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
TRANSPORT PLANNING	179	214	166	179
PASSENGER SERVICES	4,784	5,485	6,434	6,309
ROAD SAFETY	661	670	661	652
Total Operating Expenditure	5,623	6,369	7,261	7,139
Capital Expenditure	-	500	-	-
Total Funding Required	5,623	6,869	7,261	7,139
Funded By				
User Fees and Other Revenue	3,917	4,310	4,850	4,722
Individual Rates	1,408	1,422	1,736	1,700
Common Rates	232	231	190	221
Loans and Reserves	66	905	485	497
Total Funded	5,623	6,868	7,261	7,139

Capital Expenditure	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	-	500	-	-
Total Capital Expenditure	-	500	-	-

Prospective Funding Impact Statement for the Transport Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	232	231	190	221
Targeted rates	1,408	1,422	1,736	1,700
Subsidies and grants for operating purposes	3,306	3,370	3,824	3,742
Fees and charges	611	559	583	566
Internal charges and overheads recovered	-	382	443	413
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	5,558	5,964	6,776	6,643
Applications of Operating Funding				
Payments to staff and suppliers	4,594	4,979	5,797	5,690
Finance costs	-	-	-	-
Internal charges and overheads applied	1,029	1,341	1,413	1,399
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	5,623	6,320	7,210	7,089
Surplus (Deficit) of Operating Funding (A-B)	(66)	(356)	(434)	(447)
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	-	500	-	-
Increase (decrease) in reserves	(66)	(855)	(435)	(447)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(66)	(355)	(435)	(447)
Surplus (Deficit) of Capital Funding (C-D)	66	355	435	447
Funding Balance	-	(1)	1	-
Depreciation	-	50	50	50



Transport Planning Activity

Overview

The Transport Planning Activity carries out our statutory responsibilities by coordinating the planning of all modes of land transport in the Region.

We do this through the Regional Transport Committee, which brings together the main transport stakeholders in the Region. A key output of the committee is to prepare and implement a Regional Land Transport Plan (RLTP). This identifies the Region's key land transport issues, the strategic priorities and objectives the Region wants to achieve, and the policies that set out how they will be achieved. It also includes the capital and maintenance projects identified as being a priority for the Region, which once completed will give effect to the objectives of the RLTP.

What we will do in 2016-17

Coordinate and Service the Regional Transport Committee

The Regional Transport Committee (RTC) is made up of political representatives from Horizons, the seven territorial local authorities in our Region, the New Zealand Transport Agency (Transport Agency) and representatives from external agencies involved in transport. The committee is responsible for preparing a new Regional Land Transport Plan every six years, with a three-yearly review scheduled in between. With the current plan being completed in 2015, the focus for the committee during 2016-17 will be implementation of that plan and delivery of its outcomes. The RTC will meet four times a year to receive reports on and make decisions on land transport matters.

Implement, Monitor and Report on the Regional Land Transport Plan (RLTP)

The plan has been developed under the Government Policy Statement that focuses largely on economic growth, productivity and freight efficiency. This will key into other work being carried out in the Region, specifically the Regional Growth Study and the Central New Zealand Agribusiness Strategy. The aim of this work is to identify economic growth opportunities within the Region. Providing integrated transport linkages within the Region and across regional

boundaries to maximise the efficient movement of product will be a key focus of the RLTP implementation.

Other work streams will include working with territorial authorities and the Transport Agency to ensure funds are being spent on key projects. Work will also involve advocating for additional funds, specifically from the regional land development fund where opportunities for integral capital projects arise.

Work will also involve advocating to Central Government via submissions on policy changes. Monitoring of the Plan will be reported on once a year, with the annual report on its implementation to be prepared in early 2017.

During the later half of the year, work will commence on the three- yearly review of the RLTP.

