



ANNUAL PLAN 2019-20

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SETTING THE SCENE

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Message from the Chair and Chief Executive

Welcome to Horizons Regional Council's 2019-20 Annual Plan. This Plan marks out our identified work programmes for the next 12 months. The Plan does not deviate much from the decisions we made for Year 2 during our 2018-28 Long-term Plan, however it has provided us with an opportunity to revisit our priorities and how we are rating for them.

We have made a few changes to our programmes of work following the feedback we received from our communities. Part of the reason for these changes in our timeline is to help offset rising costs, including an unexpected \$300,000 increase in insurance expenses. The changes mean the rate increase for Year 2 of the Long-term plan have been increased slightly to 4.88 per cent. However, we also recognise that these unexpected increases will impact on Year 3 of the Long-term Plan.

We will continue to manage Lower Manawatū Flood Protection Scheme debt, progress changes to river management schemes with the Ruapehu district-wide and Ohakune schemes becoming partially operational from 1 July 2019. The Porewa Scheme rate is set at 5 per cent, while the targeted rates for Upper Manawatū-Lower Mangahao, South-East Ruahines and Whangaehu-Mangawhero Schemes remain unchanged.

All other planned work for Year 2 is predominately business as usual. A strong focus on freshwater remains – from implementing the National Policy Statement for Freshwater Management (NPS-FM) and catchment reviews, to proposed changes to our Regional Policy Statement (the One Plan) and increased work programmes to continue to progress water quality improvement. The freshwater programmes have been accelerated through partnerships and central government funding, including over \$10 million secured for the next four years through the Freshwater Improvement Fund and the Hill Country Erosion Fund.

As planned, in Year 2 of the LTP, Horizons' pest management team will increase its possum control work in the areas OSPRI have retreated from. The budget increase for this work is \$50,000 with additional capital being put into bait stations. A further \$70,000 has been assigned to Old Man's Beard control work, to focus on the management of the pest plant's spread and to complement the planned release of a new biological control agent, the Old Man's Beard gall mite, in 2019.

Capex of \$87,000 has been set aside for upgrades to Tōtara Reserve facilities in Year 2, including flood protection, and biodiversity and biosecurity work programmes, as well as improvements to the camping ground facilities.

In our transport area we remain focused on delivering the key objectives in the recently amended Regional Land Transport Plan – particularly optimising our road, rail and public transport network; maximising our strategic advantage through efficient and well serviced hub and freight opportunities; safer systems; a reliable multi-modal system that emphasises walking and cycling; resilient inter-regional routes; and recognition of carbon emissions and environmental effects.

Horizons continues to be closely involved with all key transport initiatives across the region – particularly those related to Accessing Central NZ – such as Te Ahu a Tūranga: Manawatū Tararua Highway (Gorge Replacement Project), Ōtaki to North of Levin State Highway 1, and Palmerston North Integrated Transport Improvements (Freight Ring Road Development).

The Capital Connection will remain supported (dependent on Government funding assistance of approximately 75 per cent). However, we will postpone a bus service trial in Palmerston North, review the city's services as a whole, and start a new service between Palmerston North and Levin.

Finally, thank you to those who made submissions towards this 2019-20 Annual Plan. Input from our communities is always valued as it helps guide our decision making and work programmes. We look forward to working alongside you and your families throughout the year as we continue to strive to make our region a great place to live, work and play.



Bruce Gordon
CHAIRMAN



Michael McCartney
CHIEF EXECUTIVE

How to use this Annual Plan

This Annual Plan covers the year from 1 July 2019 to 30 June 2020. It details what Council agreed to do in Year 2 of the 2018-28 Long-term Plan (LTP) and outlines any changes.

This Document has Three Distinct Parts

Part One: Section One sets the scene and is a good summary of what is included in this Plan and what expectations we have for ourselves as we serve you, our community. At the end of this section we have included a table to link our activities to the community outcomes.

Part Two: Sections Two to Seven set out what we agreed to do in The Annual Plan. Each of the sections represents a group of our activities that contribute towards similar outcomes in similar ways. At the start of each section we introduce the group and explain what activities are in the group and why they are grouped together. Each section then outlines the significant aspects for each activity, including if there are any material changes from what was planned in the LTP.

Part Three: Section Eight gives the overall financial statements for the organisation and includes the Annual Funding Impact Statement along with the annual administration costs for the year.

We have included both an index and glossary so you can find activities or projects you are interested in and understand some of the more technical terms we have used.

Introduction to the Annual Plan

Foxton Scheme

Our 2018-28 Long-term Plan (LTP) includes, amongst other things, the construction of a relief pipeline for Foxton to improve land drainage and alleviate flooding. The project is funded jointly by Horizons and the Horowhenua District Council (HDC) with detailed investigation and design already underway. We noted in our LTP the need to take another look at how Horizons would fund its share of the cost. Accordingly, Council has agreed to change the targeted rate classification for Foxton and the rural catchment east of the town that contributes to those issues.

Makirikiri and Haunui Schemes

We are making changes to our Makirikiri and Haunui schemes near Turakina. These changes will see the Makirikiri scheme extended to include three properties which receive greater benefits. These properties will be rated via a Separately Used Inhabited Parcel (SUIP).

The Haunui scheme change will be rated at \$55.25 per \$100,000 of land value. This differs to Year 2 of the LTP where we had signalled rating on capital value.

Lower Manawatū Flood Protection Scheme Debt

Since the 2004 floods, the Lower Manawatū Flood Protection Scheme (LMS) has been delivering on significant improvements to flood protection standards (mainly raising/rebuilding existing sections of stopbank and constructing new sections). A large proportion of the expenditure required to carry out this work has been loan funded and with that programme of work nearing completion, debt is also near its peak at around \$35 million - repaid over the next 20 years. That debt repayment is consuming a large part of the LMS operating budget.

Continuing our inspection and maintenance work is vital to ensuring that the LMS does its job when a flood threatens. As a reflection of the strong local economy and civil engineering sector, construction costs are also rising. Regional councils across the country are also mindful of the lessons learnt with the flooding of Edgecumbe in 2017 and that's driving a range of initiatives within Horizons. Climate change adds to the challenge we face in keeping people safe and minimising property damage from floods.

In addition to rising insurance costs, these factors are contributing to increased pressure on the LMS operating budget and as a consequence we need to increase rates in the short term, affecting a large number of ratepayers.

We will continue to target costs where appropriate and reasonable to do so. For example, Year 2 targeted rates for the upgrade to the Reid Line Floodway is \$12.18 per \$100,000 of capital value for Feilding ratepayers only.

Ruapehu district-wide and Ohakune schemes

As approved in the LTP, Year 2 sees a partial (50 per cent) commencement of a district wide approach to river management in the Ruapehu District. This represents part of a longer-term strategy to make our river management activities more efficient and enable Council to take a wider focus on river management issues and not be constrained to particular parts of a catchment. The new scheme shares the costs evenly right across the district using a capital-value based rating system, with a rating impact of \$1.48 per \$100,000 capital value. In Year 3 the scheme will be rated at 100 per cent, doubling the rate requirement.

We also have planned a new Ohakune flood protection scheme, addressing both the flood hazard affecting the town and the concerns residents have around maintenance of the rivers and streams that pass through the town. This scheme will also commence in a staged process – 50 per cent for Year 2 and at 100 per cent for Year 3 (2020-21). For Ohakune township ratepayers this means a new targeted rate of \$5.70 per \$100,000 of capital value, covering 80 per cent of the operating cost. The remaining 20 per cent will be a region-wide rate contribution of \$0.02 per \$100,000 of capital value.

Transport

Council's transport budget is increased by \$71,258 and outputs remain largely unchanged from those signalled in the 2018-28 LTP for Year 2.

The additional budget has been specified into amounts and activities for various districts, including the Total Mobility activity, the Levin to Palmerston North off peak services, and the Waimarino Shuttle.

We remain focused on delivering the key objectives in the recently amended Regional Land Transport Plan – particularly optimising our road, rail and public

transport network; maximising our strategic advantage through efficient and well serviced hub and freight opportunities; safer systems; a reliable multi-modal system that emphasises walking and cycling; resilient inter-regional routes; and recognition of carbon emissions and environmental effects.

Horizons will remain closely involved with all key transport initiatives across the region – particularly those related to Accessing Central NZ – such as Te Ahu a Tūranga: Manawatū Tararua Highway (Gorge Replacement Project), Otaki to North of Levin State Highway 1, and Palmerston North Integrated Transport Improvements (Freight Ring Road Development).

The Capital Connection will continue to be supported (dependent on Government funding assistance of approximately 75 per cent). Work will continue in partnership with Greater Wellington and the New Zealand Transport Agency on a longer term enhanced passenger rail connection between Palmerston North and Wellington.

For Year 2, there are several minor changes occurring within Council's passenger transport programme. These are focused on ensuring better value for money with our current services and include not commencing a proposed trial in Palmerston North (splitting the Highbury/Takaro route into two smaller ones) and instead optimising our current services through implementing a new Electronic Ticketing System (and using the system's data to better inform future route trials/changes); reviewing the Palmerston North and Feilding services to ensure they are fit for purpose; and enhancing the existing Levin to Palmerston North service with an additional off peak service on Monday and Wednesdays.

These passenger transport services changes have resulted in slight movements to targeted rates from what was originally planned in Year 2 of the LTP.

Biodiversity and Biosecurity

As planned, in Year 2 of the LTP, Horizons' pest management team will increase its possum control work in the areas OSPRI have retreated from. The budget increase for this work is \$50,000 with additional capital being put into bait stations. A further \$70,000 has been assigned to Old Man's Beard control work, to focus on the management of the pest plant's spread and to complement the planned release of a new biological control agent, the Old Man's Beard gall mite, in 2019.

Capex of \$87,000 has been set aside for upgrades to Totara Reserve facilities in Year 2, including flood protection, and biodiversity and biosecurity work programmes, as well as improvements to the camping ground facilities.

Land Management

Central government recently announced approximately \$6.5 million of funding towards our Sustainable Land Use Initiative (SLUI) through the Hill Country Erosion Fund. This new funding will not have a rate impact, however does provide for changes in the work programme including with a wider range of landowners, not just those with a SLUI Farm Plan. Any landowners interested in learning more about this programme are asked to contact Horizons land management team.

Freshwater Management

Freshwater remains a top priority for Council and in Year 2 of the LTP the focus is on implementing the National Policy Statement – Freshwater Management (NPS-FM) through catchment reviews and ensuring our policies and rules contained in the One Plan align with national-level regulations. This work includes a proposed One Plan change, defining the rules around nutrient management, and consulting with our communities to identify outcomes and determine effective interventions to continue to progress water quality improvement.

Over the last year, Council has been successful in securing funding from central government's Freshwater Improvement Fund (FIF) for projects in the Manawatū and Whangaehu catchments, as well as for Lake Waipu. This central government funding totals \$4.39 million across the three projects for water quality improvement works over five years. Thanks to co-funders including district councils, Ngati Rangī, landowners and Horizons Regional Council, the total funding for these projects will be \$10.7 million. While this additional funding makes no impact on planned rates for Year 2, it does mean that we will be able to deliver more on the ground work, such as fencing, planting, fish pass fixes and community projects. It will also assist with removing two wastewater discharges from water to land based treatment.

Council will reinstate the Lake Horowhenua restoration rate of \$160,000 through targeted rates. This budget has been earmarked to do lake harvesting in spring, however should we still be waiting on court permissions, the money will be used for other restoration initiatives. There has also been an increase in depreciation for this project from Year 2 of the LTP, reflected in the capex spend on the boat ramp and access way.

The Horowhenua Lake Trust also received FIF funding, which includes the assessment and flushing of the stormwater system, establishment of a silt interceptor, shallow groundwater monitoring and implementation of two cultural monitoring programme activities. These will all complement the Lake Horowhenua Accord's key interventions aimed at addressing toxic algal blooms, sedimentation, and reducing the amount of nutrients entering the lake, as well as improving habitat for native fish populations.

Horizons Regional Council

The Region's six constituencies provide a total of 12 elected representatives who form the governance body of Horizons Regional Council, which is the trading name of the Manawatū-Whanganui Regional Council. Local government elections are run every three years, and the chair of the Council is elected by the members of the Council. The next election is due in October 2019 and will be run on the first-past-the-post voting system.

The chief executive is employed directly by the Council. The chief executive, in turn, employs the staff of Horizons Regional Council. The staff of the Council number approximately 230 full-time equivalents. Around 64 per cent of the staff are based at the head office in Palmerston North. The remainder are located at offices and depots throughout the Region.

The Horizons Region is divided into six constituencies as listed here:

Ruapehu Constituency
Whanganui Constituency
Manawatū/Rangitikei Constituency
Horowhenua/Kairanga Constituency
Palmerston North Constituency
Taranaki Constituency

The Council carries out much of its work through a number of standing committees. These include:

Audit, Risk and Investment Committee
Catchment Operations Committee
Environment Committee
Linklater Bursary Sub-Committee
Manawatū River Users' Advisory Group
Passenger Transport Committee
Regional Transport Committee
Strategy and Policy Committee

Organisational groups you may work with or meet out in the Region



STRATEGY AND REGULATION GROUP

The Strategy and Regulation Group has a policy development and monitoring role. Its main focus currently is the evaluation of the One Plan. The group administers resource consents under the Resource Management Act and ensures that resource users are complying with their consent conditions.



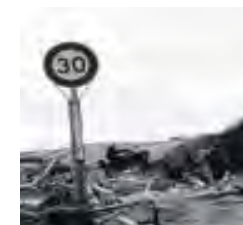
REGIONAL SERVICES AND INFORMATION GROUP

The Regional Services and Information Group provides: regional land transport planning, public transport, road safety, environment data collection and management of the region's monitoring network, information management services, emergency management, and district advice regarding land use proposals.



RIVER MANAGEMENT GROUP

The River Management Group provides comprehensive river and drainage engineering services to the Region's communities.



NATURAL RESOURCES AND PARTNERSHIPS GROUP

The Natural Resources and Partnerships Group implements many of the regional planning initiatives, and provides land and water management services to the Region. The group's current activities include: protecting the Region's top wetlands and bush remnants, advising on soil conservation, catchment management, and targeting the eradication of pest plants and animals.

Thank you for having your say

During the consultation period, 57 submissions (including two late) were received. The submissions covered 115 points and commented on many of Council's activities. Topics raised varied although the majority related to specific areas that Council had raised in its consultation document, which were:

- Support for an increase in Biodiversity and Biosecurity Management;
- Support the ongoing commitment to the Sustainable Land Use Initiative (SLUI);
- Support the ongoing work to Flood Protection and Control Works; and
- Support the review and expansion of Passenger Transport services.

On 12 and 26 March, and 9 and 30 April, Council heard from nine submitters who wished to make verbal representations in support of their submissions. On 30 April councillors considered all submissions, working hard to strike the right balance for our region and its residents, and agreed the following changes to the Annual Plan:

1. Affirms that the Upper Manawatū-Lower Mangahao Scheme rates for the 2019-20 financial year remain unchanged from that set with the 2018-19 financial year;
2. Affirms that the South-East Ruahines Scheme rates for the 2019-20 financial year remain unchanged from that set with the 2018-19 financial year;
3. Affirms that the Whangaehu-Mangawhero Scheme rates for the 2019-20 financial year remain unchanged from that set with the 2018-19 financial year;
4. Affirms that staff meet with the Turakina and Whangaehu-Mangawhero Scheme liaison committees to discuss the future of those schemes;
5. Affirms that targeted rate increase for the Porewa Scheme be set at 5 per cent;
6. Affirms that the funding model for the Foxton East Drainage Scheme be changed from a urban/contributor/regional rate split of 60/20/20 respectively to 65/15/20;
7. Confirms the Foxton East Drainage Scheme contributor rate area be set as proposed with further staff verification to be undertaken during adverse weather events;
8. Affirms an advisory group with representation from Horowhenua Grey Power, Horowhenua District Council and Horizons Regional Council be established to monitor and promote public transport services in the Horowhenua District;
9. Affirms that the Horizons Regional Council share of the cost of the river management work undertaken at Ashhurst Domain be spread across the whole of the Special Project targeted rate classification; and
10. Affirms an increase to the passenger services activity budget by \$71,258, specifically the following amounts:
 - a. \$20,500 for the Horowhenua District, for the Total Mobility Activity and the Levin to PN off-peak services;
 - b. \$37,500 for the Palmerston North District, for the Total Mobility Activity, the Levin to PN off-peak services, and the additional Late Nights services expenditure;
 - c. \$10,000 for the Whanganui District, for the Total Mobility Activity;
 - d. \$3,000 for the Manawatu District for the Levin to PN off-peak services; and
 - e. \$258 for the Ruapehu and Whanganui Districts, for the Waimarino Shuttle.

Summary of Rates and their Changes for the Annual Plan 2019-20

		Actual 2017-18 (A)
Common Rates *1	Rating Method	
General Rate	Capital Value (Equalised)	164
Uniform Annual General Charge *2	UAGC per separately used or inhabited part of a property (SUIP)	3,809
Biosecurity	Capital Value (Equalised)	3,059
Emergency Management	Capital Value (Equalised)	1,529
Information	Capital Value (Equalised)	1,390
Resource and Consent Monitoring	Capital Value (Equalised)	1,942
River and Drainage	Capital Value (Equalised)	3,605
Strategic Management	Capital Value (Equalised)	1,476
Water Quality and Quantity	Capital Value (Equalised)	4,262
Sustainable Land Use Initiative (SLUI)	SUIP	3,614
Environmental Initiatives UAC	SUIP	1,942
Targeted Rate Transport Planning	Capital Value (Equalised)	199
Drinking Water Monitoring and	SUIP	-
Individual Rates *3		
Manawatū River Quality	SUIP	410
Production Pest Animal	Per hectare >4 ha	1,354
Production Pest Rook Management	Per hectare >4 ha	131
Infrastructure Insurance Reserve	SUIP	400
Rangitīkei Old Man's Beard	SUIP	67
Rangitīkei old man's beard	SUIP	29
River & Drainage Scheme	Mix of Rating Mechanisms	8,658
River & Drainage Scheme Rates	SUIP	1,165
Regional Park UAC	SUIP	166
Production Pest Plant Management	SUIP	102
	Per hectare >4 ha	17
Transport Passenger Services	Capital Value	2,146
Waiterere UAC	SUIP	7
Horowhenua Restoration	SUIP	177
Sub Total	Total Common and Individual *3	41,820
Penalties and Remissions		(324)
Grand Total	Total Funding From Rates	41,496
UAC total (for 30% Cap)		11,112
		27%

Long-term Plan Year 1			Long-term Plan Year 2			Annual Plan		
2018-19	Annual Change (B-A)		2019-20	Annual Change (C-B)		2019-20	Annual Change (D-B)	
(B)	\$	%	(C)	\$	%	(D)	\$	%
-	(164)	(100.0%)	-	-	-	-	-	-
4,290	481	12.6%	4,144	(146)	(3%)	4,274	(16)	(0%)
3,353	294	9.6%	3,630	277	8%	3,664	311	9%
1,665	136	8.9%	1,801	136	8%	1,819	154	9%
1,406	16	1.2%	1,483	77	5%	1,466	60	4%
2,202	260	13.4%	2,225	23	1%	2,257	55	2%
3,865	260	7.2%	4,218	353	9%	4,090	225	6%
1,672	196	13.3%	1,716	44	3%	1,726	54	3%
4,958	696	16.3%	5,062	104	2%	5,125	167	3%
3,677	63	1.7%	3,679	2	-	3,695	18	-
2,015	73	3.8%	2,032	17	1%	2,102	87	4%
237	38	19.1%	244	7	3%	231	(6)	(2%)
100	100	-	100	-	-	100	-	-
410	-	-	415	5	1%	415	5	-
1,332	(22)	(1.6%)	1,238	(94)	(7%)	1,239	(93)	(7%)
137	6	4.6%	139	2	1%	140	3	2%
500	100	25.0%	500	-	-	500	-	-
48	(19)	(28.4%)	48	-	-	48	-	-
48	19	65.5%	48	-	-	48	-	-
9,148	490	5.7%	9,778	630	7%	9,965	817	9%
1,231	66	5.7%	1,316	85	7%	1,207	(24)	(2%)
170	4	2.4%	174	4	2%	173	3	2%
163	61	59.8%	208	45	28%	150	(13)	(8%)
27	10	58.8%	35	8	30%	25	(2)	(7%)
2,038	(108)	(5.0%)	2,444	406	20%	2,316	278	14%
7	-	-	7	-	-	7	-	-
66	(111)	(62.7%)	194	128	194%	170	104	158%
44,766	2,945	7.04%	46,877	2,113	4.72%	46,952	2,188	4.88%
(150)			(160)			(156)		
44,616	2,945		46,717	2,113		46,796		
11,993			12,096			12,293		
27%			26%			26%		

Rates in the above table are stated exclusive of GST

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

*2 Due to the number of rates that do not apply to all properties, the total regional rate rise in percentage terms is potentially misleading and has not been provided.

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

District by District Rate Change 2018-19 to 2019-20

	2018-19	2019-20	Change
Horowhenua District			
Common Rates	4,187,941	4,151,619	(36,322)
Individual Rates	2,738,412	3,027,801	289,389
Total Rates	6,926,353	7,179,420	253,067
Manawatū District			
Common Rates	4,417,236	4,333,972	(83,264)
Individual Rates	2,979,674	3,297,575	317,901
Total Rates	7,396,910	7,631,547	234,637
Palmerston North District			
Common Rates	8,482,638	9,943,442	1,460,804
Individual Rates	4,372,279	4,637,283	265,004
Total Rates	12,854,917	14,580,725	1,725,808
Rangitikei District			
Common Rates	2,385,972	2,323,311	(62,661)
Individual Rates	1,278,361	1,295,512	17,151
Total Rates	3,664,333	3,618,823	(45,510)
Ruapehu District			
Common Rates	2,417,331	2,347,379	(69,952)
Individual Rates	591,960	648,386	56,426
Total Rates	3,009,291	2,995,765	(13,526)
Tararua District			
Common Rates	2,990,468	2,930,499	(59,969)
Individual Rates	2,019,067	1,997,960	(21,107)
Total Rates	5,009,535	4,928,459	(81,076)

	2018-19	2019-20	Change
Whanganui District			
Common Rates	4,481,449	4,441,987	(39,462)
Individual Rates	1,304,236	1,452,951	148,715
Total Rates	5,785,685	5,894,938	109,253
Part Stratford District			
Common Rates	50,329	49,142	(1,187)
Individual Rates	22,588	27,688	5,100
Total Rates	72,917	76,830	3,913
Part Taupō District			
Common Rates	887	866	(21)
Individual Rates	4,828	4,516	(312)
Total Rates	5,715	5,382	(333)
Part Waitomo District			
Common Rates	27,452	26,556	(896)
Individual Rates	14,337	13,206	(1,131)
Total Rates	41,789	39,763	(2,026)
Region Total			
Common Rates	29,441,702	30,548,774	1,107,072
Individual Rates	15,325,743	16,402,877	1,077,134
Total Rates	44,767,445	46,951,651	2,184,206

Sample Ratepayers for 2019-20

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
HOROWHENUA DISTRICT							
0.069	70,000	70,000	0.00%	179.04	188.06	9.02	5.04%
0.025	92,000	92,000	0.00%	168.80	175.94	7.14	4.22%
0.171	78,000	78,000	0.00%	174.24	215.69	41.45	23.78%
0.084	115,000	115,000	0.00%	192.84	199.89	7.05	3.65%
0.094	98,000	98,000	0.00%	184.25	234.47	50.22	27.25%
0.221	113,000	450,000	298.23%	171.03	331.12	160.09	93.60%
0.087	116,000	116,000	0.00%	193.34	200.40	7.06	3.65%
0.051	126,000	126,000	0.00%	198.37	260.86	62.49	31.49%
0.046	165,000	165,000	0.00%	206.83	213.95	7.12	3.44%
0.080	165,000	165,000	0.00%	206.83	213.95	7.12	3.44%
0.089	170,000	170,000	0.00%	209.44	216.56	7.12	3.39%
0.090	175,000	175,000	0.00%	212.04	219.16	7.12	3.35%
0.086	150,000	150,000	0.00%	210.60	217.56	6.96	3.30%
0.088	190,000	190,000	0.00%	219.86	226.97	7.11	3.23%
0.081	195,000	195,000	0.00%	222.45	229.58	7.13	3.20%
0.108	200,000	200,000	0.00%	225.05	232.18	7.13	3.16%
0.074	210,000	210,000	0.00%	230.26	237.39	7.13	3.09%
0.078	220,000	220,000	0.00%	235.49	242.60	7.11	3.01%
0.083	210,000	210,000	0.00%	225.24	230.44	5.20	2.30%
0.082	210,000	210,000	0.00%	225.24	230.44	5.20	2.30%
0.069	240,000	240,000	0.00%	245.89	253.01	7.12	2.89%
0.034	235,000	235,000	0.00%	243.28	250.41	7.13	2.93%
2.023	220,000	220,000	0.00%	289.38	299.63	10.25	3.54%
0.033	250,000	250,000	0.00%	251.12	258.22	7.10	2.82%
0.153	255,000	255,000	0.00%	256.09	263.01	6.92	2.70%
0.055	265,000	265,000	0.00%	305.16	319.04	13.88	4.54%
0.081	250,000	250,000	0.00%	243.36	248.16	4.80	1.97%
0.071	290,000	290,000	0.00%	282.58	289.53	6.95	2.45%
0.103	325,000	325,000	0.00%	292.56	299.46	6.90	2.35%
0.036	335,000	335,000	0.00%	297.74	304.67	6.93	2.32%
38.524	350,000	350,000	0.00%	563.98	586.47	22.49	3.98%
1.345	330,000	330,000	0.00%	1,068.84	1,067.13	(1.71)	(0.16%)
7.543	330,000	330,000	0.00%	314.47	324.56	10.09	3.20%
0.068	360,000	360,000	0.00%	319.02	325.98	6.96	2.18%
0.249	450,000	450,000	0.00%	366.20	373.14	6.94	1.89%
0.084	495,000	495,000	0.00%	356.56	358.91	2.35	0.65%
4.540	550,000	550,000	0.00%	406.05	410.04	3.99	0.98%
15.257	640,000	640,000	0.00%	466.24	467.17	0.93	0.20%
0.132	750,000	750,000	0.00%	516.30	522.99	6.69	1.29%
0.960	760,000	760,000	0.00%	521.48	528.20	6.72	1.28%
619.050	850,000	850,000	0.00%	1,907.71	1,894.23	(13.48)	(0.70%)
596.582	1,560,000	1,560,000	0.00%	2,586.15	2,578.29	(7.86)	(0.30%)

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
260.511	2,614,000	2,614,000	0.00%	1,685.32	1,662.42	(22.90)	(1.35%)
24.092	1,200,000	1,200,000	0.00%	3,277.09	3,378.20	101.11	3.08%
278.636	3,700,000	3,700,000	0.00%	2,554.33	2,522.98	(31.35)	(1.22%)
1.670	550,000	550,000	0.00%	408.05	410.09	2.04	0.49%
290.455	8,520,000	8,520,000	0.00%	6,136.84	6,362.41	225.57	3.67%
MANAWATŪ DISTRICT							
0.202	45,000	45,000	0.00%	22.87	22.28	(0.59)	(2.56%)
10.034	54,000	54,000	0.00%	165.76	165.44	(0.32)	(0.19%)
0.037	86,000	86,000	0.00%	193.62	204.45	10.83	5.59%
0.089	121,000	121,000	0.00%	189.62	191.68	2.06	1.08%
2.699	117,500	117,500	0.00%	308.64	394.40	85.76	27.78%
1.766	133,000	133,000	0.00%	187.65	186.78	(0.87)	(0.46%)
0.050	160,000	160,000	0.00%	244.52	264.35	19.83	8.11%
0.045	180,000	180,000	0.00%	258.24	280.53	22.29	8.63%
0.076	320,000	320,000	0.00%	356.98	396.06	39.08	10.94%
0.086	185,000	185,000	0.00%	782.03	799.65	17.62	2.25%
0.064	240,000	240,000	0.00%	299.55	329.12	29.57	9.87%
0.070	245,000	245,000	0.00%	302.99	333.17	30.18	9.96%
0.086	250,000	250,000	0.00%	306.47	337.25	30.78	10.04%
0.132	270,000	270,000	0.00%	322.67	355.68	33.01	10.23%
0.080	275,000	275,000	0.00%	326.03	359.65	33.62	10.31%
1.876	265,000	265,000	0.00%	262.75	260.46	(2.29)	(0.87%)
0.082	285,000	285,000	0.00%	332.92	367.74	34.82	10.46%
4.535	255,000	255,000	0.00%	446.90	442.35	(4.55)	(1.01%)
0.102	295,000	295,000	0.00%	339.81	375.87	36.06	10.61%
0.158	310,000	310,000	0.00%	350.20	388.10	37.90	10.82%
0.101	320,000	320,000	0.00%	285.32	282.58	(2.74)	(0.96%)
0.116	345,000	345,000	0.00%	374.19	416.35	42.16	11.26%
0.066	350,000	350,000	0.00%	377.58	420.32	42.74	11.31%
0.441	380,000	380,000	0.00%	398.74	445.19	46.45	11.64%
0.057	400,000	400,000	0.00%	411.93	460.77	48.84	11.85%
26.960	430,000	430,000	0.00%	382.47	377.86	(4.61)	(1.20%)
2.316	450,000	450,000	0.00%	347.89	343.82	(4.07)	(1.17%)
0.064	495,000	495,000	0.00%	477.26	537.66	60.40	12.65%
0.551	570,000	570,000	0.00%	398.11	392.62	(5.49)	(1.37%)
17.633	720,000	720,000	0.00%	508.52	501.58	(6.94)	(1.36%)
33.000	870,000	870,000	0.00%	599.69	591.98	(7.71)	(1.28%)
0.308	870,000	870,000	0.00%	737.86	843.71	105.85	14.34%
20.639	985,000	985,000	0.00%	3,553.58	3,591.96	38.38	1.07%
31.439	1,015,000	1,015,000	0.00%	1,093.47	1,094.96	1.49	0.13%
0.080	1,270,000	1,270,000	0.00%	1,036.33	1,188.98	152.65	14.72%
80.707	1,450,000	1,450,000	0.00%	893.92	873.07	(20.85)	(2.33%)
926.822	1,880,000	1,880,000	0.00%	4,981.78	4,947.43	(34.35)	(0.68%)

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
10.749	2,417,000	2,417,000	0.00%	1,310.32	1,286.75	(23.57)	(1.79%)
651.831	3,400,000	3,400,000	0.00%	2,799.59	2,746.97	(52.62)	(1.87%)
799.189	4,310,000	4,310,000	0.00%	3,697.11	3,634.34	(62.77)	(1.69%)
-	5,980,000	5,980,000	0.00%	3,284.55	3,368.47	83.92	2.55%
1,031.568	7,000,000	7,000,000	0.00%	10,120.17	11,343.26	1,223.09	12.08%
35.786	7,400,000	7,400,000	0.00%	4,187.46	4,222.57	35.11	0.83%
PALMERSTON NORTH CITY							
0.013	123,000	155,000	26.01%	227.55	241.49	13.94	6.12%
0.035	125,000	195,000	56.00%	229.12	269.06	39.94	17.43%
0.048	160,000	225,000	40.62%	255.61	289.72	34.11	13.34%
0.072	190,000	310,000	63.15%	275.98	350.44	74.46	26.98%
0.110	185,000	270,000	45.94%	215.93	256.48	40.55	18.77%
0.069	195,000	295,000	51.28%	279.75	340.11	60.36	21.57%
0.085	215,000	320,000	48.83%	325.63	371.38	45.75	14.04%
0.061	225,000	330,000	46.66%	333.61	377.95	44.34	13.29%
0.082	225,000	360,000	60.00%	302.51	384.87	82.36	27.22%
0.094	225,000	340,000	51.11%	302.52	371.13	68.61	22.67%
13.288	220,000	270,000	22.72%	999.27	1,139.69	140.42	14.05%
0.054	225,000	315,000	40.00%	302.46	353.86	51.40	16.99%
0.072	240,000	375,000	56.25%	313.82	395.18	81.36	25.92%
1.007	730,000	1,000,000	36.98%	470.98	582.74	111.76	23.72%
0.065	230,000	325,000	41.30%	306.24	360.76	54.52	17.80%
0.046	260,000	325,000	25.00%	333.67	360.73	27.06	8.10%
0.079	250,000	370,000	48.00%	321.42	391.75	70.33	21.88%
0.049	235,000	350,000	48.93%	309.99	377.94	67.95	21.91%
0.068	250,000	350,000	40.00%	321.40	377.97	56.57	17.59%
0.091	275,000	390,000	41.81%	378.29	417.66	39.37	10.40%
0.061	275,000	400,000	45.45%	345.06	412.37	67.31	19.50%
0.049	280,000	390,000	39.28%	348.80	405.47	56.67	16.24%
1.510	360,000	465,000	29.16%	301.98	344.88	42.90	14.20%
0.061	300,000	410,000	36.66%	363.97	419.25	55.28	15.18%
0.151	310,000	440,000	41.93%	371.68	440.04	68.36	18.39%
0.066	305,000	420,000	37.70%	367.77	426.14	58.37	15.87%
0.081	320,000	430,000	34.37%	379.16	433.05	53.89	14.21%
0.051	335,000	460,000	37.31%	426.08	463.87	37.79	8.87%
0.081	345,000	410,000	18.84%	398.06	419.28	21.22	5.33%
0.064	335,000	450,000	34.32%	390.47	446.79	56.32	14.42%
0.041	360,000	480,000	33.33%	409.35	467.40	58.05	14.18%
0.052	380,000	500,000	31.57%	424.49	481.18	56.69	13.35%
0.426	415,000	530,000	27.71%	915.09	998.76	83.67	9.14%
7.535	415,000	580,000	39.75%	337.29	413.13	75.84	22.48%
0.101	470,000	590,000	25.53%	487.96	545.39	57.43	11.76%
0.073	570,000	700,000	22.80%	570.75	621.05	50.30	8.81%
0.089	620,000	780,000	25.80%	608.64	676.14	67.50	11.08%
0.922	800,000	1,100,000	37.50%	738.99	919.62	180.63	24.44%
0.051	710,000	840,000	18.30%	676.68	717.37	40.69	6.01%

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
1.460	650,000	790,000	21.53%	435.50	490.64	55.14	12.66%
1.005	785,000	950,000	21.01%	495.87	560.63	64.76	13.06%
139.774	555,000	613,000	10.45%	749.20	768.10	18.90	2.52%
0.067	530,000	520,000	-1.88%	540.45	497.16	(43.29)	(8.01%)
0.068	860,000	1,020,000	18.60%	783.09	863.20	80.11	10.23%
49.305	875,000	1,000,000	14.28%	731.45	779.74	48.29	6.60%
0.154	1,420,000	1,780,000	25.35%	1,238.04	1,386.41	148.37	11.98%
0.321	2,570,000	3,270,000	27.23%	2,108.73	2,412.17	303.44	14.38%
0.428	3,370,000	4,150,000	23.14%	2,714.42	3,018.00	303.58	11.18%
94.085	4,350,000	4,790,000	10.11%	4,974.90	5,507.63	532.73	10.70%
1.022	10,500,000	12,500,000	19.04%	8,112.09	8,765.82	653.73	8.05%
1.597	14,900,000	17,200,000	15.43%	11,443.37	12,001.51	558.14	4.87%
RANGITIKEI DISTRICT							
0.303	29,000	29,000	0.00%	134.10	133.99	(0.11)	(0.08%)
1.884	53,900	53,900	0.00%	145.98	145.66	(0.32)	(0.21%)
0.081	55,000	55,000	0.00%	145.25	144.84	(0.41)	(0.28%)
0.086	88,000	88,000	0.00%	160.11	159.40	(0.71)	(0.44%)
0.080	560,000	560,000	0.00%	478.13	477.09	(1.04)	(0.21%)
0.101	90,000	90,000	0.00%	164.78	164.17	(0.61)	(0.36%)
0.116	94,000	94,000	0.00%	162.83	162.05	(0.78)	(0.47%)
0.065	99,000	99,000	0.00%	173.55	173.22	(0.33)	(0.18%)
0.101	100,000	100,000	0.00%	183.36	183.33	(0.03)	(0.01%)
2.916	102,000	102,000	0.00%	166.77	165.92	(0.85)	(0.51%)
3.524	111,000	111,000	0.00%	370.50	506.17	135.67	36.61%
0.981	132,000	132,000	0.00%	180.13	178.99	(1.14)	(0.63%)
0.078	126,000	126,000	0.00%	177.30	176.22	(1.08)	(0.60%)
0.068	195,000	195,000	0.00%	243.24	243.08	(0.16)	(0.06%)
0.068	130,000	130,000	0.00%	202.27	202.20	(0.08)	(0.03%)
0.110	190,000	190,000	0.00%	238.59	238.21	(0.38)	(0.15%)
1.376	172,000	172,000	0.00%	199.06	197.58	(1.48)	(0.74%)
0.101	200,000	200,000	0.00%	314.59	312.34	(2.25)	(0.71%)
0.081	220,000	220,000	0.00%	257.28	256.81	(0.47)	(0.18%)
0.084	215,000	215,000	0.00%	217.55	215.63	(1.92)	(0.88%)
2.911	195,000	195,000	0.00%	208.52	206.77	(1.75)	(0.83%)
0.022	140,000	140,000	0.00%	208.57	208.48	(0.09)	(0.04%)
0.081	255,000	255,000	0.00%	1,304.98	1,238.87	(66.11)	(5.06%)
1.763	295,000	295,000	0.00%	256.34	253.42	(2.92)	(1.13%)
0.101	360,000	360,000	0.00%	349.65	349.03	(0.62)	(0.17%)
105.352	365,000	365,000	0.00%	475.85	468.64	(7.21)	(1.51%)
0.332	430,000	430,000	0.00%	390.35	389.16	(1.19)	(0.30%)
9.728	435,000	435,000	0.00%	359.18	354.78	(4.40)	(1.22%)
188.960	680,000	680,000	0.00%	1,104.24	1,088.39	(15.85)	(1.43%)
0.405	465,000	465,000	0.00%	415.86	415.07	(0.79)	(0.18%)
282.190	560,000	560,000	0.00%	766.78	741.95	(24.83)	(3.23%)
2.308	600,000	600,000	0.00%	398.11	391.81	(6.30)	(1.58%)
103.273	823,000	823,000	0.00%	731.15	717.33	(13.82)	(1.89%)

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
0.738	730,000	730,000	0.00%	579.49	577.31	(2.18)	(0.37%)
1.085	980,000	980,000	0.00%	735.09	732.28	(2.81)	(0.38%)
0.426	970,000	970,000	0.00%	736.65	734.88	(1.77)	(0.23%)
71.231	1,190,000	1,190,000	0.00%	829.07	813.48	(15.59)	(1.88%)
1,062.300	1,780,000	1,780,000	0.00%	2,457.12	2,390.25	(66.87)	(2.72%)
39.659	1,560,000	1,560,000	0.00%	1,007.86	993.22	(14.64)	(1.45%)
84.602	1,745,000	1,745,000	0.00%	1,059.94	1,035.76	(24.18)	(2.28%)
1,844.203	3,980,000	3,980,000	0.00%	4,949.82	4,849.24	(100.58)	(2.03%)
379.016	9,850,000	9,850,000	0.00%	5,684.87	5,598.81	(86.06)	(1.51%)
7,462.317	19,320,000	19,320,000	0.00%	20,398.23	19,935.19	(463.04)	(2.27%)
RUAPEHU DISTRICT							
0.094	29,000	29,000	0.00%	125.15	125.47	0.32	0.25%
0.094	29,000	29,000	0.00%	125.15	125.47	0.32	0.25%
0.202	38,000	38,000	0.00%	128.73	129.08	0.35	0.27%
0.088	68,000	68,000	0.00%	144.08	144.61	0.53	0.36%
0.160	90,000	90,000	0.00%	174.85	176.05	1.20	0.68%
0.112	76,000	76,000	0.00%	189.14	190.90	1.76	0.93%
0.051	58,000	58,000	0.00%	29.26	32.70	3.44	11.75%
1.707	60,000	60,000	0.00%	32.13	32.30	0.17	0.51%
0.083	110,000	110,000	0.00%	189.00	190.45	1.45	0.76%
0.367	69,000	69,000	0.00%	159.95	160.92	0.97	0.60%
0.103	115,000	115,000	0.00%	192.53	194.05	1.52	0.78%
0.202	150,000	150,000	0.00%	217.37	219.26	1.89	0.86%
-	95,000	95,000	0.00%	157.19	157.86	0.67	0.42%
11.902	83,000	83,000	0.00%	161.98	161.98	-	-
2.484	109,000	109,000	0.00%	55.29	55.71	0.42	0.75%
0.101	117,000	117,000	0.00%	164.03	164.79	0.76	0.46%
2.092	118,000	118,000	0.00%	56.40	56.82	0.42	0.74%
0.170	160,000	160,000	0.00%	224.42	226.46	2.04	0.90%
0.111	150,000	150,000	0.00%	178.98	179.90	0.92	0.51%
0.361	180,000	180,000	0.00%	198.43	199.58	1.15	0.57%
0.089	190,000	190,000	0.00%	245.71	248.06	2.35	0.95%
0.438	195,000	195,000	0.00%	205.74	206.94	1.20	0.58%
0.030	215,000	215,000	0.00%	210.58	224.20	13.62	6.46%
0.056	185,000	185,000	0.00%	242.17	244.46	2.29	0.94%
3.214	230,000	230,000	0.00%	222.73	224.12	1.39	0.62%
0.260	295,000	295,000	0.00%	322.47	325.86	3.39	1.05%
440.703	275,000	275,000	0.00%	709.41	682.91	(26.50)	(3.73%)
14.607	274,500	274,500	0.00%	148.77	148.77	-	-
0.029	320,000	320,000	0.00%	261.60	281.55	19.95	7.62%
0.133	320,000	320,000	0.00%	261.63	281.58	19.95	7.62%
1.315	350,000	350,000	0.00%	272.21	273.94	1.73	0.63%
10.787	356,000	356,000	0.00%	295.72	297.05	1.33	0.44%
4.530	390,000	390,000	0.00%	305.64	307.54	1.90	0.62%
427.183	390,000	390,000	0.00%	751.00	725.97	(25.03)	(3.33%)
0.043	400,000	400,000	0.00%	298.60	323.58	24.98	8.36%

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
356.485	436,000	436,000	0.00%	698.83	678.55	(20.28)	(2.90%)
79.150	381,425	381,425	0.00%	417.62	464.10	46.48	11.12%
82.379	475,000	475,000	0.00%	428.93	426.33	(2.60)	(0.60%)
913.000	558,000	558,000	0.00%	1,346.86	1,291.57	(55.29)	(4.10%)
1.138	780,000	780,000	0.00%	469.02	472.82	3.80	0.81%
363.696	650,000	650,000	0.00%	705.96	685.67	(20.29)	(2.87%)
0.150	640,000	640,000	0.00%	412.11	451.90	39.79	9.65%
8.294	870,000	870,000	0.00%	517.13	520.96	3.83	0.74%
40.914	1,150,000	1,150,000	0.00%	712.64	713.72	1.08	0.15%
1,994.310	1,919,000	1,919,000	0.00%	3,170.79	3,052.00	(118.79)	(3.74%)
86.911	1,940,000	1,940,000	0.00%	1,133.10	1,135.00	1.90	0.16%
0.296	3,060,000	3,060,000	0.00%	1,556.05	1,745.33	189.28	12.16%
1,903.044	4,000,000	4,000,000	0.00%	4,084.90	3,983.04	(101.86)	(2.49%)
263.431	5,687,000	5,675,000	(0.21%)	3,176.18	3,181.95	5.77	0.18%
328.339	6,500,000	6,500,000	0.00%	3,500.86	3,509.64	8.78	0.25%
4,255.796	11,676,000	11,676,000	0.00%	10,936.88	10,699.87	(237.01)	(2.16%)
TARARUA DISTRICT							
0.081	27,000	27,000	0.00%	136.24	136.17	(0.07)	(0.04%)
0.101	54,000	54,000	0.00%	137.41	137.02	(0.39)	(0.28%)
0.079	71,000	71,000	0.00%	168.26	166.97	(1.29)	(0.76%)
0.050	95,000	95,000	0.00%	183.57	181.77	(1.80)	(0.97%)
29.130	78,000	78,000	0.00%	212.03	210.24	(1.79)	(0.84%)
0.031	125,000	125,000	0.00%	202.74	200.29	(2.45)	(1.20%)
0.101	130,000	130,000	0.00%	239.94	237.82	(2.12)	(0.88%)
0.108	75,000	75,000	0.00%	165.16	164.50	(0.66)	(0.40%)
0.075	118,000	118,000	0.00%	198.28	196.00	(2.28)	(1.15%)
0.101	130,000	130,000	0.00%	186.50	185.42	(1.08)	(0.57%)
0.073	120,000	120,000	0.00%	199.57	197.23	(2.34)	(1.17%)
0.103	135,000	135,000	0.00%	209.15	206.52	(2.63)	(1.25%)
0.057	142,000	142,000	0.00%	250.38	248.04	(2.34)	(0.93%)
0.086	155,000	155,000	0.00%	226.16	223.28	(2.88)	(1.27%)
0.149	175,000	175,000	0.00%	234.77	231.26	(3.51)	(1.49%)
0.554	155,000	155,000	0.00%	201.20	199.83	(1.37)	(0.67%)
1.815	113,000	113,000	0.00%	185.42	184.26	(1.16)	(0.62%)
11.559	147,000	147,000	0.00%	307.29	300.14	(7.15)	(2.32%)
0.713	195,000	195,000	0.00%	226.47	224.38	(2.10)	(0.92%)
0.636	205,000	205,000	0.00%	224.12	222.31	(1.81)	(0.80%)
0.216	225,000	225,000	0.00%	324.37	320.47	(3.90)	(1.20%)
2.044	225,000	225,000	0.00%	276.34	271.21	(5.13)	(1.85%)
0.349	245,000	245,000	0.00%	244.03	241.80	(2.23)	(0.91%)
0.191	330,000	330,000	0.00%	417.56	411.55	(6.01)	(1.43%)
0.101	410,000	410,000	0.00%	489.78	482.33	(7.45)	(1.52%)
326.100	475,000	475,000	0.00%	686.75	661.34	(25.41)	(3.69%)
0.077	410,000	410,000	0.00%	387.22	378.54	(8.68)	(2.24%)
0.691	470,000	470,000	0.00%	543.20	534.59	(8.61)	(1.58%)
80.937	522,000	522,000	0.00%	871.45	856.78	(14.67)	(1.68%)

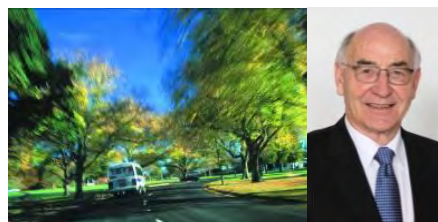
Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
10.117	660,000	660,000	0.00%	488.25	480.40	(7.85)	(1.60%)
13.260	750,000	750,000	0.00%	629.05	612.45	(16.60)	(2.63%)
901.372	1,022,000	1,022,000	0.00%	4,241.75	4,117.35	(124.40)	(2.93%)
288.038	1,260,000	1,260,000	0.00%	1,055.55	1,022.70	(32.85)	(3.11%)
0.404	1,250,000	1,250,000	0.00%	1,259.45	1,234.57	(24.88)	(1.97%)
866.386	1,350,000	2,340,000	73.33%	2,090.09	2,803.03	712.94	34.11%
191.017	3,810,000	3,810,000	0.00%	2,747.28	2,685.14	(62.14)	(2.26%)
814.480	4,080,000	4,080,000	0.00%	3,624.18	3,541.96	(82.22)	(2.26%)
135.914	4,860,000	4,860,000	0.00%	3,995.01	3,846.68	(148.33)	(3.71%)
1,493.399	7,606,000	7,606,000	0.00%	6,581.61	6,431.13	(150.48)	(2.28%)
WHANGANUI DISTRICT							
0.303	3,000	3,000	0.00%	3.83	3.63	(0.20)	(5.25%)
0.030	56,000	56,000	0.00%	149.54	151.69	2.15	1.43%
0.054	71,000	71,000	0.00%	159.83	162.52	2.69	1.68%
0.078	84,000	84,000	0.00%	168.77	171.91	3.14	1.86%
15.507	90,000	90,000	0.00%	184.56	184.87	0.31	0.17%
0.072	95,000	95,000	0.00%	176.32	179.86	3.54	2.00%
0.710	100,000	100,000	0.00%	47.62	46.51	(1.11)	(2.33%)
-	107,000	107,000	0.00%	184.55	188.53	3.98	2.15%
0.041	125,000	125,000	0.00%	196.93	201.53	4.60	2.33%
0.061	139,000	139,000	0.00%	206.52	211.65	5.13	2.48%
0.067	130,000	130,000	0.00%	200.34	205.15	4.81	2.39%
0.071	155,000	155,000	0.00%	217.53	223.21	5.68	2.60%
0.066	149,000	149,000	0.00%	213.39	218.87	5.48	2.56%
0.097	160,000	160,000	0.00%	220.93	226.82	5.89	2.66%
-	165,000	165,000	0.00%	224.37	230.43	6.06	2.70%
0.067	130,000	130,000	0.00%	200.34	205.15	4.81	2.39%
0.093	160,000	160,000	0.00%	235.78	243.07	7.29	3.09%
0.098	180,000	180,000	0.00%	234.65	241.27	6.62	2.81%
0.071	190,000	190,000	0.00%	241.55	248.49	6.94	2.87%
0.030	225,000	225,000	0.00%	265.60	273.78	8.18	3.07%
2.023	190,000	190,000	0.00%	241.55	248.49	6.94	2.87%
0.101	240,000	240,000	0.00%	275.88	284.61	8.73	3.16%
0.118	260,000	260,000	0.00%	291.98	301.24	9.26	3.17%
1.000	255,000	255,000	0.00%	247.18	246.57	(0.61)	(0.24%)
0.092	245,000	245,000	0.00%	279.31	288.22	8.91	3.19%
0.441	265,000	265,000	0.00%	251.70	251.00	(0.70)	(0.27%)
0.086	360,000	360,000	0.00%	360.65	373.48	12.83	3.55%
0.659	335,000	335,000	0.00%	283.36	282.00	(1.36)	(0.47%)
0.058	355,000	355,000	0.00%	357.23	369.87	12.64	3.53%
0.086	315,000	315,000	0.00%	329.75	340.97	11.22	3.40%
0.184	260,000	260,000	0.00%	291.98	301.24	9.26	3.17%
74.600	453,000	453,000	0.00%	413.42	406.35	(7.07)	(1.71%)

Hectares	Old CV	New CV	CV % Change	2018-19 Rates	2019-20 Estimate	Change \$	Change %
497.000	580,000	580,000	0.00%	918.33	882.97	(35.36)	(3.85%)
737.165	570,000	570,000	0.00%	1,166.90	1,116.31	(50.59)	(4.33%)
83.062	500,000	500,000	0.00%	443.59	435.55	(8.04)	(1.81%)
2.598	555,000	555,000	0.00%	385.28	381.64	(3.64)	(0.94%)
419.866	900,000	900,000	0.00%	1,134.08	1,096.23	(37.85)	(3.33%)
0.129	670,000	670,000	0.00%	575.91	599.62	23.71	4.11%
898.212	2,820,000	2,820,000	0.00%	2,667.29	2,575.80	(91.49)	(3.42%)
90.505	3,154,000	3,154,000	0.00%	1,678.28	1,642.64	(35.64)	(2.12%)

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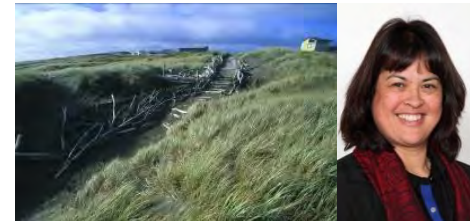
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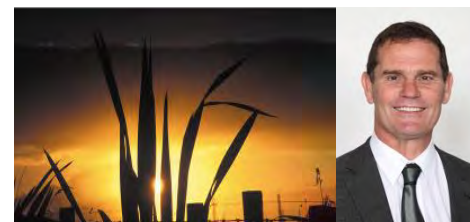
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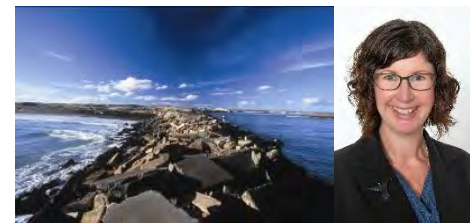
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- **Michael McCartney**, Chief Executive
- **Craig Grant**, Group Manager Corporate and Governance
- **Ramon Strong**, Group Manager River Management
- **Ged Shirley**, Group Manager Regional Services and Information
- **Jon Roygard**, Group Manager Natural Resources and Partnerships
- **Nic Peet**, Group Manager Strategy and Regulation

Community Outcomes




Our community outcomes are what we aim to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (Local Government Act 2002).




As part of our Long-term Plan, Horizons, as a local authority, is required to set out the Region's community outcomes. In year 1 of the Long-term Plan we took the opportunity to review our community outcomes, originally developed in 2005, to ensure that they are relevant and measurable, but also aspirational. The review was also an opportunity to reflect changes in the legislation. In line with amendments to the Local Government Act in 2012, we incorporated the 'four wellbeings' – the social, economic, environmental and cultural goals – into the overall outcomes, rather than presenting them as distinct goals as they were previously. We believe this better reflects the interconnected nature of both these outcomes and the work we do.

The community outcomes can only be fulfilled through Horizons working together with the community. They are also a long-term commitment; they may take longer than the 10-year period of this Long-term Plan to fully realise.

The following table describes the community outcomes for the Region (in the first and second columns). The right-hand column illustrates how Horizons' work contributes to each of the outcomes. Each community outcome is represented by a symbol, and these symbols feature in the following sections of the Long-term Plan to show which community outcomes each group of activities contributes to.

Community Outcomes

Community outcome	Description	How Horizons works towards these goals
<p>Natural hazard resilience</p> 	<p>A community that is aware of hazards and is prepared and empowered to respond to and recover from a natural hazard or emergency.</p>	<p>Reducing the risks from natural hazards to acceptable levels through suitable policies, planning and infrastructure.</p> <p>Ensuring that infrastructure and response systems are in place to support communities in their response to and recovery from natural hazards and emergencies.</p> <p>Supporting communities to develop the knowledge and capability to adapt and respond to the likelihood of an increased frequency and scale of extreme weather events, coastal erosion and sea-level rise associated with climate change.</p>
<p>Healthy ecosystems</p> 	<p>Healthy, diverse and fully functioning ecosystems that provide for community needs now and in the future.</p>	<p>Protecting and restoring the Region's biodiversity through pest control, the support of community restoration projects and other measures.</p> <p>Supporting the sustainable use of land that preserves indigenous ecosystems to the greatest extent possible, while maintaining an environment that contributes to the economy.</p> <p>Undertaking biosecurity measures that protect indigenous ecosystems and the regional economy from pests and disease.</p> <p>Protecting healthy and resilient freshwater and coastal ecosystems that support mahinga kai.</p> <p>Maintaining resource management processes that take full account of impacts on ecosystems, and monitor these effects.</p>
<p>Human wellbeing</p> 	<p>Natural, farmed and built environments that support healthy people and communities.</p>	<p>Maintaining good air quality throughout the Region.</p> <p>Managing the impacts on fresh water to ensure the Region's waterways remain healthy or, where degraded, their health is restored to the greatest extent possible while maintaining the wellbeing of the local community and economy.</p> <p>Protecting healthy and resilient freshwater and coastal ecosystems that support mahinga kai.</p> <p>Protecting the Region's historic heritage, natural character, and outstanding natural features and landscapes – particularly in the coastal marine environment.</p>

		<p>Ensuring that land is used in a way that optimises rather than diminishes its qualities, minimises impacts on other parts of the environment (e.g. fresh water) and is sustainable into the future.</p> <p>Ensuring there are a range of recreational opportunities accessible to the whole community, both in urban and rural areas.</p>
<p>Connected communities</p> 	<p>Connected communities supported by safe, reliable and efficient transport systems.</p>	<p>Supporting the development of a strategic, multi-modal, resilient and efficient transport system across the Region, better integrated with land-use planning.</p> <p>Supporting the Region's transition to transportation solutions that are less dependent on fossil fuels.</p> <p>Supporting connectedness between and within communities through the provision of public transport services, walkways and cycleways.</p> <p>Working towards safer roads through improved roading infrastructure and road safety education and initiatives (in partnership with New Zealand Transport Agency).</p>
<p>A robust economy</p> 	<p>A regional economy that is diversified and resilient.</p>	<p>Supporting the development of a regional economy that is diversified, environmentally sustainable, and anticipates the challenges of climate change, new technologies, and shifts in the national and global economies.</p> <p>Encouraging and supporting innovation and creativity in the Region's business and industry sectors, for instance, by minimising the burden of regulatory processes on businesses and individuals.</p> <p>Undertaking biosecurity measures that protect primary industry from pests and disease.</p>
<p>Confidence in decision-making</p> 	<p>A community that has confidence in regional decision making.</p>	<p>Ensuring that the issues the Region faces are well understood by the community.</p> <p>Ensuring that decision-making processes are transparent and there are sufficient opportunities for the community to participate meaningfully in these processes.</p> <p>Optimising opportunities to partner with, or otherwise support, community groups and other stakeholders to achieve shared outcomes.</p>

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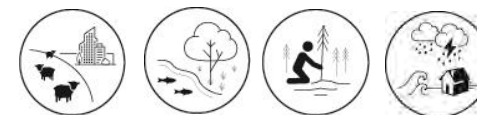
Website www.horizons.govt.nz

Bankers Bank of New Zealand
Palmerston North

Auditor Audit New Zealand (Palmerston North)
on behalf of the Controller and Auditor General

LAND AND WATER MANAGEMENT

Introducing the Land and Water Management Group of Activities



What we deliver

The land and water management group of activities includes:

- Land Management;
- Water Quality and Quantity; and
- Resource Consent and Pollution Management.

How these activities contribute to community outcomes

Our land and water activities contribute primarily to achieving a **robust economy** and **healthy ecosystems** by:

- Protecting and maintaining the soil and water resource that agriculture, horticulture and the regional economy as a whole is dependent on;
- Reducing sediment, nutrients and other contaminants entering waterways, contributing to their ecological health;
- Riparian management, which not only provides benefits for water quality, but also enhances habitat for aquatic biodiversity;
- Ensuring the fair and effective allocation of water for economic use;
- Providing funding for environment enhancement projects undertaken by the community;
- Ensuring resource users comply with rules and regulations, that environmental effects are minimised, and the system is fair for all resource users; and
- Undertaking land, freshwater, coastal and other research that enhances our understanding of our environment and how to mitigate our impacts on it.

Our land and water activities also contribute to achieving **human wellbeing** and **natural hazard resilience** by:

- A range of measures (e.g. stock exclusion, riparian planting, erosion control and regulatory measures) that contribute to enhanced water quality in our Region, helping to ensure that the community is able to swim and play in the Region's waterways and that drinking water sources are safe for consumption; and

- Supporting the sustainable management of the Region's land, and in particular its erosion-prone hill country, which reduces sediment flowing into our waterways and therefore the flood risk posed by these waterways.

Highlights

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 indigenous aquatic habitats.

The management of erosion-prone hill country in the Region remains an ongoing challenge. While we have made considerable progress over the last decade or more through the Sustainable Land Use Initiative (SLUI), there is still a significant amount of work to do. Changes in climate, particularly in rainfall, may increase the pressure on erosion-prone land in some parts of the Region in coming decades. Central Government support for the SLUI programme continues to accelerate the work programme alongside the ratepayer and landowner funding of this programme. The increased funding from central government via the hill country erosion fund (\$6.49 million over 4 years, starting in 2019) will assist with the acceleration of the SLUI programme.

Water quality also remains a challenging issue in our Region. Horizons will continue to use both regulatory and non-regulatory methods (for example, riparian planting and funding of environmental enhancement projects) to facilitate the improvement of water quality in our Region. The Freshwater Improvement Fund contribution from Central Government will continue to accelerate the non-regulatory work programme over the coming year in several catchments.

We will continue to respond to land use and changes in land use in a way that ensures its impacts on water quality are mitigated. Climate change may also lead to some parts of the Region becoming drier, increasing the pressure on water resources for agriculture, horticulture and other uses.

A further challenge is responding to national policy direction, such as the National Policy Statement for Freshwater Management, and the National Environment Standard for Plantation Forestry. We need to respond appropriately to such national direction in a way that ensures that affected industries are able to adapt and thrive.

Finally, we need to ensure that we are able to meet the community's expectations for environmental protection and enhancement and for timely and accurate information, while keeping costs at affordable levels. This inevitably means prioritising the initiatives we undertake.

Significant negative effects

Any regulation of land use through the One Plan means there is an inevitable trade-off between economic benefits to individuals and the wider community and impacts on the environment (such as fresh water). We will continue to work with our communities in an effort to minimise the impacts of regulation on resource users and communities.

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

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
LAND MANAGEMENT	5,853	6,253	5,378	6,839
WATER QUALITY AND QUANTITY	6,995	6,819	7,066	8,332
RESOURCE CONSENT AND POLLUTION MANAGEMENT	4,913	4,516	4,558	4,648
Total Operating Expenditure	17,762	17,588	17,002	19,819
Capital Expenditure	1,471	289	705	517
Total Funding Required	19,234	17,877	17,707	20,336
Funded By				
User Fees and Other Revenue	8,635	5,998	6,133	7,882
Individual Rates	587	476	609	585
Common Rates	10,634	11,692	11,827	11,939
Loans and Reserves	(623)	(288)	(862)	(70)
Total Funded	19,234	17,877	17,707	20,336

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	1,471	289	705	517
Total Capital Expenditure	1,471	289	705	517

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

	Actual 2017-18	LTP Year 1 2018-19	LTP Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	10,634	11,692	11,827	11,939
Targeted rates	587	476	609	585
Subsidies and grants for operating purposes	1,247	1,089	1,089	2,766
Fees and charges	4,056	4,561	4,662	4,733
Internal charges and overheads recovered	1,419	-	-	-
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	17,943	17,818	18,187	20,023
Applications of Operating Funding				
Payments to staff and suppliers	7,158	7,255	6,498	8,914
Finance costs	-	-	-	-
Internal charges and overheads applied	10,469	10,333	10,504	10,725
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	17,627	17,588	17,002	19,639
Surplus (Deficit) of Operating Funding (A-B)	316	230	1,185	384
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	1,471	289	705	516
Increase (decrease) in reserves	(1,155)	(60)	479	247
Increase (decrease) of investments	-	-	-	(379)
Total applications of capital funding (D)	316	229	1,184	384
Surplus (Deficit) of Capital Funding (C-D)	(316)	(229)	(1,184)	(384)
Funding Balance	-	-	-	-
Depreciation	134	204	225	181

Land Management Activity

What we do and why

Our land management initiatives respond to 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. Our principal land management initiatives are 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.

The land and fluvial research and monitoring programmes support and inform these initiatives and track 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 encompassed by the LTP, including policy, resource consent decisions and monitoring, and flood scheme management.

Sustainable Land Use Initiatives (SLUI)

This programme is targeted at hill land that has been identified as being prone to erosion. Under SLUI we develop Whole Farm Plans (WFP) in partnership with farmers. These plans form the basis of works programmes, which, with the aid of grant money, are aimed at addressing the erosion and water quality issues on the farm.

Continued implementation of SLUI as set out in this LTP is projected to result in an average reduction of 27 per cent of sediment entering water courses overall in the Region by 2043, and over 50 per cent within some priority catchments over the same time period. Modelling work undertaken by Landcare Research has indicated that more frequent and severe storm events as a result of climate change could reduce the impact of the SLUI programme.

Horizons has successfully contested for funding from Central Government's Hill Country Erosion Fund (HCEF). The current funding contract ends in June 2019 (Year 1 of the LTP). The new application has secured \$6.493 million over four years which equates to approximately 55% more central government funding per year when compared to the baseline Hill Country Erosion Fund funding in 2018/19. This will enable the acceleration of the SLUI programme in year 2 of the LTP. The new contract will also enable some changes to SLUI. One key change is that the new funding will be able to be allocated to a wider range of farms, not just those with SLUI whole farm plans. This will enable further works to be allocated on the Whanganui catchment strategy farms (see below) and

farms that do not have a farm plan. Another change is the phasing out of government grants towards stream fencing as a part of SLUI. There will be some government funding for stream fencing through the Hill Country erosion fund bid in year 2 of the LTP, however after that there will be no further government contribution via the Hill Country Erosion Fund contract.