Transport Planning – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
PREPARE, IMPLEMENT, MONITOR AND REPORT ON THE REGIONAL LAND TRANSPORT PLAN	Achieved			
Implement the Regional Land Transport Plan		✓	✓	✓
Prepare monitoring report on the Regional Land Transport Plan		✓	✓	✓
Prepare submissions on central government policy		✓	✓	✓

Transport Planning – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Transport Planning	179	214	166	179
Total	179	214	166	179

What this work will cost (Financial Summary \$000)

This activity is funded by:

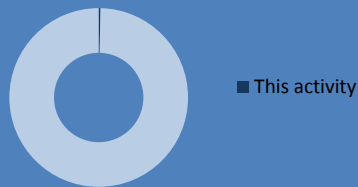
User Fees and Other Revenue

- Government Support

Common Rates

- Transport Planning and Road Safety (EQCV)

Percentage of total expenditure
for 10-year Plan



	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	117	71	78	83
Individual Rates	-	-	-	-
Common Rates	62	63	70	77
Total Income	179	134	148	161
Operating Expenditure	179	214	166	179
Operating Surplus/(Deficit)	-	(80)	(18)	(18)
Capital Expenditure	-	-	-	-
Total To Be Funded	-	(80)	(18)	(18)
Reserve Funding	-	(80)	(18)	(18)
Loan Funding	-	-	-	-
Total Funded	-	(80)	(18)	(18)



Passenger Services Activity

Overview

We support and provide passenger transport services to improve access and mobility for the Region's residents. Buses, Total Mobility (a taxi service for people with disabilities) and community van services provide a cheap and environmentally friendly way to get around, whether for daily commuting to work and education, or shopping, medical visits and social activities.

To support the subsidised services, we provide timetable information, bus shelters and seating facilities, and carry out marketing campaigns and promotions to encourage people to travel by public transport.

All services operated in the Region are included in the Regional Public Transport Plan adopted in 2015.

What we will do in 2016-17

Existing Services

The existing services provided in each district are as follows:

Contract and Support Palmerston North Passenger Transport Services

- A city-wide bus service consisting of six urban routes and six bus routes servicing Massey University; and
- Total Mobility services for 2,700 people with disabilities that prevent them using regular public transport.

Contract and Support Wanganui Passenger Transport Services

- An urban bus service on four routes between 7.00 am and 5.10 pm, with some weekend services, and weekday services between Castlecliff and various high schools in Wanganui; and
- Total Mobility for 1,900 people with disabilities that prevent them using regular public transport.

Contract and Support Horowhenua Passenger Transport Services

- A weekday commuter bus service between Levin and Palmerston North, via Foxton;
- Total Mobility for 1,350 people with disabilities;
- Support for the Horowhenua Health Shuttle, which brings outpatients and visitors to Palmerston North Hospital and other health-related destinations; and
- Support for the Foxton Beach Community Van and the Foxton-Foxton Beach Bus.

Contract and Support Manawatu Transport Services

- A bus service around Feilding, and between Feilding and Palmerston North, via Bunnythorpe;
- Total Mobility for 750 people with disabilities; and
- Support for the Feilding St John health shuttle, which brings outpatients and visitors to Palmerston North Hospital and other health-related destinations.

Contract and Support Ruapehu Transport Services

- Total Mobility for 260 people with disabilities;
- Support for the Taumarunui Mobility Van; and
- A Raetihi to Ohakune fortnightly bus service.

Contract and Support Rangitikei Transport Services

- A Marton to Palmerston North commuter bus service; and
- Total Mobility for 200 people with disabilities.

Contract and Support Tararua Transport Services

- Support for the Dannevirke and Pahiatua health shuttles, which bring outpatients and visitors to Palmerston North Hospital and other health-related destinations; and
- Support for the Danniverke Vehicle Trust.

Passenger Rail

We will continue to support the Capital Connection passenger rail service by subsidising \$175,000 this financial year.

Provide Public Transport Information and Infrastructure

We provide bus seats, shelters, timetable information at bus stops and terminals, and printed timetables for bus users. We also regularly run promotional campaigns for our bus services.