Whanganui Catchment Strategy (WCS)

This programme covers erosion-prone hill country in the Whanganui River Catchment, with a focus on areas particularly susceptible to erosion (including the Ohura River Catchment). In these areas, Horizons has a strong focus on Whole Farm Plans and erosion control grants. In the wider catchment, Horizons supports one-off work programmes to address erosion and water quality issues on farms. Horizons has received funding from the Whanganui River Enhancement Trust (WRET) to support more work to be completed, to establish a local demonstration farm, and to encourage local production of poles (poplars and willows) for on-selling for erosion control purposes. The funding programme is subject to an annual application, and the ongoing support of WRET has enabled works to be undertaken at a faster rate than would have otherwise been possible. In 2018-19 and subsequent years, this programme will continue to build collaboration with initiatives arising from Te Awa Tupua (Whanganui River Settlement Act). In 2019-20 there will be an ability to further accelerate the rate of works on these farms as they will be able to access funding via the SLUI programme (where funding criteria are met).

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 on 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 pole nurseries to support the supply of erosion control material to landowners in the Region.

Research and monitoring

Research and monitoring informs the identification of priorities and the effectiveness of the works programme. In the Land Management Activity the two research programmes are:

- The land research and monitoring programme, which includes support of the SLUI programme; monitoring and reporting on soil health throughout the Region based on nationally-agreed criteria; project work around effluent management and treatment and further research on nutrient management on farms (including in partnership with other organisations); and providing information for State of Environment and national reporting; and
- The fluvial monitoring and research programme, which includes monitoring of gravel use and sediment movement and accumulation within the Region's rivers. A major component of this work is regular surveying of the Region's rivers to measure changes in river channel capacity. Further research includes sediment source and transport studies, with links to both river management and water quality outcomes. A focus of this work is to improve understanding of the rates of sediment accumulation in the Region's flood protection schemes and the sources of this sediment. This work is to inform catchment management actions to reduce the amount of sediment aggradation in rivers and is in response to the sedimentation in rivers issue identified in the 30-year Infrastructure Strategy for the Region's flood protection assets. This work will also inform non-regulatory work activities, such as the Sustainable Land Use Initiative, and other initiatives such as the Manawatū River Leaders' Accord.

Changes to what we will deliver

In the 2019-20 year the Central Government funding of the SLUI programme through the Hill Country Erosion Fund is currently unknown while the current funding round decisions are determined. Overall the rating component of the SLUI programme remains unchanged from the previous year's levels.

There have been no changes to the fluvial research and monitoring programme.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Government support;
- Gravel charges; and
- Sponsorship.

Common rates:

- General rate (EQCV);
- Sustainable Land Use Initiative rate (UAC); and
- Environmental initiatives rate (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
SUSTAINABLE LAND USE INITIATIVE (SLUI)				
Erosion reduction works programmes in targeted SLUI catchments (hectares).	3,486	3,100	3,100	3,100
Hectares of Whole Farm Plan properties mapped per year.	28,133	20,000	20,000	20,000
REGIONAL LAND INITIATIVES (NON-SLUI and WCS incl. COASTAL DUNE AREAS) AND WHANGANUI CATCHMENT STRATEGY				
Manage environmental grant programme to deliver erosion reduction works (hectares).	222*	175	175	175
Support industry initiatives that promote sustainable land use (Note 3) via industry partnerships.	4	5	5	5
Operate Council nursery and source additional commercial material to deliver poles (poplar and willow) to erosion control programmes (number of poles).	34,510	30,000	30,000	30,000
RESEARCH AND MONITORING				
Annual report on the land and fluvial monitoring and research activity.	New Measure.	Develop an annual reporting framework and produce an annual report.	1	1

Water Quality and Quantity Activity

What we do and why

Our water quality and quantity activities encompass the management of surface and groundwater quality and quantity, and include both freshwater and marine environments. This activity includes two broad components:

- The non-regulatory freshwater and partnership programme to improve water quality and aquatic habitat including through the Manawatū River Leaders' and Lake Horowhenua Accords (and the associated Freshwater Improvement Fund projects); and
- The science and monitoring programmes that track changes in the water resource and inform decision making around water management.

The freshwater and partnerships programme

The freshwater and partnerships programme aims to protect and enhance water quality and aquatic habitat including through partnership with landowners, iwi, external agencies and community groups. The programme includes initiatives to support stock exclusion from waterways (through freshwater restoration grants, advice and education), riparian enhancement and planting, aquatic habitat enhancement and supporting water quality initiatives.

In 2017-18 Horizons and its partners were successful in securing over \$5.23 million from the Freshwater Improvement Fund (FIF), administered by the Ministry for the Environment, toward water quality improvement projects totalling more than \$12.3 million. Our Region's four projects in the Manawatū, Whangaehu, Lake Waipu and Lake Horowhenua catchments are programmed to be completed over three or five years. Horizons will lead three of the projects (Manawatū, Whangaehu and Lake Waipu). The Lake Horowhenua Trust will lead the project in the Lake Horowhenua Catchment. Year 2 of the LTP will be the second year of these projects.

For the three FIF projects that Horizons are leading, \$585K of ratepayer funding is projected to be spent in Year 2 of the LTP as part of a budgeted total spend in the catchment on works totalling \$1.990 million. The balance of funding is from the Ministry for the Environment, Palmerston North City Council, Horowhenua District Council, Manawatu District Council, Rangitīkei District Council, Ngāti Rangī and landowners. Further funding will be leveraged through the \$100,000 contribution over three years to the Lake Horowhenua FIF project that has successfully secured \$1.685 million in funding. In year 2 of the Lake Horowhenua programme \$33K of Horizons ratepayer funds contributing to a work programme of over \$405K.

To enable work to continue in other catchments, Council allocated a further \$200,000 of grant funding towards water quality improvement grants within the wider Region and new funding for additional staff resource to assist with delivery of the freshwater and partnerships work in year 1 of the LTP. This will continue in year 2 of the LTP with an additional \$75,000 being allocated to this programme for year 2 as a part of the Annual Plan process.

A further inclusion in the LTP's Year 1 budget was new funding of \$75,000 for a programme to reduce nutrient and sediment loss from horticultural operations. This funding will continue in year 2 of the LTP supporting Horizons contribution to a Sustainable Farming Fund project researching nutrient loss mitigations for Horticulture farms and supporting on the ground works to reduce nutrient and sediment loss from Horticulture operations.

Manawatū River Accord and Freshwater Improvement Fund

The second Manawatū River Leaders' Accord Action Plan encompasses a range of activities aimed at improving water quality and achieving the goals of the Manawatū River Leaders' Accord. In the 2019-20 year, the Manawatū River Freshwater Improvement Fund project led by Horizons will enter its second year of the five year programme continuing to deliver on a range of initiatives, including upgrades to the Tokomaru sewage treatment plant to discharge to land, stock exclusion from streams, aquatic habitat and fish passage enhancement, riparian planting, a matauranga Māori and cultural monitoring project, an urban walkways project and community project support.

In addition to funding from Horizons, the project draws on funding from Central Government (the Freshwater Improvement Fund, as noted above), Horowhenua and Manawatu District Councils, Palmerston North City Council and landowners.

Whangaehu Freshwater Improvement Fund

The Whangaehu Freshwater Improvement Fund project aims to improve water quality in the catchment and to achieve the goals of the Whangaehu Catchment Care Group. Initiatives include stock exclusion from streams, improving aquatic habitat and fish passage, riparian planting and supporting community projects. This project draws on funding from Central Government (the Freshwater Improvement Fund), Horizons Regional Council, Ngāti Rangī and landowners. The 2019/20 year will be the second year of this three year project.

Lake Waipu Freshwater Improvement Fund

The Lake Waipu Freshwater Improvement Fund project will be in its second year of the five years project in 2019/20. The project will involve the upgrade of the sewage treatment plant at Ratana, diverting the discharge of wastewater (currently into Lake Waipu) to land. Horizons will administer the project and undertake monitoring to inform future restoration initiatives for the lake. This project draws on funding from Central Government (the Freshwater Improvement Fund), Horizons Regional Council and Rangitikei District Council.

Lake Horowhenua Accord and Freshwater Improvement Fund

The Lake Horowhenua Accord is a partnership with the Lake Horowhenua Trust, Horowhenua District Council, Horowhenua Lake Domain Board, Department of Conservation and Horizons Regional Council to address water quality issues in Lake Horowhenua. An important component of the work under the Accord is the harvesting of weed to reduce the frequency of toxic conditions in the lake. Council included budget in the LTP for lake weed harvesting from Year 2 in recognition of the timeframes required to establish access to the lake for weed harvesting preventing the ability for harvesting to occur during the first year of the LTP. Establishing access to the lake for harvesting through responding to court injunctions and obtaining permissions from Heritage NZ has been delayed over 2018/19 year in part due to legal challenges to the Lake Horowhenua Trust and the requirement for new elections. The ability to harvest in spring of 2019/20 is likely to be further delayed to 2020/21. Council have re-established the lake restoration rate that was removed from year 1 of the LTP and this will be allocated to lake restoration projects within the lake catchment including the continued preparation for weed harvesting in the lake.

A further three-year project starting in 2018-19 is the Lake Horowhenua Freshwater Improvement Fund project. The project will be led by the Lake Horowhenua Trust and will comprise stormwater upgrades, cultural monitoring and groundwater research to inform future restoration initiatives. Horizons will contribute funding and undertake groundwater research as part of the project. The overall project draws on funding from Central Government (the Freshwater Improvement Fund), Horowhenua District Council, Horizons Regional Council and the Lake Horowhenua Trust.

Improve knowledge and understanding of the Region's waterways

Our water quality and quantity activity supports monitoring and science to advance the knowledge base for good decision making. In our monitoring

programmes we measure river flows, groundwater levels, rainfall, water quality and aquatic biodiversity. These core monitoring programmes are supplemented by targeted monitoring investigations and science projects to address specific issues.

The science programme will continue monitoring and research to investigate the effects of land use and point source discharges on freshwater systems, including their ecosystems and suitability for recreation. We will continue to work on building our knowledge of the Region's coastal environment through our research and monitoring activities. Ensuring Horizons is meeting its national requirements around water metering and the National Policy Statement for Freshwater Management also remains a key focus.

Sharing of data and information about the Region's water resource will continue through a range of mechanisms including public engagement, state of the Environment reporting, and via the Land and Water Aotearoa website (LAWA) and the Horizons website.

Changes to what we will deliver

There are likely to be further delays to the lake weed harvesting in Lake Horowhenua. Funding for this activity will be utilised to prepare for that activity and for other lake restoration activity such as the reduction of nutrient and sediment inputs into the lake.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Science research charges.

Individual rates:

- Manawatū River Accord (UAC); and
- Lake Horowhenua Restoration (UAC).

Common rates:

- General rate (EQCV);
- Water quality and quantity rate (EQCV); and
- Environmental initiatives rate (UAC).

What We Will Deliver

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 2017-18 Year 1	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
FRESHWATER ENHANCEMENT TO ENABLE AND ENCOURAGE THE PROTECTION AND ENHANCEMENT OF WATER QUALITY, RIPARIAN MARGINS AND AQUATIC HABITAT				
Deliver freshwater enhancement work within the Manawatū Catchment in alignment with the Manawatū Leaders' Accord and through delivery of the Freshwater Improvement Fund project, including: <ul style="list-style-type: none"> Stream fencing (km); Riparian plants (number); Remediate fish barriers (number); Community projects (funded); and Annual report to Council on Manawatū Catchment Freshwater Improvement Fund project. 	42 km New measure. 84 6 New measure.	25 km 40,000 4 9 1	50 km 40,000 4 9 1	50 km 40,000 4 9 1
Deliver freshwater enhancement work within the Whangaehu Catchment through the Whangaehu Freshwater Improvement Fund project, including: <ul style="list-style-type: none"> Stream fencing (km); Riparian plants (number); Remediate fish barriers (number); Community projects (funded); and Annual report to Council on Whangaehu Catchment Freshwater Improvement Fund project. 	New measure.	17 km 3,333 2 4	17 km 3,333 2 3	17 km 3,333 2 3
Deliver freshwater enhancement work within the Waipu Catchment through the Freshwater Improvement Fund project, including: <ul style="list-style-type: none"> Annual report to Council on Waipu Catchment Freshwater Improvement Fund project. 	New measure.	1	1	1
Deliver freshwater enhancement work in the regional freshwater programme, including: <ul style="list-style-type: none"> Stream fencing (km); Riparian plants (number); Remediate fish barriers (number); and Community projects supported. 	New measure.	12 km 20,000 1 1	12 km 20,000 1 1	12 km 20,000 1 1

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 2017-18 Year 1	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
Deliver freshwater enhancement work within the Lake Horowhenua Catchment in alignment with the Lake Horowhenua Accord and through delivery of Horizons components of the Lake Horowhenua Catchment Freshwater Improvement Fund project, including: <ul style="list-style-type: none"> • Annual report to Council on lake restoration activity including the Freshwater Improvement Fund project for Lake Horowhenua; and • Annual report on the work with the horticulture sector through the freshwater and partnerships programme to improve water quality. 	New measure.	1 1	1 1	1 1
IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S WATER RESOURCE				
Water quantity and water quality information is made available to the public via LAWA (www.lawa.org.nz) and Horizons' website.	New measure.	Data provided to LAWA as required.	Data provided to LAWA as required.	Data provided to LAWA as required.
Annual report on water quantity and quality monitoring and research activity and its findings.	New measure.	Develop an annual reporting framework and produce an annual report.	1	1

Resource Consent and Pollution Management Activity

What we do and why

Under the Resource Management Act 1991 (RMA), Horizons has the primary role in the Region of ensuring, through its resource consent and pollution management activity, that the actual or potential adverse effects of resource use on the natural environment are avoided, remedied or mitigated.

This activity encompasses resource consent processing, compliance monitoring, responding to environmental incidents, undertaking investigations and enforcement action, and Resource Management Act advice focussing on natural resource use, including whether a resource consent is needed and how to apply. Through this activity, we implement our environmental policies and plans.

What we will do in 2019-20

Resource Management Act advice

Horizons receives and provides advice on resource consent enquiries from the community. Staff also review processes and procedures to ensure they remain current in light of court decisions and legislative amendments. The number of enquiries and general advice given remains high and is anticipated to increase due to the continued implementation of the One Plan, RMA amendments and the introduction of new national environmental standards and regulations.

Consents processing

Resource consents allow activities to take place whilst ensuring the sustainable management of natural and physical resources. The consents team is charged with providing resource management advice and processing resource consents within the Region.

Compliance monitoring

We monitor how resource users are complying with the conditions of resource consents, regulations and rules in the regional plan and national environmental standards to ensure that activities will not have adverse effects on the environment. The compliance programme has three key components:

- The rural programme, which focusses on farm dairy effluent operations, intensive land use activities and stock water takes;

- The water programme, which focusses on hydro-schemes, large irrigation takes, municipal water takes and implementing the water regulations; and
- The territorial authority (TA) and industry programme, which focusses on wastewater treatment plants, large industrial activities, and significant land development and roading projects.

In addition to the above, the compliance programme will have to monitor those consents granted for major network upgrades, including the new alternate Manawatū Gorge road.

Investigations and enforcement

Where there is non-compliance with a rule in a plan, national environmental standard, regulation or a resource consent, Council will investigate and take appropriate enforcement action. Such enforcement ensures that the resource management system remains equitable to all resource users.

Changes to what we will deliver

There are no changes to what we will deliver in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Consent fees;
- Compliance fees; and
- Incident recoveries.

Common rates:

- Resource and consent monitoring (EQCV).

What We Will Deliver

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 2017-18 Year 1	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
CONSENTS PROCESSING				
Process consents within Resource Management Act (RMA) timeframes.	85%	100%	100%	85%
Advise consent holders of consent expiry dates 6 months prior to expiration.	100%	100%	100%	100%
COMPLIANCE MONITORING				
Monitor compliance of all resource consents identified in the rural annual compliance monitoring programme.	57%	90%	90%	90%
Monitor compliance on Category 1 and Category 2 (high priority) sites identified in the TA and industry annual monitoring programme.	95%	100%	100%	100%
Monitor compliance on Category 3 (average priority) sites identified in the TA and industry annual monitoring programme.	95%	>60%	>60%	>60%
Monitor compliance on Category 4 (low priority) sites identified in the TA and industry annual monitoring programme.	New measure.	>40%	>40%	>40%
Take follow-up action for significant non-compliers.	100%	100%	100%	100%
INCIDENTS AND HAZARDS				
All notifications of non-compliance from the public are responded to. *	100%	100%	100%	100%
Update contaminated sites information database for one TA each year.		100%	100%	100%

* Options for response include:

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

FLOOD PROTECTION AND CONTROL WORKS



Introducing the Flood Protection and Control Works Group of Activities

What we deliver

The flood protection and control works group of activities provides communities of varying sizes with specified and agreed standards of flood protection, river management and land drainage.

How these activities contribute to community outcomes

Our river and drainage activities contribute primarily to achieving **natural hazard resilience**, **human wellbeing** and a **robust economy** by:

- Protecting people, property and infrastructure from flooding by containing floods to river corridors, floodways and ponding areas;
- Building and maintaining drainage networks, pump stations and other infrastructure to enable low-lying land to be utilised; and
- Minimising the loss of productive or valued land due to river erosion.

Highlights

Although the river management activity outlined in this plan largely aligns with what's laid out in our LTP, there are some notable issues which relate to this particular set of activities. Those are:

- Increased insurance costs;
- Costs pressures for the Lower Manawatū Scheme in particular;
- Continuation in the development of the Lower Whanganui Scheme;
- Changes to the targeted rate classifications for the Foxton, Makirikiri and Haunui Schemes; and
- The commencement of new schemes for both the Ruapehu district and Ohakune.

Insurance Costs

Horizons, like many households in the region, is experiencing a sustained rise in insurance premiums. That impacts the assets that we own and most of that asset value relates to our river management activities. Those river management assets are stopbanks, pump stations and detention dams, as well as a complex array of works intended to keep active rivers such as the Rangitīkei within a particular corridor.

That asset value presently sits at around \$474 million – some assets are not able to be insured and we make provision within our river management schemes, through scheme reserves, to cover future flood damage costs. We also call on central government for assistance, like we did following the June 2015 flood event. With that event we estimate the total damage cost to have been around \$5.5M; central government contributed just over \$2M toward that damage bill.

Where we can insure we do, and most of our river management assets (around 75%) are insured; part of a shared services arrangement with most of the other councils in the region that provides both efficiencies and collective buying power. The policy covers a range of different damage scenarios, including earthquake damage; work by GNS Science following the 2016 Kaikōura earthquake has placed renewed emphasis on the earthquake risk for the lower North Island and the need for Horizons to have adequate cover for that disaster scenario.

The increase in insurance costs relates to both the increase in the value of the river management assets (both new assets that we've built and revaluing existing assets) but also the global insurance market - the increased frequency prevalence of natural disasters around the globe and the global nature of the insurance market.

Changes to what we deliver

LMS Cost Pressures

The effect of increase insurance premiums is particularly pronounced for our largest river management scheme, the Lower Manawatū Flood Protection Scheme (LMS). Around half of the total asset value relates to the LMS, and the LMS has been delivering on significant improvements to flood protection standards (mainly raising/rebuilding existing stopbanks and constructing new stopbanks) over a number of years following the 2004 floods.

A large proportion of that expenditure has been loan funded and with that programme of work nearing completion, debt is also near its peak of around \$35M, repaid over the next 20 years. That debt repayment is consuming a large part of the LMS operating budget; continuing our inspection and maintenance work is vital to ensuring that the LMS does its job when a flood threatens.

Construction costs are also rising, a function of the strength of the local economy and the civil construction/contracting sector. We're also mindful, as are all regional councils across the country, of the lessons learnt with the flooding of Edgecumbe in 2017 and that's driving a range of initiatives within Horizons. A changing climate adds to the challenge of keeping people safe and minimising property damage from floods.

All of those factors are contributing to increased operating costs for the LMS, affecting a large number of ratepayers across the Manawatū and Horowhenua districts, as well as those living in Palmerston North. We will continue to target costs where appropriate and reasonable to do so – examples of that are targeting costs associated with the upgrade to the Reid Line Floodway to Feilding and targeting Horizons' portion of the costs associated with protecting Ashhurst Domain to Ashhurst and Palmerston North.

Lower Whanganui Scheme Development

As outlined in our LTP, Horizons extent of river management activity has expanded in Whanganui. In part that relates to supporting plans that the Whanganui District Council has to revitalise Whanganui Port but also reflecting both issues highlighted by the June 2015 floods and the two organisations refreshing where responsibility best lies.

Our LTP contains significant expenditure relating to the moles and other river training works along the lower reach of the Whanganui River; we've been focussing on the detail of the work required to bring that infrastructure up to an appropriate standard but also working on obtaining financial assistance from central government. However, even with central government funding the work required in particular to the moles and other river training works is substantial and accordingly debt levels for our Lower Whanganui Scheme are forecast to rise. Like other schemes, 20% of the Lower Whanganui Scheme's operational activity comes from the region's ratepayers but the balance is sourced from a targeted rate across the city and (to a lesser degree) district. Those rates have increased in the current financial year and we're planning for them to rise further to meet that forward workload.

Changes to Scheme Rating Classifications

Our LTP includes a programme of works funded jointly between Horizons and the Horowhenua District Council that aims to improve drainage and flood protection for Foxton by constructing a relief pipeline, with detailed investigation and design already underway. We noted in our LTP the need to take another

look at the way Horizons would fund that work, and accordingly, we're changing the targeted rate classification for Foxton to include the rural catchment east of the town that contributes to those issues. That has some substantial rate impacts for Foxton residents and those landowners east of the town. At a smaller scale, we're also making some minor changes to our Makirikiri and Haunui Schemes near Turakina. Those impacts are confined to a relatively small group of ratepayers who we consulted directly with.

New Schemes

Our 2018-2028 LTP notes a number of other initiatives in the river management area, many of which have already commenced. One, commencing with this plan, is a district-wide approach to river management in the Ruapehu district. This represents part of a longer-term strategy to make our river management activities more efficient (consolidating/reducing the number of river management schemes that we have). The change will also enable us to take a wider focus on river management issues and not be constrained to particular parts of a catchment (the scheme model).

Effective river management is about being responsive and pro-active to emerging issues and a scheme-based approach can be cumbersome and overly bureaucratic when time is of the essence. The costs will be shared evenly right across the district using a capital value based rating system; many of our targeted rate classifications in the river management area are too complex, making them difficult to understand and cumbersome to administer (we also have a separate ongoing initiative underway to simplify those classifications).

The rate impact will be \$1.48 per \$100,000 capital value. We're also establishing a new Ohakune flood protection scheme, addressing both the flood hazard affecting the town and the concerns residents have around maintenance of the rivers and streams that pass through the town.

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

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
RIVER AND DRAINAGE GENERAL ACTIVITY	769	729	930	874
RIVER AND DRAINAGE SCHEME ACTIVITY	10,980	10,911	11,189	12,902
Total Operating Expenditure	11,749	11,640	12,119	13,776
Capital Expenditure	5,960	7,821	5,078	5,437
Loan Repayments	2,754	2,911	3,089	5,784
Total Funding Required	20,463	22,372	20,286	24,997
Funded By				
User Fees and Other Revenue	2,869	2,127	2,243	2,358
Individual Rates	9,823	10,379	11,093	11,172
Common Rates	3,485	3,745	4,098	3,970
Loans and Reserves	4,286	6,121	2,851	7,497
Total Funded	20,463	22,372	20,286	24,997

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	5,715	7,562	4,673	5,032
Renew Existing Assets	245	259	405	405
Total Capital Expenditure	5,960	7,821	5,078	5,437

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

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	3,485	3,745	4,098	3,970
Targeted rates	9,823	10,379	11,093	11,172
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	2,385	1,771	1,793	1,793
Internal charges and overheads recovered	485	356	450	565
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	16,178	16,251	17,435	17,500
Applications of Operating Funding				
Payments to staff and suppliers	5,059	5,487	5,399	5,576
Finance costs	-	-	-	-
Internal charges and overheads applied	5,322	6,153	6,720	6,820
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	10,381	11,640	12,119	12,396
Surplus (Deficit) of Operating Funding (A-B)	5,797	4,611	5,316	5,104
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	(329)	4,325	912	5,063
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	(329)	4,325	912	5,063
Applications of Capital Funding				
Capital expenditure:	-	-	-	-
· to meet additional demand	-	-	-	-
· to improve the level of service	5,591	7,562	4,673	5,032
· to replace existing assets	369	259	405	405
Increase (decrease) in reserves	(492)	1,116	1,150	4,730
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	5,468	8,937	6,228	10,167
Surplus (Deficit) of Capital Funding (C-D)	(5,797)	(4,611)	(5,316)	(5,104)
Funding Balance	-	-	-	-
Depreciation	1,368	1,387	1,396	1,379

River and Drainage – General Activity

What we do and why

River and drainage general activities are those of a more general nature and not specific to particular schemes, including:

- Investigating erosion and flood risks, and developing mitigation options in consultation with affected communities;
- Identifying and removing hazards to boating in the region's major rivers, such as the Rangitikei and Manawatū;
- Providing technical and financial assistance to landowners for river management works outside defined scheme areas;
- Undertaking scheme audits and reviews; and
- Developing and updating operations and maintenance manuals for schemes.

The LTP references a 2014 report that identified flood and/ or erosion issues not captured/ managed by existing river management schemes, proposing a prioritised programme of investigations to assess each identified issue. This report is being refreshed in 2019 to better reflect issues that have arisen in the intervening time, as well as account for the large number of issues that the district-wide schemes have addressed. The river management investigations programme will largely follow that updated programme.

We will continue to undertake annual surveys of those rivers within the region that recreational or commercial boating can be undertaken on, and that lie within river management schemes, to identify and remove any man-made hazards that constitute navigation hazards.

We will continue to consider applications for environmental grants in accordance with four broad criteria: the work is related to preventing or mitigating flooding or erosion; it provides a benefit to a community rather than just an individual landowner; the site for the work is located outside a scheme area; and the work is owned and maintained by the landowner. We will fully fund the investigation, design, development, consultation and supervision phases of mitigation projects and will contribute up to 30 per cent of the cost of both obtaining any permissions or consents required and constructing the works.

We will endeavour to satisfy the demand for river and drainage engineering advice within the constraints of a relatively modest budget.

Our programme for scheme audits, reviews, and operations and maintenance manual development will continue. We intend producing an Operations and Maintenance Manual for the Lower Whanganui Scheme, part of a wider initiative that captures the knowledge of an aging and more transient workforce, ultimately providing a higher level of reliability and efficiency. We also intend to review the scope of the Ōhau-Manakau Scheme and how it's funded, with the most significant influence being the rapidly changing land use in this part of the Horowhenua; what modifications are required to operational activity and levels of service to meet residents' needs now and into the future.

Changes to what we will deliver

The Hokio Scheme Review has been brought forward to the 2019-2020 year to incorporate any works that may be recommended by the Arawhata sediment study. There have been no other programme changes from the LTP.

How we will fund this activity

This activity is funded by:

Common rates:

- River and drainage (EQCV).

Table: Programme of scheme audits, reviews, and operations and maintenance manual development

SCHEME	PLANNED AS OF 2018-28 LONG TERM PLAN			PLANNED AS OF 2019-20 ANNUAL PLAN		
	YEAR 1	YEAR 2	YEAR 3	YEAR 1	YEAR 2/AP	YEAR 3
	2018-19	2019-20	2020-21	2018-19	2019-20	2020-21
Ashhurst			SCHEME REVIEW			SCHEME REVIEW
Kahuterawa						
Lower Kivitea		OPERATION AND MAINTENANCE MANUAL			OPERATION AND MAINTENANCE MANUAL	
Lower Manawatu	OPERATION AND MAINTENANCE MANUAL			OPERATION AND MAINTENANCE MANUAL		
Mangatainoka			AUDIT / OPERATION AND MAINTENANCE MANUAL			AUDIT / OPERATION AND MAINTENANCE MANUAL
South East Ruahine						
Tawataia-Mangaone Drainage						
Upper Manawatu-Lower Mangahao						
Forest Road Drainage	AUDIT / OPERATION AND MAINTENANCE MANUAL			AUDIT / OPERATION AND MAINTENANCE MANUAL		
Haunui Drainage						
Lower Whanganui		OPERATION AND MAINTENANCE MANUAL			OPERATION AND MAINTENANCE MANUAL	
Makirikiri						
Matarawa						
Pakihi			AUDIT			AUDIT
Pohangina Oroua						
Porewa						
Rangitikei						
Turakina			SCHEME REVIEW			SCHEME REVIEW
Tutaenui						
Upper Whanganui						
Whangaehu - Mangawhero			SCHEME REVIEW / OPERATION AND MAINTENANCE MANUAL			SCHEME REVIEW / OPERATION AND MAINTENANCE MANUAL
Foxton East Drainage	SCHEME REVIEW / CLASSIFICATION REVIEW		OPERATION AND MAINTENANCE MANUAL / SCHEME REVIEW	SCHEME REVIEW / CLASSIFICATION REVIEW		OPERATION AND MAINTENANCE MANUAL
Himitangi Drainage						
Hokio Drainage			SCHEME REVIEW	SCHEME REVIEW		
Koputaroa Drainage	SCHEME REVIEW / CLASSIFICATION REVIEW		OPERATION AND MAINTENANCE MANUAL / SCHEME REVIEW	SCHEME REVIEW / CLASSIFICATION REVIEW		OPERATION AND MAINTENANCE MANUAL
Makerua Drainage			OPERATION AND MAINTENANCE MANUAL			OPERATION AND MAINTENANCE MANUAL
Manawatu Drainage			OPERATION AND MAINTENANCE MANUAL			OPERATION AND MAINTENANCE MANUAL
Moutoa & Whirokino Drainage						
Ohau-Manakau		SCHEME REVIEW / OPERATION AND MAINTENANCE MANUAL	CLASSIFICATION REVIEW		SCHEME REVIEW / OPERATION AND MAINTENANCE MANUAL	CLASSIFICATION REVIEW
Te Kawatu Drainage						

■ OPERATION AND MAINTENANCE MANUAL
 ■ AUDIT
 ■ SCHEME REVIEW
 ■ CLASSIFICATION REVIEW

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 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.	2	2	2	2
Provide river and drainage advice in relation to emerging flooding and erosion problems as required.	20+	18	18	18
In accordance with the programme identified in the table on page 62, carry out and report to Council on audits of schemes, identifying any deficiencies in inspection and maintenance activity that materially impact service delivery.	New measure.	1		
In accordance with the programme identified in the table on page 62, carry out and report to technical and rating classification reviews of schemes, assessing whether current levels of service meet the needs of the community and that the associated funding model is equitable.	New measure.	2	1	1
In accordance with the programme identified in the table on page 62, produce operations and maintenance manuals that capture scheme history, operating context and the inspection and maintenance activities required to deliver the levels of service to the relevant communities.	New measure.	2	3	3
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 appropriate contributions from those who will benefit from the scheme.	1	1	1	1

River and Drainage – Scheme Activity

What we do and why

The river and drainage scheme activity includes the design, management, operation and maintenance of the various river and erosion control and drainage schemes in the region.

We currently manage 21 river management and erosion control schemes that provide protection from flooding, riverbank erosion and channel movement to 10 urban areas and 75,000 hectares of rural land. That involves managing approximately 1,270 km of river channel, and inspecting and maintaining nearly 500 km of stopbank and 53 detention dams. These schemes allow the productive potential of a significant part of the region to be fully realised, protecting people, property and infrastructure from flooding.

We also manage 11 land drainage schemes that allow the productive potential of large areas of low-lying land to be fully realised. Approximately 62,000 ha of land benefits from this activity, requiring the inspection and maintenance of 22 pump stations and an associated 1,100 km of drain network.

The following narratives summarise notable issues.

Lower Manawatū Scheme

The 13-year Rural Upgrade Project, originally planned for completion in 2017-18, will need to be extended to 2019-20. Most of the remaining work is along the Oroua River, and when complete will afford those protected a uniform 1-in-100 year return period (one per cent Annual Exceedance Probability) standard of flood protection.

We're also adding \$1M to the expected delivery cost, in part, providing adequate contingency but also addressing some of the complexities around project delivery in the latter stages and cost pressures that the project faces relating to both those complexities but also the strength of the local civil construction market. The increased delivery cost will add to the loan required to undertake the work but it is intended to retain the same repayment period, adding 0.05 % to Lower Manawatū Scheme targeted rates.

Rangitikei Scheme

We will continue with our programme of Parewanui stopbank improvements on the Rangitikei Flood Protection Scheme, now scheduled for completion in the 2020-21 financial year.