Additional Services

Given the feedback received on the Palmerston North urban bus service review and demand surveys for Wanganui to Palmerston North and Levin to Waikanae, we will introduce the following additional services:

- Ashhurst to Palmerston North daily bus service. This will be funded via reserves during 2016-17 (\$50,000 per year);
- A two-year trial of increased peak frequency on the Milson/Cloverlea route in Palmerston North to 10 mins, to gauge whether there is demand for increased peak frequency across the network (\$77,500);
- Increased frequency on the Fernlea Heights route to 20 mins during peak times (\$44,500);
- A project to collect people movement data to gauge demand opportunity in Palmerston North (\$8,000);
- A project to improve timetable information in Palmerston North (\$8,000).
- A two-year trial of increased services for the Summerhill area in Palmerston North (\$69,500);
- A Levin to Waikanae bus service (\$12,000);¹
- Wanganui to Palmerston North daily commuter service. This will be funded via reserves in 2016-17 (\$30,000);
- A day out in town Horowhenua loop bus service (\$10,000)

¹ This was to commence in the 2017-18 financial year and it is now proposed to bring this forward.

Passenger Services – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
100% of all scheduled bus trips are operated		✓	✓	✓
Achieve 1.7 million trips on public transport in the Region by 2018-19	1.63 million	1.72 million	1.74 million	1.68 million ²
Install six new shelters each year on our urban bus routes		✓	✓	✓
Achieve 45-50% fare box recovery across all bus services (averaged)		✓	✓	✓
Achieve 90% satisfaction with Total Mobility provision in the Region – as measured by survey	95%	90%	90%	90%

Passenger Services – Proposed Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Implementation of Services	4,425	5,104	6,011	5,895
Planning and Development	359	381	423	414
Total	4,784	5,485	6,434	6,309

² This figure has been reduced due to a declining trend in passenger number trips. This trend has been observed nationally and it attributed to the significant drop in fuel prices resulting in fewer persons using public transport as they are now choosing to drive. The figure was amended down to provide a more realistic and attainable target.

What this work will cost

(Financial Summary \$000)

This activity is funded by:

User Fees and Other Revenue

- Government Support

Individual Rates

- Passenger Services Rates (By District, CV)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	3,289	3,738	4,276	4,155
Individual Rates	1,408	1,422	1,736	1,700
Common Rates	-	-	(20)	-
Total Income	4,697	5,160	5,992	5,855
Operating Expenditure	4,784	5,485	6,434	6,309
Operating Surplus/(Deficit)	(87)	(325)	(442)	(454)
Capital Expenditure	-	500	-	-
Total To Be Funded	(87)	(825)	(442)	(454)
Reserve Funding	(87)	(825)	(442)	(454)
Loan Funding	-	-	-	-
Total Funded	(87)	(825)	(442)	(454)



Road Safety Activity

Overview

Every year hundreds of New Zealanders are killed and thousands seriously injured in crashes. In the Horizons Region over the last five years, 129³ people have been killed on the Region's roads. Although this number is declining, the social cost to individuals, families and communities from the number of deaths and injuries continues to be a significant issue.

Road crashes place a substantial burden on the economy and health sector. The current social cost of road injuries is approximately \$3.14 billion per annum⁴. These costs include the cost of the loss of life and life quality, loss of output due to temporary incapacitation, medical costs, legal costs and property damage costs.

The road safety education programme aims to contribute to the reduction of the road toll and serious injuries by educating and providing information to drivers.

The key causes of crashes in our Region include driver fatigue, speed, drink driving and driver distraction. The Region has an aging population, which will increase the risk of a growing number of crashes. Young drivers (between 15 and 24 years) and motorcyclists are particularly at risk, while increased pedestrian and cycling trips have considerable risks also.

What we will do in 2016-17

Community Road Safety Education Activities

Horizons employs three road safety coordinators who will work in partnership with district council transport staff, ACC, Police, Plunket, district health boards and other road safety stakeholders. They will coordinate a series of education programmes on behalf of the Region's districts to achieve an integrated and holistic approach to road safety education. The territorial authorities will contribute funding to assist with these programmes.

The programmes will focus mainly on drink driving, older drivers, heavy motor vehicle crashes, driver distraction, motorcycle crashes, intersection crashes, high risk drivers, driver fatigue, car restraint use and driver licensing, as these have been problem issues in previous years.