Lower Whanganui River Scheme

As noted earlier, the Lower Whanganui Scheme continues to evolve and develop, with the two substantive catalysts, the June 2015 flood event and the Whanganui District Council's plans to revitalise Whanganui Port. Extensive consultation both in early 2017 and in 2018 has also given shape to that part of our LTP. In 2019-20, we will continue work to improve the condition of the various structures, including the moles, that hold the lower reach of the river in its current alignment.

We're also intending to develop more of the detail around the retreat strategy for Anzac Parade and we'll also be looking in more detail at a relief gate for the Kowhai Park stopbank. This issue arose with the consultation undertaken in the lead up to last year's LTP process, with Anzac Parade residents highlighting the length of time that it took following the June 2015 flood event for floodwater to drain from in behind the stopbank.

Matarawa Scheme

With the 2019-20 financial year we will begin work looking at automating the complete closure and full diversion of flood flow in the Matarawa Stream to the Mateongaonga Stream, modifying the existing structure located off No. 3 Line. Although by no means the complete panacea to the flooding that impacted parts of Whanganui East in June 2015, it will, in combination with the channel clearance work due for completion in the 2018-19 financial year, go some way toward reducing the frequency and severity of that flooding.

Makirikiri Scheme

Located near Turakina, the Makirikiri Scheme provides flood protection and land drainage to a small number of landowners. We're modifying the range of activities undertaken by that scheme, including a substantial tributary, the Mangatikitoko Stream. That amended scope of activity will include the management of a number of existing structures, including a detention dam located in the upper catchment that provides substantial flood relief to the river flats located off Turakina Beach Road. These increased operating costs will be recovered through an extension of the targeted rate area.

Foxton East Drainage Scheme

We're intending to progress the relief pipeline project identified in our LTP, progressing from design to the first year of a two year construction programme. That work is jointly funded by Horizons and the Horowhenua District Council.

We're also amending the targeted rate classification associated with the Horizons' share, largely retaining the existing urban part of the classification but expanding the contributor rate to encompass the whole catchment.

Hōkio Drainage Scheme

Our LTP notes, among other things, an intention to review the levels of service for this scheme, with particular focus on how further gains could be made in regard to further reducing sediment loads in the Arawhata Stream in combination with improving the efficiency of the drainage network. That work was scheduled for Year 3 (2020-21) with a nominal three year work programme to follow; we're bringing that work forward (subject to Council approval), with construction tentatively scheduled for 2019-20.

Manawatū Drainage Scheme

Another work programme identified in our LTP is an assessment of the Manawatū Drainage Scheme drainage network; developing robust solutions to known level of service issues but also anticipating the changing nature of land use and how the network can best be configured to adapt to those changing demands. We envisage that part of that technical work will be complete in the 2019-20 financial year with a nominal physical works budget set aside in our LTP to deliver the programme of work likely to follow.

Haunui Drainage Scheme

Our Haunui Drainage Scheme encompasses a small area of river flat located beside the Whangaehu River a few kilometres upstream of State Highway 3. Staff have identified anomalies with the rating classification that we're rectifying. As with the Makirikiri, this impacts a handful of landowners who were consulted with directly. The changes have no impact beyond those handful of ratepayers.

Changes to what we will deliver

There have been a number of minor changes to the schemes as described in the previous section. Most of these changes relate to the programme of delivery timetable and are not considered to be significant changes from the LTP.

How we will fund this activity

This activity is funded by:

User fees and revenue:

- Land rentals;
- Gravel charges; and
- Forestry income.

Individual rates:

- Scheme rates (mixed).

Common rates:

- River and drainage (EQCV).

What We Will Deliver

LOWER MANAWATŪ SCHEME AND SPECIAL PROJECTS				
Objective	Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2
Flood and erosion protection assets and systems are maintained.	Completion of agreed maintenance programme.	Not 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.
	System performance design standard.	Achieved	Stopbanks and associated structures within the rural area and maintained to the 1% AEP standard. Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.	Stopbanks and associated structures within the rural area and maintained to the 1% AEP standard. Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.
	Oroua silt removal.	New Measure	Remove 10,000 cubic metres of silt from the critical sections of the Oroua River berm.	Remove 10,000 cubic metres of silt from the critical sections of the Oroua River berm.
Flood and erosion protection assets and systems are repaired.	Response to flood event or damage.	Achieved	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.	N/A	As per Asset Management Plan Renewals programme.	As per Asset Management Plan Renewals programme.
New assets are constructed.	Completion of new capital works programme.	Not Achieved	Complete all programmed Feilding special project works to provide Feilding with 0.5% AEP.	Complete all programmed Feilding special project works to provide Feilding with 0.5% AEP. Complete Stoney Creek flood protection works.

Annual Plan 2019-20 Target Year 2
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.
Stopbanks and associated structures within the rural area are maintained to the 1% AEP standard. Stopbanks within the Palmerston North 'City' area are maintained to the 0.2% AEP standard.
Remove 10,000 cubic metres of silt from the critical sections of the Oroua River berm.
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 programmed Feilding special project works to provide Feilding with 0.5% AEP. Complete the investigation into Stoney Creek flood protection works.

RANGITĪKEI RIVER SCHEME				
Objective	Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2
Flood and erosion protection assets and systems are maintained.	Completion of agreed maintenance programme.	Not 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.
	System performance design standard.	Achieved	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% 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% AEP standard.
Flood and erosion protection assets and systems are repaired.	Response to flood event or damage.	Achieved	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.	N/A	As per Asset Management Plan Renewal programme.	As per Asset Management Plan Renewal programme.
New Assets are constructed.	Completion of new capital works programme.	Achieved	Complete all programmed 'Year 15' Rural Flood Protection Upgrade project works. These works will raise the standard from approximately 2% AEP to 1% AEP. Complete 'Year 9' channel alignment project works.	Complete all programmed 'Year 16' Rural Flood Protection Upgrade project works. These works will raise the standard from approximately 2% AEP to 1% AEP. Complete 'Year 10' channel alignment project works.

Annual Plan 2019-20 Target Year 2
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.
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% 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.
As per Asset Management Plan Renewals Programme.
Complete all programmed 'Year 17' Rural Flood Protection Upgrade project works. These works will raise the standard from approximately 2% AEP to 1% AEP. Complete 'Year 11' channel alignment project works.

MANAWATŪ DRAINAGE SCHEME				
Objective	Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 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 Manawatū 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 Manawatū Drainage Scheme Asset Management Plan.
	System performance design standard.	Achieved	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 assets and systems are repaired.	Response to flood event or damage.	Achieved	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.	Not Achieved	As per Asset Management Plan Renewal programme.	As per Asset Management Plan Renewal programme.

Annual Plan 2019-20 Target Year 2
The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Manawatū Drainage Scheme Asset Management Plan.
Stopbanks and associated flood protection structures 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.
As per Asset Management Plan Renewals programme.

MANGATAINOKA SCHEME				
Objective	Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2
Flood and erosion protection assets and systems are maintained.	Completion of agreed maintenance programme.	Not 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.
	System performance design standard.	Achieved	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. Undertake audit and develop O&M manual.
Flood and erosion protection assets and systems are repaired.	Response to flood event or damage.	Achieved	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.	Achieved	Complete all capital works as outlined in the Mangatainoka Asset Management Plan.	Complete all capital works as outlined in the Mangatainoka Asset Management Plan.

Annual Plan 2019-20 Target Year 2
The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the Mangatainoka Asset Management Plan.
Maintain the Burmeister, Kamo and Hamua stopbanks to 20%, 10% and 5% AEPs respectively.
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 Mangatainoka Asset Management Plan.

SOUTH EASTERN RUAHINE SCHEME				
Objective	Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2
Flood and erosion protection assets and systems are maintained.	Completion of agreed maintenance programme.	Not 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.	Achieved	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.	Achieved	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.	Achieved	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 2019-20 Target Year 2
The scheme is to be maintained to its full service potential in accordance with the condition ratings specified in the South Eastern Ruahine Scheme 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 South Eastern Ruahine Scheme Asset Management Plan.

ALL OTHER SCHEMES (NON-MANDATORY REPORTING)				
Level of Service Measure	Level of Service Measure	Actual 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 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.	Prescribed asset condition ratings are achieved.	Not Achieved	Manage scheme and maintain scheme assets in accordance with scheme asset management plan and operations and maintenance manual.	Manage scheme and maintain scheme assets in accordance with scheme asset management plan and operations and maintenance manual.

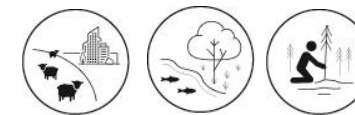
Annual Plan 2019-20 Target Year 2
Manage scheme and maintain scheme assets in accordance with scheme asset management plan and operations and maintenance manual.

* Annual Exceedance Probability (AEP) refers to the probability of a flood event occurring in any year. The probability is expressed as a percentage. For example, a large flood which may be calculated to have a 1% chance to occur in any one year, is described as 1% AEP.

Return Period or Recurrence Interval	Probability of occurrence in any given year	Chance of occurrence in any given year (AEP)
500 years	1 in 500	0.2%
200 Years	1 in 200	0.5%
100 Years	1 in 100	1.0%
50 Years	1 in 50	2.0%
25 Years	1 in 25	4.0%
20 Years	1 in 20	5.0%
10 Years	1 in 10	10.0%

BIOSECURITY AND BIODIVERSITY MANAGEMENT

Introducing the Biosecurity and Biodiversity Protection Group of Activities



What we deliver

The biosecurity and biodiversity protection group of activities includes:

- Biosecurity; and
- Biodiversity protection.

How these activities contribute to community outcomes

Our biosecurity and biodiversity protection activities contribute primarily towards achieving healthy ecosystems and a robust economy through:

- The control of plant and animal pests that may have an adverse effect on agriculture and other primary industries, and impact on the regional economy as a whole; and
- Protection and active management of the Region's indigenous plants, animals and their ecosystems.

In addition, these activities also contribute to **human wellbeing** through:

- The enhancement of bush reserves and other indigenous habitats, which contribute to recreation and the wellbeing of our communities.

Highlights

Historically, we have lost much of our indigenous biodiversity and habitats in the Region, including most of our lowland forests and wetlands. Biodiversity remains under pressure as a result of a range of human-caused impacts including introduced pests and water use (which impact on the viability of former swamp forests), but also as a legacy of past pressures (small fragments of forest are more susceptible to natural pressures such as extreme weather – wind in particular). Although there is an increasing awareness of the human impacts on biodiversity, tension often remains between biodiversity and economic development objectives. Partnerships between Horizons, the Department of Conservation and other Crown agencies, territorial authorities and land owners are essential for long-term biodiversity management, as is the valuable input of volunteers.

Introduced plants and animals have significantly transformed our environment and not only place ongoing pressure on surviving indigenous ecosystems, but also pose a threat to agriculture, horticulture and other land-based industries. Pest management is therefore essential to protect the economic future of the Region and improve environmental outcomes. We are working closely with Central Government, primary industry and the wider public to mitigate the effects of introduced pests in the Region, and are an active participant in groups such as the National Biosecurity Capability Network and National Biocontrol Collective, both of which are working to retain New Zealand's primary industry competitive advantage and unique indigenous biodiversity.

Significant negative effects

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

Biosecurity and Biodiversity Protection Group of Activities (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
BIOSECURITY	5,527	5,992	6,208	6,294
BIDIVERISTY	2,222	1,939	1,955	2,073
Total Operating Expenditure	7,749	7,931	8,163	8,367
Capital Expenditure	30	293	103	513
Total Funding Required	7,779	8,224	8,266	8,880
Funded By				
User Fees and Other Revenue	-	63	64	159
Individual Rates	7,474	1,931	1,896	1,830
Common Rates	-	5,976	6,273	6,378
Loans and Reserves	305	253	32	513
Total Funded	7,779	8,223	8,265	8,880

-

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	30	293	103	513
Total Capital Expenditure	30	293	103	513

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

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	5,601	5,976	6,273	6,379
Targeted rates	1,872	1,931	1,896	1,829
Subsidies and grants for operating purposes	423	-	-	-
Fees and charges	442	63	64	159
Internal charges and overheads recovered	-	-	-	-
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	8,338	7,971	8,233	8,367
Applications of Operating Funding				
Payments to staff and suppliers	3,969	3,988	4,152	4,259
Finance costs	-	-	-	-
Internal charges and overheads applied	3,710	3,943	4,010	3,994
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	7,679	7,931	8,162	8,253
Surplus (Deficit) of Operating Funding (A-B)	659	40	71	114
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	30	293	103	600
Increase (decrease) in reserves	630	(253)	(32)	(485)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	660	40	71	115
Surplus (Deficit) of Capital Funding (C-D)	(660)	(40)	(71)	(115)
Funding Balance				
Depreciation	70	40	70	114

Biosecurity Activity

What we do and why

Our biosecurity activity is focussed on the control of pests that have established breeding populations in New Zealand and pose a threat to our Region's economy and ecosystems. We carry out our biosecurity work under the new Regional Pest Management Plan 2017-37, prepared under the Biosecurity Act 1993.

Pest animal management

Pest animal control covers control work in three main categories:

- Work necessary to maintain the objectives of the Regional Pest Management Plan 2017-37 (including possum control operations and the management of rook populations);
- Advice and information to support pest management undertaken by the community and other stakeholders; and
- Pest control to protect sites that have been identified as priority sites (generally wetland and bush remnants on private land).

Horizons provides effective animal pest control programmes to protect and enhance the values that have been identified (through ecological assessments) at each selected site.

During this LTP we will see the expansion of the possum control operations (PCO) programme to 1.65 million hectares of land. This expansion will come as a result of land previously subject to possum control efforts by Ospri NZ becoming available to Horizons for the ongoing control of possums, after it has met the threshold for freedom from disease (TB). This will bring into the PCO programme 429,000 more hectares over the next 12–15 years. We are proposing that Horizons takes responsibility for the additional area as part of its PCO programme. This increased possum control was funded via an additional \$200,000 in Year 1 of the LTP, with a further \$50,000 increase in each of Years 2 and 3, and is proposed to remain at this level albeit with the potential for some adjustments in subsequent years of the LTP. In addition to this expansion in area, we will be continuing the more robust monitoring regime implemented in 2017-18 to provide information on how specific areas within the wider area can be prioritised and inform overall management of the programme.

Pest plant management

Pest plant activity focusses on implementation of the new Regional Pest Management Plan 2017-37 and supporting national initiatives at the regional level, such as the Clean Check Dry initiative aimed at preventing the spread of aquatic pests, 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 an increasingly important activity.

Horizons provides plant pest control to protect and enhance the values of the priority sites that have been identified in the Region.

Horizons also contributes funding towards national research on the development of bio-control agents to control pest plants, such as thistles, tutsan and old man's beard.

Changes to what we will deliver

Over the life of the LTP, the area over which we undertake possum control is expanding. The biosecurity plants programme has 70K of additional funding in year 2 for control of old man's beard.

As a part of the LTP process Council have reviewed the funding policy for the possum control operations and are resolved to shift the 2017-18 rating policy from 60 per cent of the cost via a biosecurity rate and 40 per cent to properties over 4 ha to 70 per cent via the biosecurity rate and 30 per cent from properties over 4 ha by Year 3 of the LTP. The split for Year 1 and Year 2 are 63:37 and 67:33 respectively. This change is to reflect the increasing overall biodiversity benefits of the programme and will be implemented as planned in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

Individual rates:

- Targeted production pest animal (ha);
- Targeted production pest rook (ha);
- Targeted production pest plant (UAC); and
- Targeted production pest plant (ha).

Common rates:

- Biosecurity (EQCV); and
- Environmental initiatives rate (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 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.	N/A	<10% RTC	<10% RTC	<10% RTC
Additional hectares included in control programme.	N/A	135,688	57,441	57,441
All known rookeries are treated annually to reduce crop losses and damage.	1	1	1	1
Provide an urban/peri-urban animal pest management service to assist urban ratepayers with specialist advice and equipment and animal pest control assistance/enquiries are responded to within 2 working days.	1	1	1	1
PEST PLANT MANAGEMENT				
Any exclusion category pest plants that are found in the Region are promptly managed. Where exclusion category pest plants are found in the Region, an initial response plan will be completed within 2 weeks and then enacted (if not enacted before 2 weeks).	New measure.	Number of response plans required.	Number of response plans required.	Number of response plans required.
	New measure.	Percentage where a response plan has been produced within 2 weeks (target 100%).	Percentage where a response plan has been produced within 2 weeks (target 100%).	Percentage where a response plan has been produced within 2 weeks (target 100%).
	New measure.	Number of response plans enacted within their specified timeframes (target 100%).	Number of response plans enacted within their specified timeframes (target 100%).	Number of response plans enacted within their specified timeframes (target 100%).

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
PEST PLANT MANAGEMENT				
Number of managed sites at zero-levels increases for pest plants identified for eradication in the Regional Pest Management Plan.	New measure.	Overall % of managed sites at zero-levels increases by 10%.	Overall % of managed sites at zero-levels increases by 10%.	Overall % of managed sites at zero-levels increases by 10%.
Number of managed sites at zero-levels increases for pest plants identified as progressive containment mapped in the Regional Pest Management Plan.	New measure.	Overall % of managed sites at zero-levels increases by 10%.	Overall % of managed sites at zero-levels increases by 10%.	Overall % of managed sites at zero-levels increases by 10%.
Financially support the national bio-control agent development programme and report annually to Council on this programme.	New measure.	Financial support provided and annual report to Council.	Financial support provided and annual report to Council.	Financial support provided and annual report to Council.
Monitoring of some released biological agents will be completed to assess establishment and host damage (using the national protocol).	New measure.	20 assessment plots will be monitored.	20 assessment plots will be monitored.	20 assessment plots will be monitored.
Pest plant enquiries received are responded to within 3 working days.	New measure.	95% of enquiries will be responded to within 3 working days.	95% of enquiries will be responded to within 3 working days.	95% of enquiries will be responded to within 3 working days.

Biodiversity Protection Activity

What we do and why

Our biodiversity protection activity (referred to as 'living heritage' in the One Plan) is helping to ensure that our indigenous heritage can be appreciated and enjoyed by both current and future generations. Around 22 per cent of the Region's original indigenous forest cover remains – though primarily in hill and mountain country. Only three per cent of the Region's wetlands remain.

Horizons assists landowners and community groups to protect and enhance remaining indigenous habitats, such as bush remnants and wetlands, within the Region. We also undertake research and monitoring to track changes in the extent and quality of such habitats within the Region.

Horizons is working towards managing 200 of the highest priority bush remnant sites and 100 of the highest priority wetland sites in the Region. Priority is based on ecological values, such as how well-represented such habitats are within the Region, as well as consideration of Horizons' capacity to enhance and protect the site, for example through the control of the full range of pests. As of July 2017, 734 bush remnants have been identified, with 124 (17 per cent) of these actively managed by Horizons (currently 51 per cent of the top priority sites are under active management). Of the 440 wetlands currently identified, 60 (14 per cent) are currently under active management.

We also offer community projects and other community-based environmental initiatives a free, non-regulatory advisory service; some also receive financial assistance by way of our Community Biodiversity Grant.

Habitat protection on private land

Priority habitat protection involves working with landowners to actively manage bush and wetland sites of regional value. Horizons supports the landowners to undertake activities such as fencing, pest control and planting through the provision of advice, technical expertise and funding.

Supporting community involvement in biodiversity protection on public land

Horizons also supports community groups and other stakeholder groups to work in partnership with the Council to protect and enhance biodiversity on public land. Examples include the Totara Reserve Regional Park and the Te Apiti Manawatū Gorge project. Alternatively, projects may have a narrower focus, sometimes limited to a single activity like animal pest control.

Improve knowledge and understanding of the Region's biodiversity

Research and monitoring provides valuable information around best practice, priorities and the effectiveness of our work programmes. A key focus over the period of the LTP will be continuing to track changes in the Region's biodiversity and aligning monitoring methodologies with those of other regions. This research and monitoring also helps inform our biosecurity activities. We also provide advice to landowners and the community about policies and rules relating to living heritage in the One Plan.

Changes to what we will deliver

There are no changes to what we will deliver in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

Individual rates:

- Rangitikei eradication (differentiated UAC);
- Regional park (UAC); and
- Waitarere Beach community (UAC).

Common rates:

- General rate (EQCV); and
- Environmental initiatives rate (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
PROTECT/ENHANCE PRIORITY HABITAT REMNANTS				
Additional top 100 wetlands actively managed.	3	4	4	4
Additional top 200 bush remnants actively managed.	6	7	7	7
SUPPORT COMMUNITY INVOLVEMENT IN BIODIVERSITY PROTECTION				
Support existing community-based biodiversity improvement projects.	15	12	12	12
IMPROVE KNOWLEDGE AND UNDERSTANDING OF THE REGION'S BIODIVERSITY				
Annual report on biodiversity monitoring and research activity.	New measure.	Develop an annual reporting framework and complete an annual report.	1	1
TOTARA RESERVE REGIONAL PARK				
Annual report on the management of Totara Reserve Regional Park for biodiversity and recreational values, including managing the camping facility.	New measure.	1	1	1

REGIONAL LEADERSHIP AND GOVERNANCE

Introducing the Regional Leadership and Governance Group of Activities



What we deliver

The regional leadership and governance group of activities includes:

- Community relationships;
- Environmental reporting and air quality monitoring;
- Emergency management;
- Governance;
- Information;
- Iwi and hapū relationships; and
- Strategic management.

How these activities contribute to community outcomes

Our regional leadership and governance activities contribute towards achieving **healthy ecosystems, human wellbeing, natural hazard resilience and confidence in decision making** through:

- Protecting healthy and resilient freshwater and coastal systems that support mahinga kai (traditional food gathering by tangata whenua);
- Resource management processes that take full account of impacts on ecosystems and monitor these effects;
- Maintaining good air quality throughout the Region;
- Managing the impacts on fresh water to ensure the Region's waterways remain healthy or, where degraded, their health is restored to the greatest extent possible while maintaining socioeconomic viability of the communities within the catchment;
- Protecting the Region's historic heritage, natural character, outstanding natural features and landscapes, particularly in the coastal marine area;
- Ensuring issues the Region faces are well understood by the community;
- Decision-making processes that are transparent and have sufficient opportunities for the community to participate meaningfully in decision making;
- Optimising opportunities to partner with or otherwise support community groups and other sectors to achieve shared outcomes; and
- Continuing to lead the regions response to natural disasters and working to increase community resilience through coordination of the Manawatu-Wanganui Civil Defence Emergency Management Group.

Highlights

The major challenges for our Region continue to be fresh water (quality and allocation), sustainable land use and biodiversity. Making further progress towards better outcomes in these areas while supporting a diverse and resilient economy will be an ongoing challenge and opportunity for Horizons. Revision of the intensive land use provisions of the One Plan and ongoing implementation of the National Policy Statement for Freshwater Management are priorities for freshwater. The later will be progressed on a catchment by catchment basis.

Improving our communities' resilience to natural hazards, particularly in the face of climate change, will be an ongoing and growing challenge. We will be focussing on developing an overarching strategy to support the Region's response to climate change, which will inform decision making across all our work.

We are likely to see further revision of national Government instruments such as National Policy Statements and National Environmental Standards which Council will need to respond to. We will continue to engage in the process to develop national direction and required shifts in the way we do business, in response.

Significant negative effects

There are no significant negative effects on local communities from the regional leadership and governance group of activities.

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

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Community Relationships	1,834	1,982	1,979	2,009
Environmental Reporting	297	440	443	449
Emergency Management	1,995	1,963	2,086	2,366
Governance	2,681	2,808	2,954	2,953
Information	4,222	3,715	3,720	4,432
Iwi	220	462	593	595
Strategic Management	2,323	2,770	2,689	2,766
Total Operating Expenditure	13,570	14,139	14,464	15,570
Capital Expenditure	864	1,404	1,953	1,970
Total Funding Required	14,434	15,543	16,417	17,540
Funded By				
User Fees and Other Revenue	4,372	4,272	4,336	4,387
Individual Rates	-	-	-	-
Common Rates	9,490	10,663	10,925	11,036
Loans and Reserves	572	608	1,156	2,117
Total Funded	14,434	15,543	16,417	17,540

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	864	1,404	1,953	1,970
Total Capital Expenditure	864	1,404	1,953	1,970

Horizons Regional Council Funding Impact Statement for the Regional Leadership and Governance Group of Activities to 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	9,490	10,663	10,925	11,036
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,718	1,532	1,603	1,609
Internal charges and overheads recovered	2,654	2,740	2,732	2,778
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	13,862	14,935	15,261	15,423
Applications of Operating Funding				
Payments to staff and suppliers	3,807	5,126	5,481	5,530
Finance costs	-	-	-	-
Internal charges and overheads applied	8,957	9,013	8,984	9,093
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	12,764	14,139	14,464	14,623
Surplus (Deficit) of Operating Funding (A-B)	1,098	796	796	800
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	(463)	(481)	(480)
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	(463)	(481)	(480)
Applications of Capital Funding				
Capital expenditure:	-	-	-	-
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	864	1,404	1,953	1,970
Increase (decrease) in reserves	234	(1,072)	(1,637)	(1,650)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	1,098	332	316	320
Surplus (Deficit) of Capital Funding (C-D)	(1,098)	(796)	(796)	(800)
Funding Balance	-	-	-	-
Depreciation	806	873	944	948

Community Relationships Activity

What we do and why

Community relationships focus on providing effective communications, accessible information and accurate advice. Our aim is to engage meaningfully with our communities to increase public understanding of Horizons' role and encourage community participation in our decision making and initiatives. 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.

Communications

Our communications team plans and delivers external communication to support the delivery of all of Horizons' work and connect people with the environment in an engaging way. This includes media liaison, public relations campaigns, web and social media, publications, sponsorship, communication activities on behalf of partnerships, and stakeholder engagement. Wherever possible, communication is proactive and transparent, with the aim of developing community trust and an understanding of Horizons' role. The team also oversees the intranet and other forms of internal communication to assist with creating a cohesive organisational culture.

District Advice

The district advice team provides free, non-regulatory information and advice to members of the public regarding natural hazard risk and Horizons' One Plan requirements for specific properties and proposed developments. District advice 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 advice also helps coordinate Horizons' response to district plan changes and private plan change requests. District advice also manages the coordination and communication of the Building Act 2004 requirements for dams for both territorial authorities and ratepayers.

Rural advice

Operating similarly to district advice, the rural advice team provides free, non-regulatory advice with a rural focus. The team offers general advice, not the

more comprehensive advice required by someone making a consent application, which is provided through the resource consents team – see page 151. 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 and in policy development to ensure any future plan changes are sensible and practical.

Customer service

Customer service is the first port of call for all general Horizons enquiries via telephone and in person. Our customer service team aims to provide friendly, efficient service and advice 24 hours a day, seven days a week, contributing to the development of positive relationships with our communities. Customer Services is currently considering technological advances designed to make communications with our customers better.

Environmental education

Horizons has a long history in supporting school-based environmental education through nationally recognised programmes such as Waioara and EnviroSchools. We plan to increase the number of EnviroSchools in our Region, as well as develop further environmental education opportunities to enable wider community engagement.

Changes to what we will deliver

We plan to maintain our community relationships activity at current levels.

How we will fund this activity

This activity is funded by:

Common rates:

- General rate (EQCV); and
- Uniform Annual General Charge (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
COMMUNICATIONS				
Connect our communities with Horizons' work through a number of channels in a proactive and transparent way.	New measure.	>105 media releases. >1,850 media mentions.	>110 media releases. >1,900 media mentions.	>110 media releases. >1,900 media mentions.
Likes/followers on social media (all accounts that Horizons manages).	New measure.	>21,000	>22,000	>22,000
Videos produced.	New measure.	12	14	14
Website sessions.	(11,704)	>620,000	>640,000	>640,000
DISTRICT ADVICE				
All information requests are met within timeframe (approximately 300 formal and 650 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.	1	1	1	1
CUSTOMER SERVICE				
Maintain 24-hour, seven days a week access to Horizons via internal and external call centre support.	1	1	1	1
95% of all calls received on a 24/7 basis are answered.	0.95	0.95	0.95	0.95
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.	0.9	0.9	0.9	0.9
ENVIRONMENTAL EDUCATION				
Increase participation levels in the Enviroschools and Waiora programmes at a manageable rate. Engage the community through environmental education opportunities.	47 Enviroschools. 29 Waiora Sessions.	47 Enviroschools. 32 Waiora Sessions. 31 community engagements.	48 Enviroschools. 33 Waiora Sessions. 32 community engagements.	48 Enviroschools. 33 Waiora Sessions. 32 community engagements.

Environmental Reporting and Air Quality Monitoring Activity

What we do and why

Effective management of the Region's natural resources relies on accurate, accessible and timely information about the environment and its health. The environmental reporting 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.

Environmental monitoring and reporting

Environmental 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 evaluated and informs decision making. Environmental monitoring and reporting activities also contribute to annual state of the environment reporting for the Region, and national-level reporting such as through the Land and Water Aotearoa website (LAWA). To further enhance the environmental reporting, a science communication strategy developed as a part of year 1 of the Long-term Plan (LTP), will be further implemented in year 2 of the LTP.

Drinking water supply research

Regional Councils have a legislative role in protection of drinking water supplies. To achieve this, Horizons is working alongside the other agencies who have roles in this; the territorial authorities and local public health agencies. A major piece of work reviewing council operated drinking water supplies, the areas of catchments that supply them and bore head security was commissioned by Horizons in collaboration with (and with co-funding from) territorial authorities in the region. This work programme will continue in year 2 of the LTP and report the outcomes.

Climate Change Research

Climate change research was introduced as a new part of the Environmental Reporting activity in year 1 of the LTP. This research is to develop understanding of climate change impacts on the region and will continue in year 2 of the LTP and build on previous work that has included assessing the impacts of climate change on hill country erosion and the outcomes of the Sustainable Land Use Initiative. The work also aligns Council developing a climate change strategy and the identification of climate change as one of the four key issues in the 30 year infrastructure strategy for Horizons River Management Activity.

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). Monitoring equipment in these air sheds is now due for replacement and may need to be upgraded pending potential changes to the National Environmental Standard for Air Quality. Further guidance on monitoring requirements is anticipated from the Ministry for the Environment during the early stages of this LTP. A public awareness campaign to provide guidance around ways to improve air quality in the Region is a key component of the air quality monitoring programme. The LTP provides for a small budget to undertake this work.

Changes to what we will deliver

We plan to maintain our information activity at current levels.

How we will fund this activity

This activity is funded by:

Common rates:

- General rate (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
ENVIRONMENTAL MONITORING AND REPORTING				
Provide an annual summary report on the state of the environment.	New measure.	Annual reporting framework is developed and a report produced.	1	1
Develop and implement a science communication strategy.	New measure.	Strategy and implementation plan developed.	Report progress to Council annually.	Report progress to Council annually.
Complete drinking water supply research with a focus on Council-operated drinking water supplies and complete an annual report on this to Council.	New measure.	1	1	1
Investigate one aspect of climate change impact in the Region and report on this to Council.	New measure.	1	1	1
Air quality is monitored in Taihape and Taumarunui and reporting is made available to the public via LAWA and the annual state of environment report.	New measure.	Completed.	Completed.	Completed.
Undertake an annual public education air quality campaign.	New measure.	1	1	1

Emergency Management Activity

What we do and why

The emergency management team delivers a range of services to help keep our communities safe, encompassing the coordination of emergency planning, response and recovery, and ensuring the continuity of critical services in the event of an emergency. The work we do can be divided into three categories: our Manawatu-Wanganui Civil Defence Emergency Management (CDEM) Group planning activity, developing and maintaining our response capability, and contracted services.

What we will do in 2019-20

Achieve Targets as set out in CDEM Group Work Programme

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). The CDEM Group also prepares an annual work programme, with each of the member councils contributing to achieving the goals of the Group. We will continue to implement the agreed work programme outputs and regularly report progress to both the CDEM Coordinating Executive Group and Joint Standing Committee.

Horizons Response Capability

Under this activity we:

- Prepare plans and procedures for emergency response;
- Maintain emergency management duty officer capability at all times (24/7/365);
- Deliver automated river height information to subscribers;
- Manage the Manawatū River & Tributaries Navigation Safety bylaw;
- Facilitate and coordinate navigation and water safety initiatives in Whanganui;
- Maintain teams for flood gate operation and flood barrier deployment;
- Undertake flood-plain mapping, modelling and forecasting; and

- Maintain a cadre of trained staff to manage and operate an Emergency Operations Centre (EOC) for Horizons response activities and an Emergency Coordination Centre (ECC) for the CDEM Group. During 2019-20 the EOC/ECC operation will re-locate to a purpose built facility adjacent to Horizons Palmerston North office that meets the seismic structural Building Code requirements of a Building of Importance Level 4 (IL4). Additional funding for 2019-20 and subsequent years to cover operating expenses was provided for in the 2018-2028 Long-term Plan for this activity.

Contracted Services

Emergency Management services have been provided under a fixed price contract arrangement to the Rangitikei, Manawatū and Horowhenua District Councils for the provision of civil defence since July 2017. 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 requirements.

Services are also provided to Maritime New Zealand (MNZ) to ensure a regional response capability for a marine oil spill within Horizons' area of jurisdiction. This service is 100 per cent funded by MNZ via the provision of training and equipment commensurate to our regional risk, as determined by MNZ. We intend to maintain this current level of service.

Changes to what we will deliver

There are no changes to what we will deliver in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Territorial authority contract income;
- Cost recovery from Maritime New Zealand; and
- Emergency management rate (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
ACHIEVE CDEM BUSINESS PLAN TARGETS				
Critical outputs pertaining to operational capability, community resilience and riskscape are monitored and reviewed.	1	1	1	1
CDEM targets are reported to both the Joint Standing Committee and Coordinating Executive Group.	9	4 per year.	4 per year.	4 per year.
HORIZONS' RESPONSE CAPABILITY				
Emergency Operations Centre staff are trained (min. 4 training activities/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.	1	1	1	1
Hazard information update project carried out to update information as per the approved project plan.	1	1	1	1
Manage and promote business continuity planning arrangements (business continuity plans).	1	1 per year.	1 per year.	1 per year.
Manage and promote navigation safety.	1	1	1	1
CONTRACTED SERVICES				
Maritime New Zealand (MNZ) oil spill response capability maintained to MNZ audit standards.	1	1	1	1
Emergency management contracts for Civil Defence services completed to the satisfaction of Rangitikei, Manawatū and Horowhenua District Councils.	1	1	1	1

Governance Activity

What we do and why

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.

As your Regional Council, our role differs to that of city and district councils – we are responsible for managing the Region’s land, air and water resources on behalf of the communities we serve. We also contract passenger transport services, play an important part in regional transport planning and road safety education, work to reduce the risk and impact of flooding, and lead the planning for and response to emergencies to help keep people and properties safe. Our aim is to meet the current and future needs of our communities and to be able to identify opportunities and respond to any changes that may impact on our ability to help make the Region a great place to live, work and play.

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.

All councils are legally required to review their representation arrangements at least every six years so they are in place prior to an election. Council asked the community for its views on current constituency boundaries and member representation through a notified submission process in April/May 2018, including reference made in the Long-term Plan consultation document. Council’s proposal has been forwarded to the Local Government Commission for its decision which will apply to the 2019 local body elections. The map on the next page shows the current constituency boundaries and representation in each area.

As part of the process leading up to the next local body elections in October 2019, Horizons has considered its voting system and resolved to use the First

Past the Post voting system. It publicly notified this decision in July 2017. Horizons also resolved not to establish a Māori constituency and publicly notified this decision in November 2017.

Annual and long-term planning

In order to ensure Council meets the current and future needs of communities, it is necessary to plan Council’s activities with an eye to the future. Every three years Council will draft, consult on and complete a long-term plan, looking 10 years into the future. In the years between LTPs, we will complete and consult on annual plans that make the minor adjustments that are necessary to ensure planning is kept up-to-date. At the end of each year Council will report back to the community on how it went against its plans.

The Horizons Region

- Covers 10 local authorities, 7 completely within its boundaries
- Horizons’ jurisdiction extends 12 nautical miles out to sea
- Covers 22,212sq km of land, 8.1 per cent of New Zealand’s land area
- 160 km of coastline, with the Tasman Sea to the west and Pacific Ocean to the east
- Is home to approximately 240,300 people

Changes to what we will deliver

We plan to maintain our governance activity at current levels with the exception of financial governance which we wish to improve upon in the procurement area; specifically for tendering.

How we will fund this activity

This activity is funded by:

Common rates:

- Uniform Annual General Charge (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
GOVERNANCE				
Undertake the triennial election process in accordance with the Local Electoral Act 2001.	N/A	1	1	1
Conduct Horizons' meetings and hearings in accordance with Horizons Regional Council Standing Orders.	1	1	1	1
Undertake a representation review to be determined in 2019 in accordance with the Local Electoral Act 2001.	New measure.	Complete the review.	No measure.	Complete the review.
LONG-TERM PLAN (LTP)				
Adoption of this and subsequent annual plans, long-term plans and amendments, and annual reports by Council within statutory timeframes.	1	1	1	1

Information Activity

What we do and why

Along with its people, information is pivotal to the operations 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.

Environmental Data

A large quantity and variety 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. For example, data collection programmes for river level, flow, dissolved oxygen, water temperature, suspended sediment and nutrients for our Region's rivers have been established. Data is also collected in relation to groundwater levels and quality, air quality, rainfall, turbidity and soil moisture. Much of the data collected has multiple customers within the organisation. Key services provided for emergency management purposes are flood warning and automated flood forecasting for the Region's major river systems.

The team responsible for the data that is collected maintains ISO 9001 certification. This ensures independent review of processes, and so ensures the reliability of data collected and archived within Horizons' systems. We continue to seek ways to improve access to information resources by communities and stakeholders, thus allowing decision makers access to timely and current environmental information.

Improving the way we generate and work with information (Information Management)

With the large quantity and variety of environmental data being generated, alongside other operational and financial information generated by the wider organisation, there is an ongoing need to review, refine and/or support organisational processes, systems and behaviours that ensure data is stored and made available in a way that meets current and expected future operational, scientific and public requirements and expectations. This work is guided by the principles and objectives of Council's Information Management Strategy.

To this end (and supporting the work of Environmental Data and other teams throughout Horizons), the Information Management team provides the technical expertise to create and maintain specialised data reporting and review tools, mapping systems and portals, supporting internal project teams and staff alongside delivering products to external agencies and ratepayers. These systems build on, or integrate with, existing business system architectures. We are constantly looking for ways to improve the public's access to and use of this information.

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

Changes to what we will deliver

We plan to maintain our information activity at current levels.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Environmental data via internal recharge.

Common rates:

- Information (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 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.).	100%	99%	99%	99%
Collection of 90.0% of continuous data relating to other water quality parameters (approx. 2.0 million data-points p.a.).	97%	90%	90%	93%
CATCHMENT INFORMATION				
Information requests received from the public and external agencies are processed and delivered according to agreed timeframes.	99%	95%	95%	95%

Hapū and Iwi Relationships Activity

What we do and why

Horizons' relationship with tangata whenua of the Region is strategically important to the work we do and we strive to develop enduring and positive relationships with iwi and hapū in all initiatives and activities we undertake. Collaborations that weave Māori and western world views are expected to achieve better results than each of us working within our own world views. In doing our work, we are guided by a number of Memoranda of Understanding signed with iwi/hapū, by Treaty of Waitangi settlements in the Region, and by the methods set out in *Chapter 2: Te Ao Māori* of the One Plan. Our focus is on building and sustaining relationships that achieve better resource management decision making.

While Treaty of Waitangi settlements and the Resource Management Act provide formal structures for iwi relationships, Horizons seeks to collaborate in a way that goes beyond these statutory requirements, and which enhances the mana of all participants. More opportunities to partner with iwi and hapū will arise as Treaty settlements in the Region progress, especially in the first three years of this Plan. The expenditure allocated to this activity reflects the anticipated increase in our work in this area.

Support kaitiakitanga

Horizons will support iwi-led initiatives to apply mātauranga Māori (knowledge) and achieve their aspirations for kaitiakitanga (environmental stewardship) in their rohe, such as through freshwater health monitoring encompassing cultural indicators. This iwi-led work will help inform the evaluation of freshwater management policies and methods as part of the review of the One Plan and for the purposes of implementing the National Policy Statement for Freshwater Management.

Support Treaty settlements

Horizons will participate in Treaty settlement processes as appropriate, and play our part in implementing post-settlement arrangements.

Five Treaty settlements have been finalised in the Region and will increase four-fold by the end of all iwi negotiations. We have an important role to play in the co-governance and other management relationships set out in Treaty settlements, such as the governance and participatory structures established for the Whanganui River, Whangaehu River and Manawatū River as part of Treaty settlements.

Grow Horizons' capacity to engage with iwi and hapū

Our team also supports all Horizons staff and councillors in their capability to build and maintain positive relationships with iwi and hapū.

Application to change Regional Name

Horizons' has applied to the New Zealand Geographic Board to change the Regional name to Manawatū-Whanganui. This change is designed to better align spelling with the conventions of Te Reo. A decision regarding this application is expected from the Board later this year.

Changes to what we will deliver

There are no changes to what we will deliver in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

Common rates:

- Uniform Annual General Charge (UAC).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
Iwi and hapū satisfaction with their collaborative relationships with Horizons.	New measure.	Survey iwi and hapū in the Region (establish baseline reporting).	Reported biennially.	Reported biennially.

Strategic Management Activity

What we do and why

The strategic management activity involves strategic policy, which spans across and guides the whole of Horizons' work. It also encompasses our resource management planning and policy work, including the work we do to continually review and improve the One Plan. Finally, the strategic management team supports Horizons' work, in partnership with other councils, to encourage economic growth in the Region.

Strategic policy

Strategic policy focusses on identifying our key challenges, how we need to respond to these challenges, and delivering and monitoring that response in terms of outcomes. Over this period, we will prioritise:

- Developing freshwater strategies based on major catchments;
- Revision of the intensive land use provisions of the One Plan;
- Implementation of the National Policy Statement for Freshwater management in the One Plan;
- Regional resilience in the face of climate change and natural hazards;
- Reviewing Horizons' engagement with hapū and iwi at all levels, from co-management of natural resources to participation in regional decision making; and

In addition, the strategic policy team is responsible for providing a coordinated response to national direction from Central Government. New or revised national policies for fresh water, biodiversity, highly productive soils and natural hazards are under development and are likely to affect Horizons' business.

Resource management policy and planning

We will be working on changes to three main policy areas in the One Plan. The first will focus on a plan review and change to address the long-term requirements for sustainable freshwater management in the Region, and to ensure the One Plan regulatory framework already in place is confirmed through community engagement and fully aligned with the requirements of the National Policy Statement for Freshwater Management (NPSFM). It will also allow issues that have arisen in implementing the One Plan's intensive land use rule stream to be resolved.

Secondly, evaluation of the efficiency and effectiveness of the remainder of the One Plan's policies, rules and other methods will continue, as is required under the Resource Management Act.

The third area of focus is responding to national direction from Central Government. We expect to be required to implement several new or revised national policy statements and national environmental standards, as well as the new national planning standards that are expected to be rolled out.

Supporting regional prosperity

Councils, iwi-based organisations and business in the Region are working in partnership with each other and with Central Government agencies to encourage economic prosperity through a programme called Accelerate25. This collaboration has seen Central Government invest in a Regional Growth Study for the Region, completed in April 2015. This study identified key opportunities for growing our regional economy. Subsequently Horizons collaborated with other councils in the Region to produce a Regional Economic Action Plan in 2016 focussed on delivering the opportunities described in the growth study. Under the banner of Accelerate25, project teams across the Region are now focussed on delivering aspects of the Regional Economic Action Plan. The programme is ultimately about growing employment opportunities in the Region.

Changes to what we will deliver

There are no changes to what we will deliver in year 2 of the LTP.

How we will fund this activity

This activity is funded by:

Common rates:

- Strategic management rate (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
STRATEGIC MANAGEMENT				
One Plan review process.	New measure.	Catchment review strategy developed; Plan change 2 initiated.	Two catchment review processes initiated.	Two catchment review processes initiated.

TRANSPORT



Introducing the Transport Group of Activities

What we deliver

The transport group of activities includes:

- Transport planning;
- Passenger transport; and
- Road safety.

How these activities contribute to community outcomes

Our transport activities contribute to achieving **connected communities** and a **robust economy** by:

- Enabling members of the community who have limited access to transport options to access work, education, recreation, health and social services, and maintain a connection with the rest of the community;
- Contributing to an efficient and reliable transport network through the provision of public transport, enabling people to get to work and education and in turn contributing to a productive regional economy; and
- Facilitating an integrated transport package that contributes to regional growth initiatives such as Accelerate25.

Our transport activities contribute to achieving **human wellbeing** by:

- Supporting more active transport through the provision of public transport services; and
- Partnering in road safety education initiatives for road-users and pedestrians.

Highlights

There are significant opportunities to influence and secure future investment in land transport for the Region. Horizons must ensure that it is ready to make the most of these opportunities that may arise, for example through the National Land Transport Plan & Fund, the Provincial Growth Fund, or other strategies or initiatives. This will require increased staff commitment to business case development for the numerous roading projects that collectively form *Accessing Central New Zealand*, the goal of which is to enhance the connectivity between

key strategic points in the Palmerston North and Feilding areas and the wider highway networks.

A further challenge for Horizons will be ensuring that we anticipate and are able to respond to technological developments in the transport sector, such as electronic vehicles and self-driving vehicles. We also need to respond to changing requirements that may result from demographic changes, such as an ageing population.

New Zealanders have one of the highest levels of personal vehicle dependency in the developed world, and this poses challenges for us as a society in terms of localised environmental impacts, climate change implications (from vehicle emissions) and social equity (ability of members of the community – including those with reduced mobility – to access services and facilities in the Region). Horizons plays a pivotal role in supporting the provision and efficient functioning of public transport networks (principally buses) in the Region.

Road safety is an ongoing challenge for our Region, as it is nationally. Every year thousands of New Zealanders are killed or seriously injured in crashes. The social and economic cost of death and injuries caused by road accidents is significant and cannot be quantified by the financial cost alone. Horizons will continue to play an important role in supporting road safety initiatives in the Region, in partnership with district council staff, ACC, Police, Plunket, district health boards and others with an interest in road safety, with a particular focus on driver licensing and, child and driver restraints.

Central Government support for regional transport investment

In recognition of the importance of maintaining efficient transport infrastructure to the country as a whole, the Government has established a co-investment system through which it supports transport investment undertaken by all regional councils including Horizons. This is delivered through the Funding Assistance Rate administered by the New Zealand Transport Agency (NZTA). This co-investment approach is critical because it reduces the burden on the ratepayer while ensuring we have a fit-for-purpose transport network.

The table below shows what percentage amount Horizons receives in funding assistance for every dollar spent on our transport activities.

Activity Type	Funding Assistance Rate (%)
Transport Planning	51%
Road Safety (Internal Programmes)*	64%
Road Safety (External Programmes)**	100%
Total Mobility (Standard Trips)	60%
Total Mobility (Hoist Installation)	60%
Total Mobility (Hoist Trips)	100%
Bus Services and Health Shuttles	51%
SuperGold	100%

*These programmes are run by Horizons.

** These programmes are run by external agencies and so funding is leveraged from NZTA via Horizons.

We will spend an average of \$8.35 million per year for the first three years of this Plan on this activity, which will be funded by Central Government and other contributors (\$4.32 million per year) and the Transport Scheme ratepayers (\$2.27 million per year).

Significant negative effects

While the use of fossil-fuelled vehicles could be considered a negative effect on communities, we seek to minimise this impact through efficient use of transport and transport networks in our Region

Transport Group of Activities (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
ROAD SAFETY	773	739	757	747
TRANSPORT PLANNING	197	153	159	156
PASSENGER SERVICES	7,483	7,190	7,589	7,882
Total Operating Expenditure	8,453	8,082	8,505	8,785
Capital Expenditure	88	-	-	-
Total Funding Required	8,541	8,082	8,505	8,785
				-
Funded By				-
User Fees and Other Revenue	5,725	5,508	5,649	6,030
Individual Rates	2,346	2,038	2,444	2,317
Common Rates	199	237	244	231
Loans and Reserves	271	298	168	207
Total Funded	8,541	8,082	8,505	8,785

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	88	-	-	-
Total Capital Expenditure	88	-	-	-

Horizons Regional Council Funding Impact Statement for the Transport Group of Activities to 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	199	237	244	231
Targeted rates	2,147	2,038	2,444	2,317
Subsidies and grants for operating purposes	4,419	4,146	4,283	4,639
Fees and charges	707	774	791	821
Internal charges and overheads recovered	599	588	575	569
Interest and dividends from investments	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	8,070	7,784	8,337	8,577
Applications of Operating Funding				
Payments to staff and suppliers	6,761	6,447	6,944	7,098
Finance costs	-	-	-	-
Internal charges and overheads applied	1,692	1,635	1,560	1,647
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	8,453	8,082	8,505	8,745
Surplus (Deficit) of Operating Funding (A-B)	(383)	(298)	(168)	(168)
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	88	-	-	-
Increase (decrease) in reserves	(471)	(298)	(168)	(168)
Increase (decrease) of investments	-	-	-	-
Total applications of capital funding (D)	(383)	(298)	(168)	(168)
Surplus (Deficit) of Capital Funding (C-D)	383	298	168	168
Funding Balance	-	-	-	-
Depreciation	-	40	40	40

Transport Planning Activity

What we do and why

The transport planning activity carries out our responsibilities under the Land Transport Management Act 2003 by coordinating the planning of all modes of land transport in the Region. The Council's role is to lead and advocate for a strategic and integrated land transport system and does so through the development and coordination of the Regional Land Transport Plan (RLTP).

Coordinate and service the Regional Transport Committee

The Regional Transport Committee is made up of political representatives from Horizons, the seven territorial local authorities in our Region, the New Zealand Transport Agency and representatives from external agencies involved in transport. The Committee is responsible for overseeing the development, implementation and monitoring of the RLTP. This identifies the Region's key land transport issues, the objectives the Region wants to achieve, and the strategic priorities that will be the immediate focus of agencies responsible for land transport planning through capital and maintenance projects for the Region. The plan is updated every six years, with a three-yearly review scheduled in between. The current plan was completed in April 2015 and was reviewed in 2018, and so the focus of the Committee over the next three years will be implementation of that plan and delivery of its outcomes. The Committee meets four times a year to consider reports and make decisions on land transport matters.

Implement, monitor and report on the Regional Land Transport Plan

The plan has been developed under the new Government Policy Statement on Land Transport that focusses largely on road safety, improved access to urban areas, value for money and environmental outcomes. This will link with other work being carried out in the Region, specifically in relation to the Accelerate25 transport enabler and Accessing Central New Zealand project work. The aim of this work is to plan for and deliver a joined-up multi modal transport network that takes full advantage of the strategic location of our Region, specifically for the movement of freight and for commerce.

A key project the Council will continue to be involved with is the retention and provision of passenger rail services between the Horizons and Greater Wellington regions. Work will continue to build on the previously developed

business case that identifies the benefits of providing a rail link between the two regions for both the short term (3-5 years) and longer term (40 years). Horizons will also continue to advocate for rail as an alternative to roads for the movement of freight throughout the Region. With respect to the Capital Connection, Council has committed to contribute funding for Year 2 and 3 (dependent on Government funding assistance of approximately 75 per cent).

Other work streams will include working with territorial authorities and NZTA to ensure the advancement of strategically important projects. We will continue to advocate for additional funds, specifically from the National Land Transport Fund as opportunities for integral capital projects arise, and advocating to Central Government via submissions on policy changes.

Changes to what we will deliver

We will hold constant the levels of service for this activity with the majority of effort going into implementation of the recently reviewed Regional Land Transport Plan.

How we will fund this activity

We will spend an average of \$171,000 per year for the first three years of this Plan on this activity, which will be funded by Central Government (\$77,000 per year) and the regional ratepayer (\$76,000 per year), and reserves (\$18,000 per year).

This activity is funded by:

User fees and other revenue:

- Government support.

Common rates:

- Transport planning and road safety (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
<p>Through the preparation and implementation of its Regional Land Transport Plan, Horizons will advocate for the improved integration of all transport modes with existing modes and land use, to maximise the safe and efficient movement of freight and maximise economic regional growth opportunities.</p> <ul style="list-style-type: none"> • Prepare a quarterly monitoring report on the implementation of the Regional Land Transport Plan; • Keep an up-to-date Regional Land Transport Plan through plan variations to the Regional Transport Committee; • Prepare submissions on Central Government policy as and when needed; and • Complete a 3-yearly review of the 2018-21 Regional Land Transport Plan as per the Land Transport Management Act (LTMA). 	<p>New measure.</p> <p>New measure.</p> <p>Achieved.</p> <p>New measure.</p>	<p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p> <p>No measure.</p>	<p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p> <p>No measure.</p>	<p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p> <p>No measure.</p>

Passenger Services Activity

What we do and why

We support and provide passenger transport services to improve access and mobility for the Region's residents. Buses, Total Mobility (a small passenger service for people with disabilities) and community van services provide an affordable and environmentally-friendly way to get around, whether for daily commuting to work and education, or shopping, medical visits and social activities. All services operated in the Region are included in the Regional Public Transport Plan adopted in June 2015.

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. We will implement a new electronic ticketing smart card service that will improve the customer experience and provide additional data on travel demand and origin/destination of passengers. This data will be used to improve the efficiency and operation of bus services.

The majority of the improvements identified through the review of the Palmerston North urban bus service in 2014-15 have been implemented. The focus will now shift to analysing their performance and looking to maximise investment in those services – through the new ticketing system and a review of the urban service. The previously proposed Highbury/Takaro trial (splitting into two smaller routes) will not commence. Instead, we will focus on optimising our current services through implementing the new Electronic Ticketing System (and using the data this provides to better inform future route changes/trials), undertaking a review of the PN and Feilding services to ensure they are fit for purpose, and enhancing the Levin to PN service from once to twice daily.

Work will focus on implementation of the new Whanganui urban bus service for which a new contract will commence part way through the year. The new contract will offer additional weekend and public holiday services, with an additional afternoon run on all services to provide for workers returning home.

A key project will be the review of the Palmerston North urban and Feilding services. The purpose of these reviews will be to identify efficiencies in the respective networks. For Feilding the purpose will be to identify whether the town has sufficient coverage given the growth that is being experienced. For Palmerston North, the review will focus on making timetables and the network easier to understand. It will also focus on refining weekend services, connections to the hospital and airport, reviewing the Massey timetable and services to the Summerhill suburb.

We will continue with the existing passenger services throughout the Region. 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 seven urban routes;
- Six bus routes servicing Massey University;
- Total Mobility services for people with disabilities that prevent them using regular public transport; and
- A weekday service from Ashhurst.

Contract and support Whanganui passenger transport services

- An urban bus service on four routes;
- A Whanganui to Palmerston North weekday commuter service;
- Total Mobility services for people with disabilities that prevent them using regular public transport; and
- The Whanganui health shuttle that brings people throughout the district to the hospital.

Contract and support Horowhenua passenger transport services

- A weekday commuter bus service and a twice weekly off-peak service between Levin and Palmerston North, via Foxton;
- A Levin to Waikanae service twice a week;
- A once weekly loop service between Levin, Shannon, Foxton and Waitarere (Day out in Town);
- Total Mobility services for 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.

Contract and support Manawatū transport services

- A bus service around Feilding, and between Feilding and Palmerston North, via Bunnythorpe and Palmerston North airport;
- Total Mobility services for people with disabilities;
- Support for the Prisoners' Aid and Rehabilitation Service; 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

- Support for the Taumarunui mobility van;
- A Raetihi to Ohakune fortnightly bus service; and
- The Waimarino to Whanganui health shuttle.

Contract and support Rangitikei transport services

- A Marton to Palmerston North commuter bus service;
- A Taihape to Whanganui and Palmerston North bus service twice per month (alternating);
- Total Mobility services for people with disabilities; and
- Support for the Marton St John health shuttle.

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 Dannevirke and Pahiatua Community Vehicle Trusts.

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.

Changes to what we will deliver

As noted, there will be some extension of services in Palmerston North and in Whanganui. For all other services, we will generally maintain existing levels of service.

How we will fund this activity

This activity is funded by:

User fees and other revenue:

- Government support.

Individual rates:

- Passenger service rates (by district, CV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
<p>To provide the Manawatū-Whanganui community with an efficient and reliable public transport system that enables an alternative to private vehicle travel and access to all essential services.</p> <ul style="list-style-type: none"> Greater than 97% of all scheduled bus trips are operated; Achieve a 1% patronage growth increase in total across all of our bus services in the Region; Install 8 new shelters each year on our urban bus routes; and Achieve 90% satisfaction with Total Mobility provision in the Region - as measured by survey in one district in which Total Mobility operates in each year. 	<p>99.9%</p> <p>No measure.</p> <p>6</p> <p>99%</p>	<p>>97%</p> <p>1%</p> <p>8</p> <p>90%</p>	<p>>97%</p> <p>1%</p> <p>8</p> <p>90%</p>	<p>>97%</p> <p>1%</p> <p>8</p> <p>99%</p>

Road Safety Education Activity

What we do and why

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.

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

The programme 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 identified as problems 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 Whanganui, Age Concern Horowhenua, Woodville Lions, Steering Aotearoa 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 ratepayers.

Changes to what we will deliver

There are no changes to what we will deliver in Year 2 of the LTP.

How we will fund this activity

We will spend an average of \$756,000 per year for the first three years of this Plan on this activity, which will be funded by Central Government (\$555,000 per year), the regional ratepayers (\$176,000 per year), and fees and charges (\$24,000 per year).

This activity is funded by:

User fees and other revenue:

- Government support.

Common rates:

- Transport planning and road safety (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
<p>Horizons will coordinate and implement sustainable regional road safety initiatives so that the Region's roads and pathways are safe and accessible, and the emotional and financial costs of road traffic crashes are reduced.</p> <p>Deliver 30 road safety education programmes across the Region's seven districts to address the following issues:</p> <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. 	41	30	30	30

INVESTMENT

Introducing the Investment Activity



What we deliver

This group comprises our investment activity.

How this activity contributes to community outcomes

Our investment activity contributes to all of the community outcomes by generating income and reducing borrowing costs to offset rates, thus enabling other Horizons functions to be fulfilled to their full potential.

Highlights

The biggest challenge is to generate external funding to reduce the burden of increasing rates on the ratepayer. The effect of the Kaikōura earthquake on Wellington's port, CentrePort, reinforced the importance of increasing diversity and resilience in our investment strategy. As part of our long-term strategy we continue to investigate new opportunities while future-proofing existing investments.

Significant negative effects

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

Investment Activity

What we do and why

Our investment activity involves managing income-generating assets such as port investments, property rentals/developments, short-term cash investments, and Horizons' long-term debt. In addition, we manage a portfolio of New Zealand and international equities.

Our goal is to manage Council's investments, debts and cash flow 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. Investment and borrowing risks are managed within the investment and liability management policies outlined in Section 9 of this document.

Investment activities

Our long-term investment portfolio is owned and managed by our investment company, MWRC Holdings Limited, which is 100 per cent council-owned. The commercial directors of this company provide expertise to improve the overall balance of risk and return of these investments.

We also provide an internal treasury function that manages Horizons' 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.

Rate penalties and discounts

We manage both rate penalties and discounts. We apply rate penalties in line with policy and annual rating resolution, which ensures fairness to all ratepayers. We also apply discounts when ratepayers pay their rates on the due date, in accordance with Council's prompt payment policy.

Infrastructure insurance reserve

As part of the Long-term Plan process, Council reviewed the reserve contribution and increased it back to \$500,000. This is planned to continue over the life of the Long-term Plan.

Changes to what we will deliver

There is no change to what we planned to deliver; Horizons will continue to work towards better future-proofing our investments by increasing the diversity and resilience of our investments and maximising revenues gained through

them. This is part of our financial strategy to reduce the burden on ratepayers. In 2010, as part of managing their investment portfolio, Council sold its shares in Napier Port Ltd with the plan to invest in other opportunities as these arise. At the same time, we set up MWRC Holdings Ltd to manage Council's commercial investments.

In managing its investments, Council will continually review its portfolio to ensure it remains consistent with its Investment Policy of optimising returns in the long term while balancing risk in the short term. Council will consult with the community, in accordance with the Local Government Act (2002), if at any stage it deems it prudent to restructure any of its key investments to maximise its returns to the ratepayer, and manage debt and risk.

The effect of the Kaikōura earthquake on Wellington's port, CentrePort, reinforced the importance of increasing the diversity and resilience in our investment strategy. *CentrePort, in which MWRC Holdings Ltd is a 23 per cent shareholder, sustained considerable damage from the earthquake. As a result, MWRC Holdings Ltd did not receive dividends from its CentrePort shares for the year ending June 2017 and 30 June 2018. This reduced Horizons' ability to subsidise rates over this period.*

Consistent with our ongoing strategy to grow opportunities to diversify and maximise revenue from our investments, MWRC Holdings Ltd won its bid to build a new three-story, modern office building on Victoria Avenue, which will be tenanted by Inland Revenue's Palmerston North office. The returns generated from the rental of this building will be a beneficial rate of return over the medium to long-term. This revenue will ensure that we can increase our non-rates-based revenue streams and reduce the burden on our ratepayers.

A portion of the funds to undertake this development came from revenue generated from the sale of the Napier Port shares (\$6.1 million). The remainder (\$17 million) will be obtained by way of an external loan. As a result of the Long-term Plan consultation, Council has decided to invest \$17 million of borrowed funds into MWRC Holdings Ltd. Council will borrow these funds through the Local Government Funding Agency (LGFA), as permitted under Council's Liability Management Policy, and record a corresponding loan with MWRC Holdings Ltd to service this loan. This means that while there is a loan on Horizons' balance sheet for the funds borrowed from the LGFA, there is a corresponding asset also on the balance sheet recording the secondary loan (Horizons to MWRC Holdings Ltd).

How we will fund this activity

This activity is funded by:

Other revenue:

- Dividend;
- Interest;
- Penalties; and
- Loan funding.

Common rates:

- Investment rate (EQCV).

What We Will Deliver

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 2017-18 Year 3	Long-term Plan 2018-19 Target Year 1	Long-term Plan 2019-20 Target Year 2	Annual Plan 2019-20 Target Year 2
INVESTMENT ACTIVITIES (INC. PORTS)				
MWRC dividends meet budget expectations and comply with CCTO Statements of Intent.	Achieved.	Achieved.	Achieved.	Achieved.
Monthly weighted average interest rate exceeds 90-day Bank Bill Rate (BKBM) by 50 basis points. Note, targets are based on current predicted interest rates, which will change over time.	3.24%	2.40%	2.40%	2.40%
RATE PENALTIES				
Apply penalties in accordance with the Local Government (Rating) Act 2002 and Horizons' policies.	Achieved.	Achieved.	Achieved.	Achieved.
RATE DISCOUNT				
Apply prompt payment discount in accordance with Horizons' policies.	Achieved.	Achieved.	Achieved.	Achieved.
RATE REMISSIONS				
Allow remissions according to Horizons' policies.	Achieved.	Achieved.	Achieved.	Achieved.

Investment Activity (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Investment	2,269	2,012	2,446	2,413
Total Operating Expenditure	2,269	2,012	2,446	2,413
Capital Expenditure	-	-	-	-
Investments	-	11,100	6,000	-
Total Funding Required	2,269	13,112	8,446	2,413
Funded By				
User Fees and Other Revenue	3,331	3,954	5,758	5,695
Individual Rates	-	-	-	-
Common Rates	(2,343)	(2,522)	(2,692)	(2,662)
Loans and Reserves	1,281	11,680	5,380	(620)
Total Funded	2,269	13,112	8,446	2,413

Capital Expenditure \$000	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Meet Additional Demand	-	-	-	-
Improve Level of Service	-	-	-	-
Replace Existing Assets	-	-	-	-
Total Capital Expenditure	-	-	-	-

Horizons Regional Council Funding Impact Statement for the Investment Group of Activities to 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	(2,343)	(2,522)	(2,692)	(2,662)
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	673	151	151	151
Internal charges and overheads recovered	1,807	2,419	2,785	2,721
Interest and dividends from investments	851	1,384	2,823	2,823
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	989	1,432	3,066	3,033
Applications of Operating Funding				
Payments to staff and suppliers	915	131	387	357
Finance costs	857	1,519	1,605	1,605
Internal charges and overheads applied	496	361	454	451
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	2,269	2,012	2,446	2,413
Surplus (Deficit) of Operating Funding (A-B)	(1,280)	(580)	620	620
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	-	11,100	6,000	2,000
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	-	11,100	6,000	2,000
Applications of Capital Funding				
Capital expenditure:	-	-	-	-
· to meet additional demand	-	-	-	-
· to improve the level of service	-	-	-	-
· to replace existing assets	-	-	-	-
Increase (decrease) in reserves	(1,280)	(580)	620	620
Increase (decrease) of investments	-	11,100	6,000	2,000
Total applications of capital funding (D)	(1,280)	10,520	6,620	2,620
Surplus (Deficit) of Capital Funding (C-D)	1,280	580	(620)	(620)
Funding Balance	-	-	-	-
Depreciation	-	-	-	-

FINANCIAL INFORMATION

Introducing the Finances

Overview

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

Funding Impact Statements are included that outline revenue and rating mechanisms and provide detailed rating values for general and targeted rates for the 2018-19 year. Finally, this part of the documentation contains projections of annual administrative charges set under the Resource Management Act 1991 and the Local Government Act 2002.