The programmes will involve meeting drivers, influencing driver behaviour, and raising awareness of issues that increase the risk of injury and death. Programmes vary between districts according to the issues to be addressed, but will include:

- School presentations and activities;
- Advertising and competitions via media to raise awareness of road safety issues;
- Road safety presentations at public events such as Central Districts Field Days, A and P shows, motorcycle rallies, car jamborees etc;
- Fatigue stops on highways at holiday weekends;
- Other educational activities run in conjunction with police stops such as drink-driving checks;
- Driver licencing programmes;
- Car restraint educational activities and checks;
- Host responsibility workshops; and
- Adult and school cycle training in conjunction with police education officers and others.

On behalf of external programme providers and community groups (i.e. Age Concern Wanganui, Age Concern Horowhenua, Woodville Lions and Plunket) we will attract central government funding for additional education programmes. This will allow for the road safety education programme to involve a greater number of providers and reach a wider audience. As Horizons does not contribute to the local share of external programme providers there will be no additional cost to the ratepayers.

³ www.transport.govt.nz to 21 December 2015.

⁴ www.transport.govt.nz – 2014 data

Funding

In 2016-17 the Funding Assistance Rate (FAR) from NZTA will be at 64 per cent or \$459,000 of the programme budget. Ratepayers will contribute \$144,000 with an additional \$25,000 committed from reserves. Additionally the Region's territorial authorities will contribute \$24,000 to the programme.

Road Safety – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
COMMUNITY ROAD SAFETY EDUCATION ACTIVITIES – DISTRICT FOCUSED				
Deliver a number of programmes to address the following issues across the Region including: <ul style="list-style-type: none"> • Drink driving; • Crashes caused by driver fatigue; • Intersection crashes; • Cyclist and pedestrian safety; • Driver distraction; • Motorcycle crashes; • Crashes by high risk and older drivers; and • Seat belt and child restraint use rates. 	Achieved	20	20	20

Road Safety – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Road Safety	661	670	661	652
Total	661	670	661	652

What this work will cost

(Financial Summary \$000)

This activity is funded by:

User Fees and Other Revenue

- Government Support

Common Rates

- Transport Planning and Road Safety (EQCV)

Percentage of total expenditure for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	510	501	495	483
Individual Rates	-	-	-	-
Common Rates	171	169	140	144
Total Income	681	670	635	627
Operating Expenditure	661	670	661	652
Operating Surplus/(Deficit)	20	-	(26)	(25)
Capital Expenditure	-	-	-	-
Total To Be Funded	20	-	(26)	(25)
Reserve Funding	20	-	(26)	(25)
Loan Funding	-	-	-	-
Total Funded	20	-	(26)	(25)

Introducing the Investment Group of Activities

What is included in this group?

This group only contains our Investment Activity.

Why does Council deliver this group of activities?

We undertake this group of activities as it indirectly contributes to all of the community outcomes by ensuring funds are available to undertake all of our activities.

Our Investment Activity generates income and reduces borrowing costs to offset rates rather than producing activities that contribute to the Region's outcomes. This means it stands aside from our other activities and needs its own group.

What we will do in 2016-17

We will continue to manage Council's investments, debts and cashflows to maximise returns and minimise interest costs for the ratepayer. This management will balance returns and costs against potential risks such as investment and interest rate risks.

Significant negative effects on the community goals

There are no significant negative effects on the community goals from this group of activities.

Investment Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
INVESTMENT	2,922	2,993	3,217	2,891
Total Operating Expenditure	2,922	2,993	3,217	2,891
Capital Expenditure				
Total Funding Required	2,922	2,993	3,217	2,891
Funded By				
User Fees and Other Revenue	5,436	4,926	5,361	5,233
Individual Rates				
Common Rates	(1,013)	(1,513)	(1,669)	(1,822)
Loans and Reserves	(1,502)	(420)	(475)	(520)
Total Funded	2,922	2,993	3,217	2,891

Capital Expenditure \$000	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	-	-	-	-
Total Capital Expenditure	-	-	-	-