Consolidated Statement of Financial Performance to 30 June 2019-20

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

Horizons Regional Council (the Council) is a Regional Council as defined in the Local Government Act 2002. The Council's principal activities are outlined within this LTP.

The financial information contained within the 2019-20 Annual Plan and its associated policies and documents, is financial information in terms of current financial reporting standards, including Financial Reporting Standard (PBE FRS 42). The purpose for which it has been prepared is to enable the public to participate in the decision-making process relating to services to be provided by the Council to the community, for year ending 30 June 2020, and to provide a broad accountability mechanism of the Council to the community.

In relation to those standards, the financial information for 2019-20 financial year is considered to be a forecast. (A forecast is based on assumptions that the Council reasonably expects to occur).

Cautionary Note

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

Other Disclosures

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

Prospective Cost of Service Statement for all Groups of Activities to 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Government Support and Activity Revenues				
Land and Water Management	5,303	5,650	5,751	7,499
Flood Protection and Control Works	2,385	1,771	1,793	1,793
Biosecurity and Biodiversity Management	865	63	64	159
Regional Leadership and Governance	1,718	1,532	1,603	1,609
Transport	5,126	4,920	5,074	5,461
Investment	7,167	2,570	2,936	4,161
Dividends Received	446	318	1,500	1,500
Interest Received	404	1,066	1,323	1,323
Less Internal Revenue	(3,458)	(1,732)	(2,013)	(2,357)
Total Activity Revenue	19,957	16,157	18,030	21,148
Rating Revenues – River and Drainage Schemes	9,823	10,379	11,093	11,172
Rating Revenues – Other	31,673	34,236	35,624	35,624
Rating Revenues	41,496	44,616	46,717	46,796
Total Activity and Rating Revenues	61,453	60,773	64,748	67,944
Expenses				
Land and Water Management	17,627	17,588	17,002	19,639
Flood Protection and Control Works	10,381	11,640	12,119	12,396
Biosecurity and Biodiversity Management	7,679	7,931	8,162	8,253
Regional Leadership and Governance	12,764	14,139	14,464	14,622
Transport	8,453	8,082	8,505	8,744
Investment and Other	2,269	649	1,107	1,275
Less Internal Expenditure	(3,458)	(1,732)	(2,013)	(2,357)
Total Operating Expenditure	55,715	58,296	59,346	62,572
Operating Surplus (Deficit)	5,739	2,476	5,402	5,372

All figures are exclusive of GST unless otherwise stated

Reconciliation between Prospective Funding Impact Statement for Whole of Council and the Prospective Statement of Comprehensive Revenue and Expense

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Income				
Statement of Comprehensive Revenue and Expense				
Total Exchange and Non-exchange Revenue	61,453	60,773	64,748	67,944
Less Non Cash Gains	(1,915)	(348)	(383)	(385)
Summary Funding Impact Statement				
Total Sources of Operating Funding	59,538	60,425	64,365	67,559
Expenditure				
Statement of Comprehensive Revenue and Expense				
Total Operating Expenditure	55,715	58,296	59,346	62,572
Summary Funding Impact Statement				
Total Applications of Operating Funding	52,039	54,206	55,057	58,288
Depreciation and Amortisation	3,676	4,090	4,289	4,284
Total Expenditure	55,715	58,296	59,346	62,572

All figures are exclusive of GST unless otherwise stated

Prospective Statement of Comprehensive Revenue and Expense for the year ended 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Revenue				
Rates	41,496	44,616	46,717	46,796
Subsidies and grants	6,091	5,234	5,372	7,406
Development and financial contributions	-	-	-	-
Finance revenue	851	1,384	2,823	2,823
Other revenue	13,016	9,539	9,836	10,919
Total Revenue	61,453	60,773	64,748	67,944
Expenditure				
Personnel costs	18,531	19,898	20,346	20,865
Depreciation and amortisation expense	3,676	4,090	4,289	4,284
Finance costs	858	1,519	1,605	1,605
Other expenses	32,651	32,789	33,106	35,818
Total Expenses	55,715	58,296	59,346	62,572
Surplus/(Deficit) Before Tax	5,739	2,476	5,402	5,371
Income tax expense/benefit	-	-	-	-
Surplus/(Deficit) After Tax	5,739	2,476	5,402	5,371
Other comprehensive revenue and expense				
Financial assets at fair value through other comprehensive revenue and expense	363	970	1,152	2,774
Gain on property, plant, and equipment revaluations	9,086	178	191	2,038
Total Other Comprehensive Revenue and Expense	9,449	1,148	1,343	4,812
Total Comprehensive Revenue and Expense	15,188	3,624	6,745	10,184

Prospective Summary of Capital Purchases to 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Horowhenua Lake Restoration	436	-	-	-
JV Afforestation	150	110	568	379
Nursery	814	109	66	66
Nutrient Monitoring/Telemetry Equipment	72	70	72	72
Land, Water and Air Management	1,471	289	705	517
Lower Manawatū Scheme	4,945	6,602	2,120	2,350
Lower Manawatū Scheme - Special Projects	-	-	-	10
Mangatainoka River Scheme	90	112	114	113
Makirikiri Flood Control Scheme	-	-	-	-
Matarawa Flood Control Scheme	-	4	80	110
Pohangina-Oroua River Control Scheme	64	150	153	153
Rangitikei River Control Scheme	394	358	292	429
South East Ruahines Scheme	62	55	57	56
Tutaenui Flood Control Scheme	-	2	8	8
Upper Manawatū-Lower Mangahao Scheme	125	61	62	62
Lower Whanganui River Management Scheme	36	274	291	382
Foxton East Drainage Scheme	-	-	1,531	1,331
Hōkio Drainage Scheme	-	-	-	63
Koputaroa Drainage Scheme	47	5	70	70
Makerua Drainage Scheme	66	91	120	120
Manawatū Drainage Scheme	-	16	105	105
Moutoa Drainage Scheme	108	46	35	35
Ōhau-Manakau Scheme	-	3	-	-
Te Kawai Drainage Scheme	23	41	37	37
Whirokino Drainage Scheme	-	-	3	3
Flood Protection	5,960	7,821	5,078	5,437
Pest Animal Biosecurity	30	293	103	513
Totara Reserve	-	-	-	87
Biosecurity and Biodiversity Management	30	293	103	600

All figures are exclusive of GST unless otherwise stated

Prospective Summary of Capital Purchases to 30 June 2020 (\$000) (Continued)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Aerial Photography	-	90	-	-
Camping Ground Floor Alarms	-	60	-	-
Catchment Information Development	228	309	311	320
Establishing a Consistent Regional Vertical datum	21	-	-	-
GIS Development	-	152	153	155
Group Emergency Co-ordination Centre Facilities	45	-	632	632
Historic Survey Data	2	-	-	-
Hazard Information Updates	113	142	141	147
Hydrology New and Replacement Specialised Equipment	453	629	698	698
Multimedia Equipment/Signage	-	5	5	5
Ohura Flood Modelling	(2)	-	-	-
Promotional Material	4	17	12	13
Replacement Vehicle radios/tracking Units	-	-	-	-
Regional Leadership and Governance	864	1,404	1,953	1,970
Ticketing System	88	-	-	-
Transport	88	-	-	-
Asset Management System	-	-	-	102
IT Hardware Replacement	439	288	212	212
Electronic Document Management System	-	400	116	299
Financial System Ozone	472	197	191	192
Regional House	153	207	63	173
Service Centre/Depots	-	452	97	765
Vehicle and Plant Purchases/Replacement	72	903	874	1,359
Corporate Support	1,136	2,446	1,553	3,102
Grand Total	9,549	12,253	9,392	11,625

All figures are exclusive of GST unless otherwise stated

Prospective Statement of Cash Flows for the year ended 30 June 2020 (\$'000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Cash flows from operating activities				
Receipts from rates revenue	40,164	44,703	46,618	46,442
Subsidies and grants received	6,091	5,234	5,372	7,406
Interest received	404	1,066	1,323	1,323
Dividends received	446	318	1,500	1,500
Receipts from rate penalties	848	-	-	-
Receipts from other revenue	10,948	8,675	8,959	12,346
Payments to suppliers and employees	(50,555)	(51,578)	(53,591)	(53,257)
Interest paid	(858)	(1,519)	(1,605)	(1,605)
Income tax paid/refunded	-	-	-	-
GST (net)	(953)	-	-	-
Net Cash Flow from Operating Activities	6,535	6,899	8,576	14,155
Cash flows from investing activities				
Receipts from sale of operational assets	153	240	290	375
Receipts from sale/maturity of investments	-	30,000	30,660	30,660
Repayment of loan principal from CCO	1,000	-	-	-
Investment in Subsidiary	-	(11,100)	(6,000)	(2,000)
Purchase of Shares	(6,100)	-	-	-
Purchase of forestry assets	(150)	(110)	(568)	(1,000)
Purchase of operational assets	(3,374)	(3,770)	(3,782)	(5,684)
Purchase of infrastructural assets	(5,786)	(7,821)	(5,078)	(7,599)
Purchase of intangible assets	(430)	(552)	37	(137)
Purchase of investment property	-	-	-	-
Payment of loan to CCO	-	-	-	-
Acquisition of investments	(179)	-	-	-
Investment in Deposits	-	(30,000)	(30,660)	(30,660)
Net Cash Flow from Investing Activities	(14,866)	(23,113)	(15,102)	(16,045)
Cash flows from financing activities				
Proceeds from borrowings	10,000	18,000	5,000	2,000
Repayment of borrowings	(5,000)	(10,000)	-	-
Dividend/Subvention payments	-	-	-	-
Net Cash Flow from Financing Activities	5,000	8,000	5,000	2,000
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(3,330)	(8,214)	(1,526)	110
Cash, cash equivalents, and bank overdrafts	10,012	11,790	3,576	2,038
Closing Cash Balances	6,682	3,576	2,050	2,148

All figures are exclusive of GST unless otherwise stated

Prospective Statement of Financial Position as at 30 June 2020 (\$000)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Assets				
Current assets				
Cash and Cash Equivalents	6,682	3,575	2,049	2,148
Trade and Other Receivables	6,508	4,387	4,583	3,707
Accruals	1,726	2,441	2,545	2,708
Prepayments and leases - Current portion	288	225	225	306
Inventory	1,041	600	600	692
Tax refund due	-	-	-	-
Other financial assets (current)	-	-	-	-
Total Current Assets	16,245	11,227	10,002	9,561
Non-current assets				
Other financial assets				
Investments in CCO's and other similar entities	32,636	32,298	32,298	33,003
Investments in other entities	2,765	2,906	3,097	5,717
Subtotal	35,401	35,204	35,395	38,721
Loan to CCOs		11,100	17,100	17,000
Investment property	-	-	-	-
Forestry assets	4,522	2,757	3,708	5,480
Forestry assets - Other	-	-	-	500
Land leases (prepaid) non-current	3,162	3,037	2,912	2,912
Intangible assets	3,741	4,548	4,817	5,156
Operational assets	61,262	56,362	58,223	67,413
Infrastructural assets	458,671	463,680	467,362	471,554
Total Non-current Assets	566,760	576,688	589,518	608,736
Total Assets	583,005	587,916	599,520	618,297

All figures are exclusive of GST unless otherwise stated

Prospective Statement of Financial Position as at 30 June 2020 (\$000) (continued)

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Liabilities				
Current liabilities				
Trade and other payables	9,922	9,840	10,086	10,630
Provisions - general	34	1,891	1,504	-
Provisions - employee entitlements	1,873	-	-	2,132
Debt - current portion	10,000	-	-	-
Advances and Deferred Revenues	-	200	200	-
Derivative financial instruments (current)	-	-	-	-
Total Current Liabilities	21,828	11,931	11,790	12,762
Non-current liabilities				
Derivative financial instruments	729	-	-	729
Debt - non-current portion	15,000	35,000	40,000	42,000
Deferred Taxation liability	-	-	-	-
Total Non-Current Liabilities	15,729	35,000	40,000	42,729
Total Liabilities	37,557	46,931	51,790	55,491
Net Assets (Assets Minus Liabilities)	545,448	540,984	547,729	562,806
Equity				
Asset revaluation reserves	169,802	162,350	163,502	173,310
Fair value through other comprehensive revenue and expense reserve	678	328	519	3,630
Restricted reserves	12,183	8,237	9,397	12,183
Financial derivative reserves	-	-	-	-
Infrastructure insurance reserves	2,820	2,940	3,560	2,820
Accumulated funds	359,965	367,129	370,751	370,864
Total Equity	545,448	540,984	547,729	562,806

All figures are exclusive of GST unless otherwise stated

Prospective Statement of Changes in Equity for the year ended 30 June 2020 (\$000)

	Actual	Long-term Plan Year 1	Long-term Plan Year 2	Annual Plan
	2017-18	2018-19	2019-20	2019-20
Balance at 1 July	530,260	537,360	540,984	552,622
Total comprehensive revenue and expense for the year	15,188	3,624	6,745	10,184
Balance at 30 June	545,448	540,984	547,729	562,806

All figures are exclusive of GST unless otherwise stated

Funding Impact Statement for Whole of Council to 30 June 2020

	Actual 2017-18	Long-term Plan Year 1 2018-19	Long-term Plan Year 2 2019-20	Annual Plan 2019-20
Sources of Operating Funding				
General rates, uniform annual general charges, rates penalties	27,065	29,791	30,675	30,893
Targeted rates	14,429	14,825	16,043	15,903
Subsidies and grants for operating purposes	6,091	5,234	5,372	7,406
Fees and charges	11,105	9,191	9,453	10,534
Internal charges and overheads recovered	-	-	-	-
Interest and dividends from investments	847	1,384	2,823	2,823
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-	-
Total sources of operating funding (A)	59,538	60,425	64,365	67,559
Applications of Operating Funding				
Payments to staff and suppliers	51,179	52,687	53,452	56,683
Finance costs	854	1,519	1,605	1,605
Internal charges and overheads applied	-	-	-	-
Other operating funding applications	-	-	-	-
Total applications of operating funding (B)	52,033	54,206	55,057	58,288
Surplus (Deficit) of Operating Funding (A-B)	7,505	6,219	9,308	9,271
Sources of Capital Funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase (decrease) in debt	5,000	8,000	5,000	2,000
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding (C)	5,000	8,000	5,000	2,000
Applications of Capital Funding				
Capital expenditure:	-	-	-	-
· to meet additional demand	-	-	-	-
· to improve the level of service	5,591	7,562	4,673	5,032
· to replace existing assets	3,999	4,691	4,719	3,441
Increase (decrease) in reserves	2,915	(9,135)	(1,084)	798
Increase (decrease) of investments	-	11,100	6,000	2,000
Total applications of capital funding (D)	12,505	14,218	14,308	11,271
Surplus (Deficit) of Capital Funding (C-D)	(7,505)	(6,218)	(9,308)	(9,271)
Funding Balance	-	-	-	-
Depreciation	3,677	4,090	4,289	4,284

Annual Funding Impact Statement for the Year Ending 30 June 2020

Notes:

1. All rates in this Funding Impact Statement are inclusive of GST.
2. The final date for payment for all rates is 27 September 2019. When all rates for the financial year are paid on or before this date, a discount will apply as specified in the Prompt Payment Policy. Except where prior arrangements are made, penalties for late payment will be applied at the maximum rates allowable, being 10 per cent on 25 October 2019 and 10 per cent on all accumulated rate arrears on 8 July 2019 and 17 January 2020.
3. Definition of Separately Used or Inhabited Dwelling Part of a Rating Unit. Under Schedule 10, Part 1, Section 10 1 d (iii) (B) of the Local Government Act we are now required to state our definition of a Separately Used or Inhabited Dwelling Part of a Rating Unit:

“A separately used or inhabited part of a rating unit is only recognised as such if there is a unique valuation identifier for that part of the rating unit.”

Equalised Capital Value

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

For Further information about your rates classes/differentials please visit www.horizons.govt.nz Property and Rates FAQ's Rates Classifications.

General Rate Differentiation Across Constituent Districts (including GST)

ECV \$ At 01/09/17	General Rate Yield (Inc UAGC) 2018-19	District/City	ECV \$ At 01/09/18	*General Rate Yield 2019-20	UAGC Yield 2019-20	Total Yield 2019-20
5,422,118,710	803,113	Horowhenua DC	6,665,203,747	-	785,461	785,461
6,610,281,625	681,145	Manawatū DC	8,236,183,308	-	601,992	601,992
12,629,826,100	1,542,935	Palmerston North CC	18,253,504,907	-	1,470,410	1,470,410
3,393,766,613	398,140	Part Stratford DC	84,791,134	-	8,153	8,153
3,612,123,235	417,466	Part Taupō DC	1,786,437	-	90	90
4,506,388,538	483,617	Part Waitomo DC	63,173,228	-	1,216	1,216
5,751,759,498	931,812	Rangitikei DC	4,286,724,405	-	339,485	339,485
66,538,885	8,930	Ruapehu DC	4,171,773,446	-	372,231	372,231
1,857,000	124	Tararua DC	5,535,904,160	-	403,175	403,175
66,764,750	2,562	Whanganui DC	6,625,506,127	-	933,054	933,054
42,061,424,954	5,269,844		53,924,550,899	-	4,915,266	4,915,266

* The earnings from our Investment portfolio offsets the General Rate in 2019-20

Uniform Annual General Charge (UAGC) (including GST)

District/City	Class	Number of Rating Units	*UAGC Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Horowhenua DC	UAGC	17,438	45.04	785,461
Manawatū DC	UAGC	13,365	45.04	601,992
Palmerston North CC	UAGC	32,645	45.04	1,470,410
Part Stratford DC	UAGC	181	45.04	8,153
Part Taupō DC	UAGC	2	45.04	90
Part Waitomo DC	UAGC	27	45.04	1,216
Rangitikei DC	UAGC	7,537	45.04	339,485
Ruapehu DC	UAGC	8,264	45.04	372,231
Tararua DC	UAGC	8,951	45.04	403,175
Whanganui DC	UAGC	20,715	45.04	933,054
Grand Total		109,125		4,915,266

*A uniform annual general charge (or UAGC) is a fixed dollar amount on every rating unit, irrespective of the value of the rating unit.

General Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	-	-
Manawatū DC	02N	8,236,183,308	-	-
Palmerston North CC	03N	18,253,504,907	-	-
Part Stratford DC	08N	84,791,134	-	-
Part Taupō DC	09N	1,786,437	-	-
Part Waitomo DC	10N	63,173,228	-	-
Rangitikei DC	04N	4,286,724,405	-	-
Ruapehu DC	05N	4,171,773,446	-	-
Tararua DC	06N	5,535,904,160	-	-
Whanganui DC	07N	6,625,506,127	-	-
Grand Total		53,924,550,899		-

Biosecurity Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000781	520,752
Manawatū DC	02N	8,236,183,308	0.0000781	643,492
Palmerston North CC	03N	18,253,504,907	0.0000781	1,426,144
Part Stratford DC	08N	84,791,134	0.0000781	6,625
Part Taupō DC	09N	1,786,437	0.0000781	140
Part Waitomo DC	10N	63,173,228	0.0000781	4,936
Rangitikei DC	04N	4,286,724,405	0.0000781	334,921
Ruapehu DC	05N	4,171,773,446	0.0000781	325,940
Tararua DC	06N	5,535,904,160	0.0000781	432,520
Whanganui DC	07N	6,625,506,127	0.0000781	517,650
Grand Total		53,924,550,899		4,213,119

Emergency Management Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000388	258,568
Manawatū DC	02N	8,236,183,308	0.0000388	319,513
Palmerston North CC	03N	18,253,504,907	0.0000388	708,122
Part Stratford DC	08N	84,791,134	0.0000388	3,289
Part Taupō DC	09N	1,786,437	0.0000388	69
Part Waitomo DC	10N	63,173,228	0.0000388	2,451
Rangitikei DC	04N	4,286,724,405	0.0000388	166,298
Ruapehu DC	05N	4,171,773,446	0.0000388	161,839
Tararua DC	06N	5,535,904,160	0.0000388	214,759
Whanganui DC	07N	6,625,506,127	0.0000388	257,028
Grand Total		53,924,550,899		2,091,936

Information Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000313	208,452
Manawatū DC	02N	8,236,183,308	0.0000313	257,584
Palmerston North CC	03N	18,253,504,907	0.0000313	570,872
Part Stratford DC	08N	84,791,134	0.0000313	2,652
Part Taupō DC	09N	1,786,437	0.0000313	56
Part Waitomo DC	10N	63,173,228	0.0000313	1,976
Rangitikei DC	04N	4,286,724,405	0.0000313	134,066
Ruapehu DC	05N	4,171,773,446	0.0000313	130,471
Tararua DC	06N	5,535,904,160	0.0000313	173,134
Whanganui DC	07N	6,625,506,127	0.0000313	207,211
Grand Total		53,924,550,899		1,686,472

Resource and Consent Monitoring Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000481	320,749
Manawatū DC	02N	8,236,183,308	0.0000481	396,350
Palmerston North CC	03N	18,253,504,907	0.0000481	878,413
Part Stratford DC	08N	84,791,134	0.0000481	4,080
Part Taupō DC	09N	1,786,437	0.0000481	86
Part Waitomo DC	10N	63,173,228	0.0000481	3,040
Rangitikei DC	04N	4,286,724,405	0.0000481	206,290
Ruapehu DC	05N	4,171,773,446	0.0000481	200,758
Tararua DC	06N	5,535,904,160	0.0000481	266,404
Whanganui DC	07N	6,625,506,127	0.0000481	318,839
Grand Total		53,924,550,899		2,595,010

River and Drainage Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000872	581,340
Manawatū DC	02N	8,236,183,308	0.0000872	718,361
Palmerston North CC	03N	18,253,504,907	0.0000872	1,592,074
Part Stratford DC	08N	84,791,134	0.0000872	7,395
Part Taupō DC	09N	1,786,437	0.0000872	156
Part Waitomo DC	10N	63,173,228	0.0000872	5,510
Rangitikei DC	04N	4,286,724,405	0.0000872	373,889
Ruapehu DC	05N	4,171,773,446	0.0000872	363,863
Tararua DC	06N	5,535,904,160	0.0000872	482,842
Whanganui DC	07N	6,625,506,127	0.0000872	577,878
Grand Total	-	53,924,550,899	-	4,703,308

Strategic Management Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0000368	245,375
Manawatū DC	02N	8,236,183,308	0.0000368	303,210
Palmerston North CC	03N	18,253,504,907	0.0000368	671,992
Part Stratford DC	08N	84,791,134	0.0000368	3,122
Part Taupō DC	09N	1,786,437	0.0000368	66
Part Waitomo DC	10N	63,173,228	0.0000368	2,326
Rangitikei DC	04N	4,286,724,405	0.0000368	157,813
Ruapehu DC	05N	4,171,773,446	0.0000368	153,581
Tararua DC	06N	5,535,904,160	0.0000368	203,801
Whanganui DC	07N	6,625,506,127	0.0000368	243,914
Grand Total		53,924,550,899		1,985,200

Water Quality and Quantity Rate - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01N	6,665,203,747	0.0001093	728,482
Manawatū DC	02N	8,236,183,308	0.0001093	900,184
Palmerston North CC	03N	18,253,504,907	0.0001093	1,995,040
Part Stratford DC	08N	84,791,134	0.0001093	9,267
Part Taupō DC	09N	1,786,437	0.0001093	195
Part Waitomo DC	10N	63,173,228	0.0001093	6,905
Rangitikei DC	04N	4,286,724,405	0.0001093	468,523
Ruapehu DC	05N	4,171,773,446	0.0001093	455,959
Tararua DC	06N	5,535,904,160	0.0001093	605,054
Whanganui DC	07N	6,625,506,127	0.0001093	724,143
Grand Total		53,924,550,899		5,893,754

Regional Transport Planning & Road Safety - Equalised Capital Value (EQCV) (including GST)

District/City	Class	EQCV	All Properties \$ per \$ of Capital Value 2019-20	Revenue Sought 2019-20
Horowhenua DC	01T	6,665,203,747	0.0000049	32,862
Manawatū DC	02T	8,236,183,308	0.0000049	40,608
Palmerston North CC	03T	18,253,504,907	0.0000049	89,997
Part Stratford DC	08T	84,791,134	0.0000049	418
Part Taupō DC	09T	1,786,437	0.0000049	9
Part Waitomo DC	10T	63,173,228	0.0000049	311
Rangitikei DC	04T	4,286,724,405	0.0000049	21,135
Ruapehu DC	05T	4,171,773,446	0.0000049	20,569
Tararua DC	06T	5,535,904,160	0.0000049	27,294
Whanganui DC	07T	6,625,506,127	0.0000049	32,666
Grand Total		53,924,550,899		265,870

Targeted Rate: Transport Passenger Services (Including Total Mobility) (including GST)

District/City	Class	Number of Rating Units	Uniform Annual Charge Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Horowhenua DC	01U	2,857,432,850	0.0000612	174,840
Manawatū DC	02U	2,266,977,760	0.0000948	214,875
Palmerston North CC	03U	15,415,043,701	0.0001052	1,621,280
Rangitikei DC	04U	998,720,340	0.0000423	42,213
Ruapehu DC	05U	979,170,850	0.0000106	10,374
Tararua DC	06U	765,009,200	0.0000147	11,269
Whanganui DC	07U	4,406,316,076	0.0001336	588,596
Grand Total		27,688,670,777		2,663,447

Targeted Rate: Infrastructure Insurance Reserve (including GST)

Property Type	Class	Number of Rating Units	Uniform Annual Charge Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Up to and including \$250,000 Capital Value	IIR1	50,672	2.19	110,746
Greater than \$250,000 and up to and including \$500,000 Capital Value	IIR2	40,700	4.37	177,902
Greater than \$500,000 and up to and including \$1,000,000 Capital Value	IIR3	14,157	6.56	92,863
Greater than \$1,000,000 Capital Value	IIR4	6,808	28.42	193,488
Grand Total		112,337		575,000

Targeted Rate: Sustainable Land Use Initiative (including GST)

District/City	Class	Number of Rating Units	Uniform Annual Charge Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Horowhenua DC	SUIP	17,438	38.94	679,048
Manawatū DC	SUIP	13,365	38.94	520,435
Palmerston North CC	SUIP	32,645	38.94	1,271,202
Part Stratford DC	SUIP	181	38.94	7,048
Part Taupō DC	SUIP	2	38.94	78
Part Waitomo DC	SUIP	27	38.94	1,051
Rangitikei DC	SUIP	7,537	38.94	293,492
Ruapehu DC	SUIP	8,264	38.94	321,802
Tararua DC	SUIP	8,951	38.94	348,553
Whanganui DC	SUIP	20,715	38.94	806,646
Grand Total		109,125		4,249,356

Targeted Rate: Drinking Water Monitoring & Research (including GST)

District/City	Class	Number of Rating Units	Uniform Annual Charge Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Horowhenua DC	SUIP	17,438	1.05	18,377
Manawatū DC	SUIP	13,365	1.05	14,085
Palmerston North CC	SUIP	32,645	1.05	34,402
Part Stratford DC	SUIP	181	1.05	191
Part Taupō DC	SUIP	2	1.05	2
Part Waitomo DC	SUIP	27	1.05	28
Rangitikei DC	SUIP	7,537	1.05	7,943
Ruapehu DC	SUIP	8,264	1.05	8,709
Tararua DC	SUIP	8,951	1.05	9,433
Whanganui DC	SUIP	20,715	1.05	21,830
Grand Total		109,125		115,000

Targeted Rate: Environmental Initiatives (including GST)

District/City	Class	Number of Rating Units	Uniform Annual Charge Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Horowhenua DC	SUIP	17,438	22.15	386,205
Manawatū DC	SUIP	13,365	22.15	295,995
Palmerston North CC	SUIP	32,645	22.15	722,990
Part Stratford DC	SUIP	181	22.15	4,009
Part Taupō DC	SUIP	2	22.15	44
Part Waitomo DC	SUIP	27	22.15	598
Rangitikei DC	SUIP	7,537	22.15	166,922
Ruapehu DC	SUIP	8,264	22.15	183,023
Tararua DC	SUIP	8,951	22.15	198,238
Whanganui DC	SUIP	20,715	22.15	458,776
Grand Total		109,125		2,416,800

Targeted Rate: Production Pest Animal Management (including GST)

Property Type	Class	Number of Rating Units	Dollars Per Hectare 2019-20	Revenue Sought 2019-20
Properties greater than 4 Ha	PPAM	1,634,044	0.8722883	1,425,358
Grand Total		1,634,044		1,425,358

Targeted Rate: Production Pest Rook Management (including GST)

Property Type	Class	Number of Rating Units	Dollars Per Hectare 2019-20	Revenue Sought 2019-20
Properties greater than 4 Ha	PPRM	1,634,044	0.0982453	160,537
Grand Total		1,634,044		160,537

Targeted Rate: Production Pest Plant Management (including GST)

Property Type	Class	Number of Rating Units	Dollars Per Hectare 2019-20	Revenue Sought 2019-20
Properties less than 4 Ha	PPUA	97,335	1.7726500	172,541
Properties greater than 4 Ha	PPPM	1,634,044	0.0175986	28,757
Grand Total		1,731,379		201,298

Targeted Rate: Rangitikei old man's beard eradication (including GST)

Property Type	Class	Number of Rating Units	Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Properties less than 4 Ha	OMBE	5,939	9.20	54,627
Properties greater than 4 Ha	OMBE	1,598	34.18	54,627
Grand Total		7,537		109,255

Targeted Rate: Regional Park (including GST)

Property Type	Class	Number of Rating Units	Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Manawatū District	PARK	13,365	4.33	57,924
Palmerston North City	PARK	32,645	4.33	141,484
Grand Total		46,010		199,409

Targeted Rate: Manawatu River Water Quality Improvement (including GST)

Property Type	Class	Number of Rating Units	Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Manawatū River Catchment	AC	58,507	8.16	477,250
Grand Total		58,507		477,250

Targeted Rate: Waitarere Beach Biodiversity Project (including GST)

Property Type	Class	Number of Rating Units	Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Waitarere Beach Community	SUIP	860	9.36	8,045
Grand Total		860		8,045

Targeted Rate: Lake Horowhenua Restoration (including GST)

Property Type	Class	Number of Rating Units	Dollars Per SUIP 2019-20	Revenue Sought 2019-20
Levin District	SUIP	17,438	11.22	195,659
Grand Total		17,438		195,659

Targeted Rate: River and Drainage Schemes (including GST) Rates 2019-20

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
RIVER SCHEMES					
Kahuterawa	KM	\$ Per Hectare	47	89.2920449	4,233
	MU Farm	Total amount to be Invoiced			4,601
	NZ Defence	Total amount to be Invoiced			5,276
		Scheme			14,111
Lower KIWITEA Stream	CK	\$ Per Hectare	141	173.2236602	24,468
	CN	\$ Per Hectare	23,693	1.1443404	27,113
	MK	\$ Per Hectare	300	271.4768451	81,325
		Scheme			132,906
Lower Manawatū	CE	\$ Per Hectare	269,107	0.4640152	124,870
	CL	\$ Per Hectare	141,344	1.5836695	223,843
	CW	\$ Per Hectare	79,066	0.7918348	62,607
	DR	\$ Per Hectare	187	125.7858883	23,464
	F1	\$ per \$ of Land Value	153,462,300	0.0017314	265,711
	F2	\$ per \$ of Land Value	95,012,840	0.0013852	131,607
	F3	\$ per \$ of Land Value	50,753,840	0.0010389	52,726
	F4	\$ per \$ of Land Value	336,558,300	0.0006926	233,092
	F5	\$ per \$ of Land Value	570,680,979	0.0001731	98,810
	FB	\$ per \$ of Capital Value	389,703,000	0.0001547	60,294
	FG	\$ per \$ of Capital Value	2,074,565,160	0.0002706	561,397
	HF	\$ Per SUIP	768	496.13	381,027
	IC	\$ Per SUIP	51,388	11.02	566,303
	IE	\$ Per SUIP	2,634	5.51	14,514
	IF	\$ Per SUIP	5,772	3.64	20,991
	IS	\$ Per SUIP	11,495	5.51	63,340
	IW	\$ Per SUIP	907	3.64	3,298
	PN	\$ per \$ of Capital Value	15,094,357,500	0.0000637	961,132
	R1	\$ Per Hectare	3,971	65.8511672	261,521
	R2	\$ Per Hectare	171	13.1702412	2,248
SA	\$ per \$ of Capital Value	4,105,640	0.0014717	6,042	
SB	\$ per \$ of Capital Value	48,222,120	0.0012986	62,620	
SC	\$ per \$ of Capital Value	10,007,510	0.0008657	8,664	
SD	\$ per \$ of Capital Value	69,429,857	0.0004329	30,053	
	Scheme			4,220,173	
AH	\$ per \$ of Capital Value	455,242,500	0.0000299	13,602	

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
Lower Manawatū Special Project	SP (On specified PN scheme) TU (Turitea)	\$ per \$ of Capital Value	14,933,514,500	0.0000763	1,139,338
		\$ per \$ of Capital Value	12,318,000	0.0011203	13,800
		Scheme			1,166,741
Lower Whanganui River	N1	\$ per \$ of Capital Value	4,026,093,314	0.0000347	139,624
	N2	\$ Per SUIP	3,477	20.08	69,812
	W1	\$ per \$ of Capital Value	110,150,000	0.0002025	22,307
	W2	\$ per \$ of Capital Value	3,916,944,224	0.0001013	396,626
	Scheme			628,368	
Makirikiri	A	\$ Per Hectare	24	53.1893727	1,298
	A1	\$ Per Hectare	24	84.1584716	2,054
	B	\$ Per Hectare	107	37.2325723	3,976
	B1	\$ Per Hectare	42	58.9110294	2,484
	C	\$ Per Hectare	64	26.5947279	1,710
	C1	\$ Per Hectare	8	42.0787245	348
	CN	\$ Per Hectare	5,246	0.8347733	4,379
	F	\$ Per Hectare	180	5.3189492	958
	F1	\$ Per Hectare	37	8.4159152	310
	GF	\$ Per SUIP	1	759.02	759
	T1	\$ Per SUIP	1	819.74	820
	T2	\$ Per SUIP	1	4,599.93	4,600
	LF	\$ Per SUIP	1	1,457.32	1,457
		Scheme			25,154
Mangatainoka	CK	\$ Per Hectare	16,570	0.7579180	12,559
	CM	\$ Per Hectare	5,880	0.1129623	664
	CU	\$ Per Hectare	15,966	2.9535775	47,156
	DR	\$ Per Hectare	215	107.0014789	23,000
	F1	\$ Per Hectare	461	68.2554089	31,439
	F2	\$ Per Hectare	744	40.9532473	30,450
	IN	\$ Per Hectare	39,576	1.2235597	48,424
	KL	\$ Per Hectare	171	173.0490546	29,586
	LH	\$ Per Hectare	224	29.6002711	6,639
	LL	\$ Per Hectare	592	5.9200521	3,507
	LM	\$ Per Hectare	47	17.7601510	843
	MH	\$ Per Hectare	795	78.5343016	62,423
	ML	\$ Per Hectare	539	15.7068604	8,467

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	MM	\$ Per Hectare	1,271	47.1205834	59,891
	MR	\$ Per Hectare	508	10.0945557	5,132
	PU	\$ per \$ of Capital Value	260,760,590	0.0003878	101,135
	R1	\$ per \$ of Capital Value	64,500,000	0.0005645	36,408
	R2	\$ per \$ of Capital Value	6,015,000	0.0005922	3,562
	UH	\$ Per Hectare	400	177.6391107	70,980
	UL	\$ Per Hectare	507	35.5278151	18,007
	UM	\$ Per Hectare	249	106.5834523	26,518
				Scheme	626,788
Matarawa	CM	\$ per \$ of Capital Value	4,026,117,200	0.0000091	36,520
	CN	\$ Per Hectare	7,914	2.8908396	22,878
	IN	\$ Per SUIP	314	30.28	9,507
	L1	\$ Per Hectare	92	13.9216133	1,286
	L2	\$ Per Hectare	71	13.9215412	984
	L3	\$ Per Hectare	14	55.6862390	784
	M1	\$ Per Hectare	393	92.8106259	36,449
	M3	\$ Per Hectare	70	18.5621783	1,299
	M4	\$ Per Hectare	33	18.5620660	607
	MW (Wanganui District Council)	Total amount to be Invoiced			40,595
				Scheme	150,910
Ohakune	UR	\$ per \$ of Capital Value	414,309,000	0.0000571	23,668
				Scheme	23,668
Ohau-Manakau	AD	\$ Per Hectare	137	28.4210489	3,899
	CD	\$ Per Hectare	5	18.3856098	97
	CH	\$ Per Hectare	393	39.5373487	15,556
	CL	\$ Per Hectare	1,375	2.9653000	4,078
	FH	\$ Per Hectare	394	105.6298424	41,574
	FL	\$ Per Hectare	1,375	7.9222349	10,896
	HD	\$ Per Hectare	422	15.1892118	6,410
	IN	\$ Per Hectare	12,097	6.8727401	83,139
	KD	\$ Per Hectare	189	32.1007001	6,057
	L2	\$ Per Hectare	23	26.8177595	610
	LD	\$ Per Hectare	60	53.6357558	3,206
	MC	\$ Per Hectare	402	6.1369848	2,467
	ML	\$ Per Hectare	41	101.6314831	4,174
	MU	\$ Per Hectare	57	243.7056314	13,922
	OL	\$ Per Hectare	34	60.9845332	2,070
	OM	\$ Per Hectare	75	186.9574389	14,007
	OT	\$ Per Hectare	117	686.0520271	80,369
	OU	\$ Per Hectare	50	335.6469314	16,657

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	PD	\$ Per Hectare	69	27.3721599	1,895
	SD	\$ Per Hectare	53	9.2591781	493
	TD	\$ Per Hectare	134	41.4374217	5,541
	UM	\$ per \$ of Capital Value	31,238,000	0.0001437	4,488
	UO	\$ per \$ of Capital Value	55,667,000	0.0001065	5,931
	UW	\$ per \$ of Capital Value	66,512,000	0.0002791	18,563
	WD	\$ Per Hectare	265	19.2030952	5,091
	WL	\$ Per Hectare	87	78.9289303	6,829
	WU	\$ Per Hectare	81	193.5345335	15,722
				Scheme	373,739
Pakihi Valley	A	\$ Per Hectare	100	68.5453641	6,871
				Scheme	6,871
Pohangina - Oroua	DR	\$ Per Hectare	21	270.6149784	5,750
	EZ	\$ Per Hectare	376	0.1123087	42
	IA	\$ per \$ of Capital Value	452,232,450	0.0000235	10,645
	IN	\$ Per Hectare	55,212	2.4849435	137,198
	O1	\$ Per Hectare	394	79.1660966	31,204
	O2	\$ Per Hectare	694	98.5565107	68,367
	O3	\$ Per Hectare	10	63.3327205	603
	O4	\$ Per Hectare	170	78.8452204	13,369
	P1	\$ Per Hectare	286	187.9351217	53,765
	P2	\$ Per Hectare	630	112.7610670	71,030
	P3	\$ Per Hectare	128	21.0912644	2,699
	P4	\$ Per Hectare	196	150.3481162	29,430
	P5	\$ Per Hectare	39	90.2088203	3,502
	P6	\$ Per Hectare	33	16.8729861	553
				Scheme	428,157
Porewa Valley	A	\$ per \$ of Capital Value	1,749,620	0.0052646	9,211
	B	\$ per \$ of Capital Value	3,779,590	0.0030534	11,541
	C	\$ per \$ of Capital Value	7,985,070	0.0014741	11,771
	D	\$ per \$ of Capital Value	33,018,040	0.0002632	8,691
	E	\$ per \$ of Capital Value	8,113,400	0.0001579	1,281
	F	\$ per \$ of Capital Value	140,464,590	0.0000526	7,395
	U1	\$ per \$ of Capital Value	13,145,600	0.0004212	5,536
	U2	\$ per \$ of Capital Value	7,668,010	0.0001053	807
				Scheme	56,234
Rangitikei River	CD	\$ Per Hectare	25,003	0.3612555	9,032
	CN	\$ Per Hectare	175,988	0.7225110	127,153
	CU	\$ Per Hectare	43,519	0.3612555	15,721
	DR	\$ Per Hectare	87	232.9439018	20,154
	E1	\$ Per Hectare	604	62.5540129	37,803

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	E2	\$ Per Hectare	702	25.0216016	17,573
	E3	\$ Per Hectare	1,191	94.3844562	112,447
	E4	\$ Per Hectare	1,296	79.2274054	102,653
	F1	\$ Per Hectare	1,499	139.8202489	209,607
	F2	\$ Per Hectare	783	83.8921493	65,672
	F3	\$ Per Hectare	41	15.9354929	659
	F4	\$ Per Hectare	161	47.5162092	7,628
	F5	\$ Per Hectare	220	51.9830686	11,439
	F6	\$ Per Hectare	53	31.1898026	1,652
	GF	\$ Per SUIP	50	401.19	20,060
	GT	\$ Per SUIP	224	171.96	38,518
	IN	\$ Per Hectare	40,493	0.6326077	25,616
	RF	\$ per \$ of Capital Value	600,000	0.0070633	4,238
	RH	\$ per \$ of Capital Value	2,620,000	0.0019770	5,180
	RO	\$ per \$ of Capital Value	62,100,000	0.0000561	3,485
	UF	\$ per \$ of Capital Value	8,495,000	0.0023613	20,060
	UL	\$ per \$ of Capital Value	756,707,260	0.0000520	39,366
	UT	\$ per \$ of Capital Value	30,182,800	0.0012762	38,518
	UU	\$ per \$ of Capital Value	153,430,790	0.0000479	7,346
				Scheme	941,579
Ruapehu DC	CN	\$ per \$ of Capital Value	4,293,059,700	0.0000147	63,280
				Scheme	63,280
South East Ruahines	CN	\$ Per Hectare	49,356	1.2079218	59,619
	DR	\$ Per Hectare	351	58.9434598	20,700
	IN	\$ Per Hectare	64,629	0.9224759	59,619
	M1	\$ Per Hectare	1,214	34.6075255	42,006
	M2	\$ Per Hectare	633	61.4375896	38,893
	M3	\$ Per Hectare	110	67.6465907	7,427
	M4	\$ Per Hectare	442	69.1990859	30,602
	M5	\$ Per Hectare	1,913	10.9513906	20,948
	RZ	\$ Per Hectare	230	0.0192722	4
	SZ	\$ Per Hectare	302	0.0146827	4
	W1	\$ Per Hectare	531	8.2078555	4,358
	W2	\$ Per Hectare	753	15.1908763	11,435
	W3	\$ Per Hectare	8,533	10.4123819	88,852
	WO (Woodville only)	\$ per \$ of Capital Value	143,498,700	0.0001557	22,347
	DK (Dannevirke only)	\$ per \$ of Capital Value	486,785,200	0.0001253	60,996
				Scheme	467,810

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
Tararua	CN	\$ per \$ of Capital Value	5,477,832,350	0.0000352	192,567
				Scheme	192,567
Tawataia - Mangaone	B	\$ Per Hectare	111	33.1417690	3,664
	C	\$ Per Hectare	656	11.0472515	7,243
	D	\$ Per Hectare	11	5.5238269	62
				Scheme	10,969
Turakina	CN	\$ Per Hectare	82,146	0.1104552	9,073
	T1	\$ Per Hectare	274	32.2212050	8,834
	T2	\$ Per Hectare	155	28.4392052	4,417
	T3	\$ Per Hectare	222	19.8571420	4,417
	T4	\$ Per Hectare	1,389	12.8540527	17,853
	T5	\$ Per Hectare	110	5.6055875	615
				Scheme	45,209
Tutaenui	CN	\$ Per Hectare	12,889	0.6886273	8,876
	IN	\$ Per Hectare	12,739	0.6829709	8,701
	TL	\$ Per Hectare	456	17.8183741	8,125
	TW	\$ Per Hectare	290	38.3424639	11,133
	UM (Marton)	\$ per \$ of Capital Value	459,677,150	0.0000911	41,871
	UB (Bulls)	\$ per \$ of Capital Value	164,323,413	0.0000821	13,488
				Scheme	92,194
Upper Manawatū	CN	\$ Per Hectare	268,312	0.3202938	85,939
	D1	\$ Per Hectare	122	15.4309208	1,887
	D2	\$ Per Hectare	213	11.5045201	2,453
	D3	\$ Per Hectare	238	11.9019125	2,830
	D4	\$ Per Hectare	85	26.4969290	2,264
	IN	\$ Per Hectare	24,028	1.2345705	29,665
	M1	\$ Per Hectare	262	88.7286940	23,228
	M2	\$ Per Hectare	38	282.5531867	10,828
	U1	\$ Per Hectare	615	137.1153147	84,337
	U2	\$ Per Hectare	165	103.8533721	17,176
	U3	\$ Per Hectare	158	161.4419703	25,571
	U4	\$ Per Hectare	125	84.4538088	10,561
				Scheme	296,737
Upper Whanganui	IN	\$ per \$ of Capital Value	2,414,551,900	0.0000333	80,305
	R1	\$ per \$ of Capital Value	2,455,000	0.0006027	1,480
	R2	\$ per \$ of Capital Value	1,516,500	0.0003013	457
	R3	\$ per \$ of Capital Value	945,140	0.0027562	2,605
	R4	\$ per \$ of Capital Value	1,498,100	0.0013781	2,065
	U1	\$ per \$ of Capital Value	68,762,030	0.0005468	37,602

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	U2	\$ per \$ of Capital Value	258,189,630	0.0002187	56,476
				Scheme	<u>180,989</u>
Whangaeahu - Mangawhero	CN	\$ Per Hectare	127,772	0.2959106	37,809
	IN	\$ Per SUIP	458	23.59	10,803
	LW	\$ Per Hectare	843	4.9710672	4,190
	MW	\$ Per Hectare	1,301	17.5927488	22,896
	UM	\$ Per Hectare	77	77.5858107	5,998
	UW	\$ Per Hectare	645	40.8472606	26,330
				Scheme	<u>108,026</u>
DRAINAGE SCHEMES					
Akitio	CN	\$ Per Hectare	55,046		
	RC	\$ Per Hectare	613		
				Scheme	<u></u>
Ashhurst Stream	AC	\$ per \$ of Capital Value	451,897,450	0.0000595	26,903
	AL	\$ Per Hectare	10	141.4963808	1,366
	AN	\$ Per SUIP	1,222	22.02	26,903
	AU	\$ Per Hectare	22	37.4525477	829
				Scheme	<u>56,001</u>
Forest Road	A	\$ Per Hectare	36	29.0896369	1,061
	B	\$ Per Hectare	207	21.8172281	4,516
	C	\$ Per Hectare	159	14.5448190	2,319
	D	\$ Per Hectare	549	7.2724092	3,996
	E	\$ Per Hectare	79	3.7816524	300
	F	\$ Per Hectare	139	2.0362746	282
				Scheme	<u>12,474</u>
Foxton East	CN	\$ Per Hectare	813	27.9647277	22,746
	UB	\$ per \$ of Capital Value	224,280,700	0.0004395	98,567
				Scheme	<u>121,314</u>
Haunui	A	\$ per \$ of Land Value	21,531,000	0.0005525	11,896
				Scheme	<u>11,896</u>
Himatangi	A	\$ Per Hectare	489	16.4482168	8,051
	B	\$ Per Hectare	405	11.5137516	4,668
	C	\$ Per Hectare	660	5.7568759	3,800
	D	\$ Per Hectare	1,124	2.9606791	3,328
	E	\$ Per Hectare	1,363	1.1513751	1,569
	F	\$ Per Hectare	404	0.8224109	332
				Scheme	<u>21,748</u>

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
Hokio	AC	\$ Per SUIP	172	121.71	20,934
	DA	\$ Per Hectare	101	28.7001165	2,892
	DH	\$ Per Hectare	55	19.3873041	1,076
	DL	\$ Per Hectare	39	4.1375170	162
	DM	\$ Per Hectare	175	14.9862164	2,628
	DP	\$ Per Hectare	26	39.8506801	1,055
	DS	\$ Per Hectare	659	31.8898049	21,005
	IN	\$ Per Hectare	4,408	4.6044792	20,294
	UH	\$ per \$ of Capital Value	23,234,400	0.0000625	1,451
	UL	\$ per \$ of Capital Value	1,882,579,550	0.0000159	29,975
				Scheme	<u>101,471</u>
Koputaroa	A1	\$ Per Hectare	174	52.9548949	9,219
	A2	\$ Per Hectare	216	26.4774472	5,729
	C1	\$ Per Hectare	30	29.1304900	876
	C2	\$ Per Hectare	128	19.2261198	2,454
	C3	\$ Per Hectare	111	9.6130613	1,071
	C4	\$ Per Hectare	99	30.8634744	3,050
	C5	\$ Per Hectare	107	20.3698845	2,177
	D1	\$ Per Hectare	501	38.7312809	19,407
	D2	\$ Per Hectare	80	19.3656407	1,547
	D3	\$ Per Hectare	141	24.2975579	3,426
	D4	\$ Per Hectare	63	12.1487965	763
	D5	\$ Per Hectare	348	25.2560330	8,790
	D6	\$ Per Hectare	113	12.6280163	1,431
	D7	\$ Per Hectare	250	43.8861550	10,958
	D8	\$ Per Hectare	165	21.9430902	3,630
	F1	\$ Per Hectare	753	10.6720057	8,040
	F2	\$ Per Hectare	722	6.4032028	4,626
	F3	\$ Per Hectare	109	3.2015979	350
	F4	\$ Per Hectare	173	1.0672011	184
	F5	\$ Per Hectare	124	35.6878038	4,432
	F6	\$ Per Hectare	238	14.2751275	3,392
	I1	\$ Per Hectare	1,300	6.6024000	8,581
	I2	\$ Per Hectare	305	8.0902610	2,469
	I3	\$ Per Hectare	665	7.2190384	4,798
	I4	\$ Per Hectare	635	9.5565624	6,069
	IA	\$ Per Hectare	1,833	1.3812107	2,531
	IK	\$ Per Hectare	5,270	1.5004953	7,907
	IN	\$ Per Hectare	1,047	25.3625111	26,555
	K1	\$ Per Hectare	132	99.8162276	13,142
	K2	\$ Per Hectare	106	49.9081140	5,288
	P1	\$ Per Hectare	110	248.3468189	27,305
	P2	\$ Per Hectare	177	163.9088640	28,960
	P3	\$ Per Hectare	48	161.6955209	7,755

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	P4	\$ Per Hectare	96	106.7190219	10,290
	P5	\$ Per Hectare	30	189.1683544	5,686
	P6	\$ Per Hectare	128	124.8511596	15,927
	P7	\$ Per Hectare	111	62.4255628	6,957
	P8	\$ Per Hectare	99	205.5561819	20,302
	P9	\$ Per Hectare	107	135.6670254	14,498
				Scheme	<u>310,573</u>
Makerua	B1	\$ Per Hectare	309	22.1117067	6,836
	B2	\$ Per Hectare	129	8.8446857	1,138
	C1	\$ Per Hectare	97	37.3278811	3,611
	C2	\$ Per Hectare	144	14.9311415	2,148
	CB	\$ Per Hectare	133	12.0855965	1,606
	CK	\$ Per Hectare	357	17.9900345	6,424
	CM	\$ Per Hectare	214	23.8213254	5,095
	CO	\$ Per Hectare	3,499	16.4751428	57,648
	EC	\$ Per Hectare	8,626	1.4893437	12,848
	G1	\$ Per Hectare	141	6.6845677	941
	K1	\$ Per Hectare	367	54.6602324	20,047
	L1	\$ Per Hectare	230	18.9669080	4,364
	L2	\$ Per Hectare	323	7.5867655	2,447
	M1	\$ Per Hectare	219	24.6078063	5,382
	M2	\$ Per Hectare	128	9.8431228	1,263
	O1	\$ Per Hectare	4,079	34.9993517	142,750
	O2	\$ Per Hectare	1,207	13.9997406	16,903
	OC	\$ Per Hectare	6,006	4.5456817	27,301
	PB	\$ Per Hectare	133	167.1146256	22,206
	PK	\$ Per Hectare	357	105.7689946	37,767
	PM	\$ Per Hectare	214	119.1066842	25,474
	PO	\$ Per Hectare	3,499	39.6947763	138,886
	R1	\$ Per Hectare	121	34.3881173	4,153
	T1	\$ Per Hectare	223	29.3502877	6,535
				Scheme	<u>553,772</u>
Manawatu	CL	\$ Per Hectare	31	97.3231776	3,023
	CN	\$ Per Hectare	15,470	9.1737137	141,918
	DR	\$ Per Hectare	17,200	16.6955582	287,169
	DU	\$ Per SUIP	1,242	75.95	94,328
	F1	\$ Per Hectare	1,184	37.0316257	43,840
	F2	\$ Per Hectare	499	18.5158128	9,234
	F3	\$ Per Hectare	214	3.7031594	794
	P1	\$ Per Hectare	724	170.9999035	123,889
	P2	\$ Per Hectare	176	85.4999517	15,046
	P3	\$ Per Hectare	911	42.7499666	38,939
	P4	\$ Per Hectare	264	8.5499983	2,256

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	CC	Total amount to be Invoiced			14,649
				Scheme	<u>775,084</u>
Moutoa	B1	\$ Per Hectare	4	302.6715585	1,225
	B2	\$ Per Hectare	36	242.1372431	8,693
	B3	\$ Per Hectare	62	45.4007570	2,812
	C1	\$ Per Hectare	124	65.6933723	8,158
	C2	\$ Per Hectare	21	52.5546316	1,102
	C3	\$ Per Hectare	5	19.7084846	107
	D1	\$ Per Hectare	1,138	31.5077111	35,842
	D2	\$ Per Hectare	712	17.9450997	12,780
	D3	\$ Per Hectare	1,338	7.1780401	9,601
	D4	\$ Per Hectare	1,011	8.2368621	8,330
	D5	\$ Per Hectare	135	3.2947460	446
	MC	\$ Per Hectare	4,462	19.7452250	88,107
	P1	\$ Per Hectare	206	113.4202914	23,406
	P2	\$ Per Hectare	835	90.7362360	75,750
	P3	\$ Per Hectare	410	34.0260905	13,938
	P4	\$ Per Hectare	600	90.4252665	54,287
	P5	\$ Per Hectare	375	72.3402181	27,163
	P6	\$ Per Hectare	102	27.1276071	2,780
				Scheme	<u>374,527</u>
Te Kawau	AC	\$ Per SUIP	496	80.36	39,860
	C1	\$ Per Hectare	82	14.0180905	1,145
	C2	\$ Per Hectare	850	0.5384300	458
	CF	\$ Per Hectare	13,326	1.2701385	16,926
	CR	\$ Per Hectare	713	3.3991641	2,424
	CU	\$ Per Hectare	36	37.0629599	1,339
	DA	\$ Per Hectare	1,633	1.4799494	2,417
	DO	\$ Per Hectare	4,172	6.2715571	26,168
	DR	\$ Per Hectare	314	8.5876550	2,698
	DS	\$ Per Hectare	7,510	11.6362362	87,394
	FK	\$ Per Hectare	207	10.2319119	2,116
	FM	\$ Per Hectare	1,087	36.4895736	39,663
	P1	\$ Per Hectare	40	48.2364219	1,934
	P2	\$ Per Hectare	11	12.0593252	129
	PR	\$ Per Hectare	332	16.0700869	5,332
				Scheme	<u>230,004</u>
Whirokino	D1	\$ Per Hectare	111	38.4350714	4,280
	D2	\$ Per Hectare	156	25.3671498	3,949
	D3	\$ Per Hectare	4	3.8431295	16
	D4	\$ Per Hectare	45	89.0604117	3,997
	D5	\$ Per Hectare	26	35.6241661	919

River and Drainage Schemes	Class/ Diff	Rating Basis	Number of Units	Unit Rate	Revenue Sought 2019-20
	F1	\$ Per Hectare	89	29.4072557	2,603
	F2	\$ Per Hectare	4	17.6440607	72
	F3	\$ Per Hectare	267	2.9407237	785
	IN	\$ Per Hectare	458	2.7852534	1,274
	P1	\$ Per Hectare	28	205.2084101	5,791
	P2	\$ Per Hectare	16	82.0836173	1,339
	P3	\$ Per Hectare	48	20.5209689	984
				Scheme	26,008
				Including GST	12,848,050
				Excluding GST	11,172,218

Total Rates Summary	Including GST	Excluding GST
General Rate	-	-
Uniform Annual General Charge	4,915	4,274
Biosecurity	4,213	3,664
Emergency Management Information	2,092	1,819
Resource and Consent Monitoring	1,686	1,466
River and Drainage	2,595	2,257
Strategic Management	4,703	4,090
Water Quality and Quantity	1,985	1,726
Sustainable Land Use Initiative (SLUI) UAC	5,894	5,125
Environmental Initiatives UAC	4,249	3,695
Targeted Rate Transport Planning etc	2,417	2,102
Drinking Water Monitoring and Research	266	231
Manawatu River Quality Improvement	115	100
Production Pest Animal Management	477	415
Production Pest Rook Management	1,425	1,239
Infrastructure Insurance Reserve	161	140
Rangitikei Old Man's Beard Eradication 4 ha and over	575	500
Rangitikei Old Man's Beard Eradication under 4 ha	55	48
River and Drainage Scheme	55	48
River and Drainage Scheme Rates (UAC)	11,460	9,965
Regional Park UAC	1,388	1,207
Production Pest Plant Management	199	173
Production Pest Plant Management UAC	173	150
Transport Passenger Services	29	25
Waiterere UAC	2,663	2,316
Horowhenua Restoration	8	7
Sub Total	196	170
Penalties and Remissions	53,994	46,952
Total Rates Including Penalties and Remissions	(179)	(156)
	53,815	46,796

Statement of Accounting Policies as at 30 June 2020

Reporting Entity

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

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

Horizons has the following as investments in the balance sheet:

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

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

The financial statements of the "parent entity" HRC comprise the following groups of activities of HRC: land and water management; flood protection and control works; biosecurity and biodiversity management; regional leadership and governance; transport; and investment. As these activities are carried out for environmental and community benefit and not for financial return, HRC has designated itself as a Public Benefit Entity (PBE) for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (IPSAS).

The financial statements presented are those of the Group for the year ended 30 June 2019-20. Council adopted the 2019-20 Annual Plan on 28 May 2019.

Basis of Preparation

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of Compliance

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

The financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 1 entity.

Presentation and Currency

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

Basis of Consolidation

The Group accounts add together like items of assets, liabilities, equity, revenue and expenditure, on a line-by-line basis. All significant intragroup balances and revenue and expense transactions are eliminated on consolidation.

Subsidiaries

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

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

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

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

- The acquisition date fair value of the previously held equity interest in the acquiree, if any.

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

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

Joint Ventures

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

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

Changes in Accounting Policies

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

Standards issued and not yet effective that have been early adopted

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

Impairment of Revalued Assets

In April 2017, the XRB issued *Impairment of Revalued Assets*, which now scopes in revalued property, plant and equipment into the impairment accounting standards. Previously, only property, plant and equipment assets measured at cost were scoped into the impairment accounting standards.

From the 30 June 2017 year onwards, the Council is required to assess at each reporting date whether there is any indication that an asset may be impaired. If any indication exists, the Council is required to assess the recoverable amount of that asset and recognise an impairment loss if the recoverable amount is less than the carrying amount. The Council can therefore impair a revalued asset without having to revalue the entire class of asset to which the asset belongs.

Standards issued and not yet effective, and not early adopted

PBE IPSAS 3.35,36 Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Council and group are: Interests in other entities In January 2017, the XRB issued new standards for interests in other entities (PBE IPSAS 34 - 38). These new standards replace the existing standards for interests in other entities (PBE IPSAS 6 - 8). The new standards are effective for annual periods beginning on or after 1 January 2019, with early application permitted. The Council plans to apply the new standards in preparing the 30 June 2020 financial statements. The Council and group has not yet assessed the effects of these new standards.

Financial instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments. PBE IFRS 9 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The main changes under PBE IFRS 9 are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost;
- A new impairment model for financial assets based on expected losses, which may result in the earlier recognition of impairment losses; and
- Revised hedge accounting requirements to better reflect the management of risks.

The Council plans to apply this standard in preparing its 30 June 2022 financial statements. The Council and group has not yet assessed the effects of the new standard.

Also to note, as disclosed on the 2018-28 Long-term Plan:

Implementation of new and amended standards

PBE International Financial Reporting Standard (IFRS) 9 Financial Instruments is effective from periods beginning on or after 1 January 2021. PBE IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and relaxes current requirements for hedge accounting. Council is currently assessing the impact of PBE IFRS 9 on the Group and the council. The impact of the PBE IFRS 9 has yet to be assessed, although the impact is unlikely to be material.

The five new standards, PBE IPSAS 34 Separate Financial Statements, PBE IPSAS 35 Consolidated Financial Statements, PBE IPSAS 36 Investment in Associates and Joint Ventures, PBE IPSAS 37 Joint Arrangements and PBE IPSAS 38 Disclosure of Interests in Other Entities, are effective from periods beginning on

or after 1 January 2019. The Group and the council are yet to assess the impact of these new standards, although the impact is unlikely to be material.

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

Revenue

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

Rates Revenue

The following policies for rates have been applied:

- General rates, targeted rates (excluding water by meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Revenue from Government

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

Other Grants Received

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

Vested Physical Assets

For assets received for no or nominal consideration, the asset is recognised at its fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

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

Other Revenue

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

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

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

Expenditure

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

Grant Expenditure

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

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

Leases

Operating Leases

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

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

Where HRC is the lessor, lease receipts under an operating lease are recognised as revenue on a straight line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, on demand or call deposits, other short-term deposits with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities, in the statement of financial position.

Trade and Other Receivables

Trade and other receivables are initially stated at their face value, less any provision for impairment.

Inventories

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

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

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

Financial Derivatives

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

Derivatives are initially recognised at fair value on the date the derivative contract is entered into, and are subsequently remeasured at their fair value on each balance date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and, if so, the nature of the item being hedged. For Cash Flow Hedges, the portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognised in other comprehensive revenue and expense.

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

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

Financial Assets

Financial assets are initially measured at fair value plus transaction costs, unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which HRC commits to purchase or sell the asset. Financial assets are derecognised when the rights to received cash flows from the financial assets have expired or have been transferred, and HRC has transferred substantially all the risks and rewards of ownership.

HRC classifies its financial assets into the following four categories, the classification of which depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through surplus or deficit

These include financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated into hedge accounting relationship for which hedge accounting is applied.

Financial assets acquired principally for the purpose of selling in the short term or part of a portfolio classified as held for trading are classified as a current asset. The current/non-current classification of derivatives is explained in the derivatives accounting policy above.

After initial recognition, financial assets in this category are measured at their fair value with gains or losses on remeasurement recognised in the surplus or deficit.

Loans and Receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. HRC's loans and receivables comprise cash and cash equivalents, debtors and other receivables, term deposits, and (when applicable) related party loans.

After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Held to Maturity Investments

These are non-derivative financial assets with fixed or determinable payments and fixed maturities that HRC has the positive intention and ability to hold to maturity. These are included in current assets, except for maturities greater than 12 months after balance date, which are included in non-current assets. After initial recognition they are measured at amortised cost using the effective interest method, less impairment. Gains or losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Fair Value Through Other Comprehensive Revenue and Expense

These are those designated into the category at initial recognition or are not classified in any other categories above. These are included in non-current assets unless management intends to dispose of the share investment within 12

months of balance date or if the debt instrument is not expected to be realised within 12 months of balance date. The Council and the Group includes in this category investments that it intends to hold long term but which may be realised before maturity, and shareholdings that it holds for strategic purposes. These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit.

On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Foreign Currency Transactions (FCTs)

FCTs (including those for which foreign exchange contracts are held) are translated into the functional currency using the spot exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Impairment of Financial Assets

At each balance date, HRC assesses whether or not there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the surplus or deficit.

Loans and Other Receivables and Held-to-Maturity Investments

Impairment of a loan or receivable is established when there is objective evidence that HRC and the Group will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit, when the receivable is uncollectible, it is written off against the allowance account. Overdue receivables that were renegotiated are reclassified as current (that is, not past due). Impairment in term deposits, local authority stock, government bonds and community loans, are recognised directly against the instrument's carrying amount.

Financial Assets at Fair Value Through Comprehensive Revenue and Expense

For equity investments classified as fair value through equity, a significant or prolonged decline in the fair value of the investment below its cost is considered objective evidence of impairment.

For debt investments, significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered objective indicators that the asset is impaired.