Prospective Funding Impact Statement for the Investment Group of Activities (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	(1,013)	(1,513)	(1,669)	(1,822)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	772	806	806
Internal charges and overheads recovered	2,035	2,428	2,672	2,556
Interest and dividends from investments	2,370	1,726	1,883	1,872
Local authorities fuel tax, fines, infringement fees and other receipts	1,032	-	-	-
	4,424	3,413	3,692	3,411
Applications of Operating Funding				
Payments to suppliers	1,229	1,233	1,286	1,255
Payments to staff	-	-	-	-
Finance costs	1,254	1,220	1,295	1,200
Internal charges and overheads applied	439	541	636	436
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	2,922	2,994	3,217	2,891
Surplus (Deficit) of Operating Funding (A-B)	1,502	419	475	520
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	-	-	-
Applications of Capital Funding				
Capital expenditure:				
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	-	-	-	-
Increase (decrease) in reserves	1,502	420	475	520
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	1,502	420	475	520
Surplus (Deficit) of Capital Funding (C-D)	(1,502)	(420)	(475)	(520)
Funding Balance	-	(1)	-	-
Depreciation	-	-	-	-

Investment Activity

Overview

The Investment Activity encompasses Council's long-term income-generating assets such as port investments, the maximisation of Council's short-term cash investments, and the management of Council's long-term debt.

Our long-term investment portfolio is owned and managed by the Council's 100 per cent owned holding company, MWRC Holdings Limited. The external commercial director of this company provides expertise to improve the overall balance of risk and return of these investments.

In this activity we also run an internal treasury function that manages cash flow and long-term debt. This function seeks to balance the cash requirements of Council operations, with interest income, cost and interest rate risks.

What we do

Investment Activities

In this activity we own and manage, via MWRC Holdings, Council's long-term investments such as CentrePort Limited shares. This activity also manages the Council's cash flow to ensure Council operations are funded while short-term investment returns are maximised. In addition Council's long-term debt and the risk associated with that debt (eg. interest rate risk) are managed prudently.

Rate Penalties

Council, in order to be fair to all ratepayers, has the responsibility to apply penalties in line with its policies and annual rating resolution. This activity manages compliance with Council's policies and resolutions.

Rate Discount

Council has a policy to reward ratepayers who pay their rates on the due date. This activity ensures Council's prompt payment policy is fairly applied to all ratepayers.

Investment – What We Will Deliver (\$000)

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	Actual 2014-15	Long-term Plan 2015-16	Long-term Plan 2016-17	Annual Plan 2016-17
	Year 3	Target Year 1	Target Year 2	Target Year 2
INVESTMENT ACTIVITIES (INC. PORTS)				
MWRC dividends meet budget expectations and comply with CCTO Statements of Intent	x	✓	✓	✓
Monthly weighted average interest rate exceeds 90-day Bank Bill Rate (BKBM) by 50 basis points (0.50%). Note: targets based on current predicted interest rates, which will change over time	4.50 %	> 4.81%	> 4.91%	> 4.91%
RATE PENALTIES				
Apply penalties in accordance with the Local Government (Rating) Act 2002 and Horizons' policies	✓	✓	✓	✓
RATE DISCOUNT				
Apply prompt payment discount in accordance with Horizons' policies	✓	✓	✓	✓
RATE REMISSIONS				
Allow remissions according to Horizons' policies	✓	✓	✓	✓

Investment – Operating Expenditure

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
Income Investments	2,853	2,971	3,195	2,875
Strategic Investments	69	22	22	16
Total	2,922	2,993	3,217	2,891

What this work will cost (Financial Summary \$000)

This activity is funded by:

User Fees and Other Revenue

- Dividend
- Interest
- Penalties

Common Rates

- Investment Rate (EQCV)

Percentage of total expenditure
for 10-year Plan



■ This activity

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2014-15	2015-16	2016-17	2016-17
User Fees and Other Revenue	5,436	4,926	5,361	5,233
Individual Rates	-	-	-	-
Common Rates	(1,013)	(1,513)	(1,669)	(1,822)
Total Income	4,423	3,413	3,692	3,404
Operating Expenditure	2,922	2,993	3,217	2,891
Operating Surplus/(Deficit)	1,502	420	475	520
Capital Expenditure	-	-	-	-
Total To Be Funded	1,502	420	475	520
Reserve Funding	1,502	420	475	520
Loan Funding	-	-	-	-
Total Funded	1,502	420	475	520