If impairment evidence exists for investments at fair value through other comprehensive revenue and expense, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the surplus or deficit) recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit.

Equity instrument impairment losses recognised in the surplus or deficit are not reversed through the surplus or deficit.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the impairment loss is reversed in the surplus or deficit.

Investment Property

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

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

Property, Plant and Equipment

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

- i. All operational land and buildings will be valued at fair value by an independent, registered valuer, with additions at cost, less accumulated depreciation on buildings. HRC undertakes revaluations as each Local Authority District is revalued, according to their respective three-yearly cycle. Reviews for other assets outside this cycle will be done with sufficient regularity to ensure that their carrying amount does not differ materially from fair values. If there is a material difference, then the off-cycle asset classes are revalued.
- ii. Infrastructural assets are revalued three yearly at depreciated replacement cost by HRC engineering staff that are directly associated with the administration of these schemes. The valuation methodology is reviewed by suitably qualified, independent consultants, to confirm that the methodology is consistent with PB IPSAS 17.
- iii. Plant and vehicles are valued at cost less accumulated depreciation and impairment.
- iv. Furniture and fittings are valued at cost less accumulated depreciation and impairment.
- v. Office equipment, scientific equipment and computer equipment are valued at cost less accumulated depreciation and impairment.
- vi. Capital Work in Progress includes:
 - (a) Assets in process of construction; and
 - (b) Purchases and disposals awaiting finalisation (e.g. subdivision titles) and thus not yet processed through the fixed asset register.

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

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to HRC, and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, such items are recognised at cost. Where an asset is acquired through a non-exchange transaction it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

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

Infrastructural Assets

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

Depreciation

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

Buildings	50 years
Heavy plant and machinery	5-10 years
Other plant and machinery	5-10 years
Motor vehicles	4-8 years
Furniture and fittings	10-15 years
Office equipment	5-6 years
Scientific equipment	5-12 years
Computer equipment	3-12 years

Communications equipment	3-15 years
Equipment and electronics	5-12 years

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

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

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

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

Accounting for Revaluations

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

Intangible Assets

Computer Software

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

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its expected useful life during which future economic benefits or service potential associated with the item will flow to HRC. For Digital Terrain Flood Modelling software, this is estimated as being from 10 to 12 years, and for other computer software, both acquired and developed, from 4 to 9 years.

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

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

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

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

Carbon Credits

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

Impairment of Property, Plant, Equipment and Intangibles

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

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

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

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

Value in Use for Non-cash-generating Assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return.

For non-cash-generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in Use for Cash-generating Assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

Forestry Assets

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

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

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

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

Carbon Credits

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

Free carbon units received from the Crown are recognised at fair value on receipt. They are not amortised, but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Employee Entitlements

Short-term Employee Entitlements

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

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

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

Long-term Employee Entitlements

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

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

Superannuation Schemes

Defined Contribution Schemes

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

Other Provisions

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

Creditors and Other Payables

Creditors and other payables are initially measured at face value.

Borrowings

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

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

Borrowing Costs

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

Equity

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

The components of equity are:

- Asset revaluation reserves;
- Restricted reserves;
- Insurance infrastructure reserve; and
- Retained earnings.

Asset Revaluation Reserves

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

Restricted Reserves

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

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

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

Insurance Infrastructure Reserve

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

Accordingly, we have increased the level of rating to build river scheme reserves, as well as introducing a new common rate to build reserves to provide for a level of self-insurance against our assets that now have limited or no insurance cover.

Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

Budget Figures

The budget figures are those approved by HRC at the beginning of the year in the LTP/Annual Plan. The budget figures were prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by HRC for the preparation of the financial statements. For presentational purposes, some additional budget figures have been included to provide better information.

Cost Allocation

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

1. Direct costs are those costs identified as being directly attributable to a project group, and are charged directly to that project group.
2. Indirect costs are those costs that cannot be identified, in an economically feasible manner, as contributing directly to a project group. Instead, these are charged to project groups using appropriate cost drivers including actual usage, staff numbers, floor area, and telephone and computer units.

Income Tax

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

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

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements, and the corresponding tax bases used in the computation of taxable profit.

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

Deferred tax liabilities are generally recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

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

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

Critical Accounting Estimates and Assumptions

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

Infrastructural Assets

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

These include:

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

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

Fair value of the CentrePort Investment

This has been valued using advice from a third party with expertise in valuing this kind of asset. Further information on the estimates can be found in note 19.

Fair value of the Investment Property

This has been valued using advice from a third party with expertise in valuing this kind of asset. Further information on the estimates can be found in note 21.

Fair value of the CentrePort Investment

This has been valued using advice from a third party with expertise in valuing this kind of asset. Further information on the estimates can be found in note 19.

Critical Judgement in Applying Accounting Policies

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

Classification of Property

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

Fair value of the Investment Property

This has been valued using advice from a third party with expertise in valuing this kind of asset. Further information on the judgements can be found in note 21.

Fair value of the CentrePort Investment

This has been valued using advice from a third party with expertise in valuing this kind of asset. Further information on this judgements can be found in note 19.

Capital Management

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

The Local Government Act 2002 (the Act) requires HRC to manage its revenues, expenses, assets, liabilities, investments and general financial dealings, prudently,

and in a manner that promotes the current and future interests of the community. Largely as a by-product of this prudential management, ratepayers' funds are managed accordingly.

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

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

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

River and Drainage Scheme Reserves Summary 2019-20 (\$000)

Overview

Under our River and Drainage Scheme Activity, 29 of our schemes set aside funds in scheme-specific emergency reserve accounts. The purpose of these funds, as set out in our Infrastructural Asset Management Plans, is to:

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

The total estimated opening balance of these funds at 1 July 2019 is \$8.569 million. Deposits in total of \$1.169 million (including interest) and withdrawals in total of (\$0.014) million are estimated to occur during the period 1 July 2019 and 30 June 2020. The total estimated closing balance of these reserves is \$9.724 million.

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

Scheme Reserve Name	Estimated Opening Balance 1 July 2019 Credit/(Debit)	Transfers In 1 July 2019 to 30 June 2020 Credit/(Debit)	Transfers Out 1 July 2019 to 30 June 2020 Credit/(Debit)	Estimated Closing Balance 30 June 2020 Credit/(Debit)
Akitio River Scheme	18,595	-	-	18,595
Ashhurst Drainage Scheme	32,801	3,077	-	35,878
Eastern Manawatū Scheme	7,483	-	-	7,483
Forest Road Drainage Scheme	2,945	592	-	3,537
Foxton East Drainage Scheme	12,555	622	-	13,177
Haunui Drainage Scheme	6,609	205	-	6,814
Himatangi Drainage Scheme	17,031	380	-	17,411
Hōkio Drainage Scheme	21,579	-	(1,295)	20,284
Ihuraua Scheme	3,522	-	-	3,522
Kahuterawa River Scheme	7,854	-	-	7,854
Koputaroa Drainage Scheme	156,317	-	(2,067)	154,250
Lower Kiwitea Scheme	233,902	25,045	-	258,947
Lower Manawatū Scheme	2,100,631	324,500	-	2,425,131
Lower Manawatū Scheme Special Projects	443,662	179	-	443,841
Lower Whanganui River Management Scheme	373,277	131,273	-	504,550

Scheme Reserve Name	Estimated Opening Balance 1 July 2019 Credit/(Debit)	Transfers In 1 July 2019 to 30 June 2020 Credit/(Debit)	Transfers Out 1 July 2019 to 30 June 2020 Credit/(Debit)	Estimated Closing Balance 30 June 2020 Credit/(Debit)
Makerua Drainage Scheme	153,319	-	(2,334)	150,985
Makirikiri Flood Control Scheme	40,914	1,730	-	42,644
Manawatū Drainage Scheme	80,504	3,920	-	84,424
Mangatainoka River Scheme	1,273,128	126,758	-	1,399,886
Matarawa Flood Control Scheme	93,550	12,236	-	105,786
Moutoa Drainage Scheme	62,305	-	(1,878)	60,427
Ohakune Flood Protection Scheme	-	500	-	500
Ōhau-Manakau Scheme	202,097	49,972	-	252,069
Pakihi Flood Control Scheme	4,989	-	(1,973)	3,016
Pohangina-Oroua River Control Scheme	521,739	92,839	-	614,578
Porewa Flood Control Scheme	40,782	2,895	-	43,677
Rangitikei River Control Scheme	1,000,189	123,911	-	1,124,100
Ruapehu Scheme	-	500	-	500
South-East Ruahines Scheme	592,784	117,453	-	710,237
Tararua Scheme	-	-	-	-
Taringamotu River Scheme	-	-	-	-
Tawataia-Mangaone Scheme	9,508	508	-	10,016
Te Kawau Drainage Scheme	120,583	-	(4,016)	116,567
Turakina River Scheme	16,754	1,605	-	18,359
Tutaenui Flood Control Scheme	4,188	4,531	-	8,719
Upper Manawatū-Lower Mangahao Scheme	564,129	74,491	-	638,620
Upper Whanganui River Scheme	184,309	64,741	-	249,050
Whangaehu-Mangawhere River Scheme	62,943	3,965	-	66,908
Whirokino Drainage Scheme	21,491	87	-	21,578
Amenity Enhancements - Contestable	80,000	-	-	80,000
Total Scheme Reserve	8,568,969	1,168,515	(13,563)	9,723,921

River and Drainage Scheme Capex Renewal Reserves Summary 2019-20 (\$000)

Overview

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

The total estimated opening balance of these funds at 1 July 2019 is \$0.726 million. Deposits in total of \$0.062 million (including interest) and withdrawals in total of (\$0.086) million are estimated to occur during the period 1 July 2019 and 30 June 2020. The total estimated closing balance of these reserves is \$0.703 million.

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

Renewal Scheme Reserve Name	Estimated Opening Balance 1 July 2019 Credit/(Debit)	Transfers In 1 July 2019 to 30 June 2020 Credit/(Debit)	Transfers Out 1 July 2019 to 30 June 2020 Credit/(Debit)	Estimated Closing Balance 30 June 2020 Credit/(Debit)
Akitio River Scheme	-	-	-	-
Ashhurst Drainage Scheme	1,572	83	-	1,655
Eastern Manawatū Scheme	-	-	-	-
Forest Road Drainage Scheme	2,168	614	-	2,782
Foxton East Drainage Scheme	2,155	607	-	2,762
Hauhuri Drainage Scheme	-	-	-	-
Himatangi Drainage Scheme	1,471	414	-	1,885
Hōkio Drainage Scheme	1,769	501	-	2,270
Ihuraua Scheme	-	-	-	-
Kahuterawa River Scheme	-	-	-	-
Koputaroa Drainage Scheme	58,543	-	(22,046)	36,497
Lower Kiwitea Scheme	-	-	-	-
Lower Manawatū Scheme	30,580	972	-	31,552
Lower Manawatū Scheme Special Projects	-	-	-	-
Lower Whanganui River Management Scheme	-	-	-	-
Makerua Drainage Scheme	169,817	-	(28,057)	141,760

Renewal Scheme Reserve Name	Estimated Opening Balance 1 July 2019	Transfers In 1 July 2019 to 30 June 2020	Transfers Out 1 July 2019 to 30 June 2020	Estimated Closing Balance 30 June 2020
	Credit/(Debit)	Credit/(Debit)	Credit/(Debit)	Credit/(Debit)
Makirikiri Flood Control Scheme	23,113	8,114	-	31,227
Manawatū Drainage Scheme	177,693	-	(30,003)	147,690
Mangatainoka River Scheme	-	-	-	-
Matarawa Flood Control Scheme	6,750	7,108	-	13,858
Moutoa Drainage Scheme	17,319	13,814	-	31,133
Ohakune Flood Protection Scheme	-	-	-	-
Ōhau-Manakau Scheme	63,467	5,358	-	68,825
Pakihi Flood Control Scheme	1,300	368	-	1,668
Pohangina-Oroua River Control Scheme	-	-	-	-
Porewa Flood Control Scheme	19,967	4,730	-	24,697
Rangitikei River Control Scheme	-	-	-	-
Ruapehu Scheme	-	-	-	-
South-East Ruahines Scheme	40,543	11,498	-	52,041
Tararua Scheme	-	-	-	-
Taringamotu River Scheme	-	-	-	-
Tawataia-Mangaone Scheme	5,280	1,526	-	6,806
Te Kawau Drainage Scheme	90,108	5,397	-	95,505
Turakina River Scheme	-	-	-	-
Tutaenui Flood Control Scheme	5,120	-	(5,000)	120
Upper Manawatū-Lower Mangahao Scheme	1,884	1,300	-	3,184
Upper Whanganui River Scheme	-	-	-	-
Whangaehu-Mangawhere River Scheme	-	-	-	-
Whirokino Drainage Scheme	5,386	-	(621)	4,765
Amenity Enhancements - Contestable	-	-	-	-
Total Scheme Reserve	726,006	62,404	(85,727)	702,683

Annual Administrative Charges for the Year Ending 30 June 2020

Pursuant to Section 36 of the Resource Management Act 1991 and Section 243 of the Building Act 2004

A. Overview

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

The charges outlined here are for the period 1 July 2019 to 30 June 2020. They are for:

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

The charges are based on cost recoveries specified in this Annual Plan. Projected recoveries for 2019-20 are \$1,523,237 for consents processing, \$783,684 for all compliance monitoring charges, and \$1,636,034 for contributions from resource users to research and science programmes.

Two statutes guide the Council in setting its administrative charges: the Funding Policy prepared under the Local Government Act 2002, and the criteria in Section 36 of the Resource Management Act 1991. The matters to be considered under both Acts are similar and can be briefly summarised as follows.

Public and private good

In its Funding Policy, the Council has identified the public and private good components of the various services that it provides. In broad terms, Council has determined that: 100 per cent of the costs of processing resource consents are a private benefit, and 65 to 80 per cent of the costs of conducting initial compliance inspections are a private benefit. Where, however, repeat compliance inspections are required because of poor performance, Council has determined the consent holder should pay 100 per cent of the costs of those

inspections. This is because the need to carry out further inspections is due solely to the actions of the consent holder.

Matching costs to benefits

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

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

Equity

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

B. Resource consent processing and compliance monitoring charges

The Resource Management Act 1991 (RMA) enables Council to recover all reasonable costs incurred in respect of particular activities to which the charge relates. These costs are largely associated with (but not limited to) the receiving, processing, granting and monitoring of resource consents, as well as the change or cancellation of conditions, reviews, certificates of compliance and deemed permitted activities (DPAs).

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

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

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

Application charges

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

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

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

Fixed initial deposits for applications

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

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

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

Notes:

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

Further fixed deposit for notified applications

If an application is required to be limited or publicly notified, the Council will require a further fixed deposit as set out below. This deposit is in addition to the initial fixed deposit. The further fixed deposits also apply to applications lodged seeking to vary conditions of a consent or a review of conditions initiated by Council.

NOTIFICATION TYPE	FURTHER FIXED DEPOSIT GST Inclusive
Limited notification	\$ 7,500.00
Publicly notified (full notification)	\$ 20,000.00

Hearing by a commissioner if requested by applicant or submitter

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

HEARING BY A COMMISSIOER IF REQUESTED BY APPLICANT OR SUBMITTER	FIXED PRELIMINARY DEPOSIT GST Inclusive
Hearing by a commissioner if requested by applicant or submitter	\$ 5,000.00

Objections

Section 36(1)(af) of the RMA enables Council to set charges when considering an objection under Section 357A(1)(f) or (g) if a person requests under Section 357AB that the objection be considered by a hearing commissioner. In the event this occurs a fixed preliminary deposit as detailed below is required. In the event costs exceed this amount, actual and reasonable costs will be recovered from the applicant under Section 36(5), and as detailed under the Schedule of Additional Charges. The charge detailed below is to be paid to Council upon the request being lodged with Council.

OBJECTIONS UNDER SECTION 357(1)(f) or (g)	FIXED PRELIMINARY DEPOSIT GST Inclusive
Objection	\$ 5,000.00

Direct referral

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

Notes

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

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

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

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

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

The Council may remit any charge referred to in the tables, in part or in full, on a case by case basis, and solely at Council's discretion.

There will be no charge for the first hour of Council officer time in responding to queries in advance of a resource consent application being lodged. After the first hour, costs will be accrued and applicants (or potential applicants) will be invoiced for staff time, and consultant and technical costs, plus disbursements whether an application is lodged or not.

Mileage will be charged at \$0.55 cents per kilometre. In relation to staff travel time, each visit may only be charged to a maximum of 2 hours per visit. This

ensures those consent applicants or consent holders who are located in remote locations are not unduly penalised.

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

These charges shall come into effect on 1 July 2019 and remain in effect until 30 June 2020.

Schedule of additional charges

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

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

Methodology

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

Charges for council officers and decision makers

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

Staff hourly charge rates

ROLE	HOURLY RATE GST Exclusive
Skilled Labourer	\$51
Consents Administrator	\$55
Policy Planner	\$73
Hydrology Technician	\$74
Consents Planner	\$81
Senior Consents Planner	\$81
Senior Communications Advisor	\$83
Land Management Officers	\$85
Emergency Management Officers	\$87
Consents Monitoring Officer	\$88
Environmental Protection Officer (compliance)	\$88
Environmental Management Officers	\$89
Senior Policy Planner	\$93
Engineering Officer	\$94
Team Leader Consents	\$95
Catchment Coordinators	\$96
Senior Environmental Info Analyst	\$98
Senior Compliance Officer	\$98
Scientist	\$98
District Liaison Officer	\$99
Rural Industry Advisor	\$103
Team Leader Rural Industry Advisor	\$103
Senior Scientist	\$115
Surveyors	\$128
Area/Project Engineer	\$137
Team Leader Compliance	\$145
Regulatory Manager	\$150
Group Manager	\$170
Commissioner	At Cost Plus Disbursements
Hearings Committee Chair and Members	At Cost Plus Disbursements

Other charges

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

Notes

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

C. Compliance monitoring charges

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

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

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

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

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

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

Annual fixed charges

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

Fixed annual preliminary compliance charge

ACTIVITY TYPE	FIXED ANNUAL PRELIMINARY COMPLIANCE CHARGE GST Inclusive
Freshwater	
Telemetered irrigation and stock water takes	\$ 122.00
Un-telemetered stock water takes	\$ 224.00
Un-telemetered irrigation takes	\$ 224.00
Municipal water takes	\$ 327.00
Major industrial water takes: Category 1 and Category 2 sites	\$ 941.00
Minor industrial water takes: Category 3 and Category 4 sites	\$ 429.00
Waste Management	
Major discharges to water: Category 1 to Category 3 municipal wastewater treatment plant discharges, plus other Category 1 and Category 2 industrial discharges to water	\$ 1,043.00
Minor discharges to water: Category 3 and Category 4 discharges to water	\$ 326.00
Major discharges to air: Category 1 and Category 2 discharges to air	\$ 1,043.00
Minor discharges to air: Category 3 to Category 4 discharges to air	\$ 429.00

ACTIVITY TYPE	FIXED ANNUAL PRELIMINARY COMPLIANCE CHARGE GST Inclusive
Major discharges to land: Category 1 and Category 2 discharges to land	\$ 1,043.00
Minor discharges to land: Category 3 and Category 4 discharges to land	\$ 327.00
Other on-site wastewater	\$ 327.00
Rural	
Farm dairy effluent	\$ 224.00
Intensive land use	\$ 224.00
Piggery discharges	\$ 429.00
Infrastructure	
Major use or disturbance of land (e.g. earthworks, vegetation clearance, land based gravel extraction and quarry operations) – earthworks that have a medium to high risk of discharging into the receiving environment	\$ 839.00
Minor use or disturbance of land (e.g. earthworks, vegetation clearance, land based gravel extraction and quarry operations) – earthworks activities that have a low risk of discharging into receiving environment.	\$ 429.00
Land disturbance, vegetation clearance and other activities associated with forestry activities (including activities that require consent under the National Environmental Standard Production Forestry)	\$ 429.00
Major discharge of stormwater – Category 1 and Category 2 discharges	\$ 1,043.00
Minor discharge of stormwater – Category 3 and Category 4 discharges	\$ 225.00
Works in beds of rivers or lakes, including gravel extraction and construction of culverts, bridges and fords	\$ 225.00
Activities Permitted by a National Environment Standard	
*National Environmental Standard Production Forestry (NES-PF)	\$ 429.00
Other Activities	
Covers activities that require resource consent that do not fit within the consent activities above, but which may have environmental effects and will require some supervision and monitoring by Council	\$ 429.00

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

Annual consents administration charge

The resource consent annual administration charge fee of \$36 excluding GST per consent contributes to the costs Council incurs in undertaking its consenting, monitoring and administrative functions required under the Resource Management Act 1991. This includes maintaining consent and compliance information, reviewing annual charges and ensuring information on our databases and files is accurate and current. This charge is the same for all categories of resource consent and will apply to all those consents that are to be, or are likely to be, monitored as part of Council's compliance programme.

This charge applies to those consents that are subject to a Section 36 monitoring charge. Consent holders that do not receive a Section 36 monitoring charge will not receive the administration charge. The administration charge will be invoiced alongside the Section 36 monitoring charge process.

D. Research and monitoring charges

The following charges, made pursuant to Section 36(1)(c) of the Resource Management Act 1991, are payable by holders of resource consents and offset the Council's costs for its surface water, ground water, and gravel resource research and monitoring programmes.

Overview of charging policy

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

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

Schedule of charges

CHARGES FOR SURFACE AND GROUNDWATER TAKES

KCE Mangahao Limited	Mangahao – \$11,029
Genesis Power Limited	Tongariro Power Development – \$43,195 Plus additional costs for specific projects as per the Schedule of Administrative Charges.
NZ Energy Limited	\$1,986
KCE Piriaka	\$11,029
Other non-domestic power schemes less than 0.2 CMS and greater than 0.05 CMS	A charge of \$220 until separate charge negotiated.
Other non-domestic power schemes less than 0.05 CMS	Nil
Other holders of permits	A charge of \$30.63 plus \$0.50 per cubic metre authorised as a maximum daily take.

CHARGES FOR LAND USE CONSENTS

Holders of land use consents to remove gravel*	\$0.48 per cubic metre extracted.
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- The cost of gravel per cubic metre rate is calculated as the overall required revenue divided by the expected total volume extracted in cubic metres, plus a 15 per cent contingency. The costs may change throughout the Long-term Plan if there are strong environmental or river engineering benefits.

WATER QUALITY CHARGES FOR DISCHARGE CONSENTS

Discharge Monitoring	2019-20 Annual Fee
AFFCO Feilding	4,948
DB Breweries	9,178
Fonterra – Longburn	3,365
Fonterra – Pahiatua	1,692
Horowhenua District Council	7,990
Manawatū District Council	24,995
NZ Defence Force	7,072
Palmerston North City Council	9,159
Rangitikei District Council	26,705
Riverlands Manawatū	4,157
Ruapehu District Council	28,594
Scanpower	5,093
Winstone Pulp	4,840

Consent Monitoring (Contracted)	2019-20 Annual Fee
Tararua District Council	As per contract

State of Environment Monitoring and Research Type and Quantity	2019-20 Annual Fee
Discharge to Land <25	176
Discharge to Land >25 to 50	235
Discharge to Land >50 to 100	351
Discharge to Land >100 to 200	469
Discharge to Land >200 to 1,000	1,564
Discharge to Land >1,000 to 10,000	1,759
Discharge to Land 10,000+	1,955
Discharge to Water <25	352
Discharge to Water >25 to 50	469
Discharge to Water >50 to 100	704
Discharge to Water >100 to 200	938
Discharge to Water >200 to 1,000	3,127
Discharge to Water >1,000 to 10,000	3,518
Discharge to Water 10,000+	3,909
Unspecified Volume Discharge	1,955
Land Fill – High Impact	3,909
Land Fill – Medium Impact	586
Land Fill – Low Impact	195

Notes:

1. All charges are payable on request.
2. These charges shall come into effect on 1 July 2019 and remain in effect until 30 June 2020. These charges are reviewed annually for each Annual Plan and are likely to increase in line with increased costs.
3. In setting these charges, the Council has had regard to the criteria set out in Section 36 of the Resource Management Act 1991.
4. All charges are exclusive of GST.
5. Where the consent does not cover the full year, all research and monitoring annual fees and/or cubic metre charges will be pro-rated based on the commenced and/or expiry dates of the consent. This excludes the surface and groundwater charge of \$30.63.
6. Specified fees for discharge monitoring and consent monitoring apply to specific consents holders, and are additional to general State of Environment Monitoring and Research charges

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

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

Overview of charging policy

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

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

Schedule of charges**Dam consent, pim and safety work charges**

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

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

CHARGES FOR COUNCIL OFFICERS AND DECISION MAKERS

The hourly rates (stated in the table found on page 243) for the council officers and decision makers will be charged for work under the Building Act 2004 that do not have a fixed charge or where the fixed charge is inadequate to cover the actual and reasonable costs of Council.

F. Totara Reserve camping fees

The following charges are made pursuant to Sections 103(2) Local Government Act 2002 and are payable by campers at the Totara Reserve.

Overview of charging policy

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

- a. Council's policy (as outlined in the Revenue and Financing Policy) is to recover from campers 30 per cent to 45 per cent of the costs of running the Totara Reserve Camp.

Schedule of charges

Camp Fees

Powered site:	\$35.00 (for two people) plus \$5.00 per person per night
Non-powered site:	\$15.00 (for two people) plus \$5.00 per person per night
Children under 5:	Free

Camp Rangī Woods Rental

As negotiated with the Camp Rangī Woods Trust Board.

Notes:

1. All charges are payable on request.
2. These charges shall come into effect on 1 July 2019 and remain in effect until 30 June 2020.
3. All charges are inclusive of GST.

G. Other administrative charges

The following charges are made pursuant to Sections 36(1)(a), (c), (e) and (f) of the Resource Management Act 1991, and/or Section 13 of the Local Government Official Information and Meetings Act 1987 (LGOIMA), and are payable firstly by applicants for the preparation or change of a policy statement or plan; secondly by persons seeking information in respect of plans and resource consents; and finally by persons seeking the supply of documents.

Schedule of charges

Application for the preparation of a plan	A deposit of \$1,000 or the actual and reasonable costs of notification, whichever is the greater.
Application to change a policy statement or plan	A deposit of \$600 or the actual and reasonable costs of notification, whichever is the greater.

Information for general education/public use and normal public enquiries	No charge for first half hour or 20 A4 photocopies. Beyond that, actual and reasonable costs may be charged.
Information for planning, technical and commercial purposes	Actual and reasonable cost recovery.

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

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

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

Notes:

1. Staff costs per hour will be charged as per the table on page 243.
2. These charges shall come into effect on 1 July 2019 and remain in effect until 30 June 2020.
3. In accordance with Section 13 of the Local Government Official Information and Meetings Act (LGOIMA), a deposit for part of a charge for Council information may be sought in advance of a request being actioned.
4. In making these charges the Council has had regard to the criteria set out in Section 36 of the Resource Management Act 1991, and the practice guides accompanying the LGOIMA.
5. All charges are exclusive of GST.

H. Financial contributions (Pursuant to Section 108 of the Resource Management Act 1991)

Overview

The Council's Regional Plan for Beds of Rivers and Lakes and Associated Activities (Section 22) provides for financial contributions "where the activity for which consent is granted will cause or contribute to adverse effects on flood protection or erosion control works." The purpose of the financial contribution is "to mitigate or offset the adverse effects of the activity by protecting, restoring or enhancing the river bed, bank and/or flood protection or erosion control works, including (without limitation) maintenance and planting of vegetation, sediment replenishment, flood protection works, and including a contribution to such measures elsewhere in the general locality."

Schedule of charges

GRAVEL EXTRACTION – RANGITĪKEI RIVER

Holders of consents to take	A financial contribution of \$2 (excluding GST) per cubic metre of gravel extracted is set to avoid, remedy or mitigate the adverse effects. This financial contribution is applicable to land use consents for gravel extraction in the Rangitikei River and its tributaries where there is a consent condition requiring a financial contribution to be made for this purpose. The amount payable is set for the period 1 July 2019-30 June 2020.
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Annual Plan Disclosure Statement for the Year Ending 30 June 2020

Pursuant to Section 36 of the Resource Management Act 1991 and Section 243 of the Building Act 2004

What is the purpose of this statement?

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

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

Benchmark	HRCs benchmark	Planned	Met
Rates affordability benchmark			
• income	\$48.200 M	\$46.723 M	Yes
• increases	7.70%	4.72%	Yes
Debt affordability benchmark	\$115.100 M	\$38.000 M	Yes
Balanced budget benchmark	100%	106.70%	Yes
Essential services benchmark	100%	551.05%	Yes
Debt servicing benchmark	10%	2.41%	Yes

Notes

1 Rates affordability benchmark

- (1) For this benchmark,—
- (a) the council's planned rates income for the year is compared with [a quantified limit/quantified limits] on rates contained in the financial strategy included in the council's LTP; and

(b) the council's planned rates increases for the year are compared with [a quantified limit/quantified limits] on rates increases for the year contained in the financial strategy included in the council's LTP.

- (2) The council meets the rates affordability benchmark if—
- (a) its planned rates income for the year equals or is less than each quantified limit on rates; and
- (b) its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- (1) For this benchmark, the council's planned borrowing is compared with [a quantified limit/quantified limits] on borrowing contained in the financial strategy included in the council's LTP.
- (2) The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- (1) For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- (2) The council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- (1) For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- (1) For this benchmark, the council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- (2) Because Statistics New Zealand projects that the council's population will grow [as fast as, or faster than,/slower than] the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10 per cent of its planned revenue.

INDEX AND GLOSSARY

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Glossary of Terms

The definitions provided relate to how the word or term is used in the Annual Report or within Horizons Regional Council, which may differ from the purist's definition for a given word or term.

Accelerate25

Accelerate25 is the business brand for increasing job opportunities and quality of life in the Manawatū-Whanganui Region. It exists to develop the Manawatū-Whanganui Economic Action Plan and to accelerate opportunities for a stronger and more prosperous Region by 2025, for our people, for our mokopuna, for New Zealand.

Biodiversity

The number and varieties of plant and animal populations in an area of land or water.

Biosecurity

The prevention of new pest invasions and management of the impacts of existing pests.

Catchment

The area occupied by a river system.

Community Consultation

A consultation process to achieve community feedback.

Community Outcomes

Community priorities for the future of the Region, identified through a community consultation process.

Compliance Monitoring

Monitoring of resource consent holder performance against consent conditions.

Consents

Legal documents that give conditional rights to use a natural resource.

Environmental Grant

Funding provided by Horizons Regional Council to offset the costs of environment-based projects.

Erosion

The breakdown and removal of soil and rock by water.

Fluvial

Something that is produced through the action in a stream or river.

Governance

The function of elected members.

Groundwater

Water held in layers of sand or gravel beneath the ground.

Habitat

The environment in which animals live, e.g. forests and wetlands.

Habitat Protection

The community outcome and activity that relate to biodiversity issues.

He Tini Awa Trust

Environmental enhancement trust established and supported by Horizons Regional Council.

Indicators

Measures used to track change, e.g. water quality is an indicator of environmental health.

Iwi

A grouping of Māori based on ancestral ties.

Linklater Bursary

Horizons Regional Council scholarship for high school students intending to take an environment-related course at university.

Local Government

Regional, district and city councils.

Memorandum of Partnership or Understanding

An agreement between two or more parties outlining how a partnership will work.

Mitigation

Reducing adverse effects.

MNZ

Maritime New Zealand.

Non-scheme

Work done in rivers and drains not covered in a scheme area.

Rateable

Except as otherwise provided by the Local Government (Rating) Act 2002, or in any other Act, all land is deemed to be rateable property. All land classified as being rateable must be rated by the local authority.

Rates Remission

Where a rates remission is granted, the rates levied are forgiven and are no longer collectable by the local authority. Rates remissions do not apply to targeted rates levied for water, wastewater disposal, stormwater disposal and waste collection.

Regional Growth

In July 2015, Central Government, in consultation with Horizons and district and city councils, commissioned a [Regional Growth Study](#) that identified a number of opportunities and key enablers to help realise our Region's economic potential. The implementation programme from this study is known as Accelerate25.

River and Drainage – Non-scheme

Areas not covered by Horizons Regional Council flooding, river control or drainage schemes.

River and Drainage – Schemes

Areas where Horizons Regional Council manages flooding, river control and drainage on behalf of ratepayers.

Scheme Activity

Work in rivers and drains where a plan was agreed for flood protection and/or drainage management.

Soil Health

The quality of the soil for production purposes.

Sustainable

Using a natural resource in such a way that it does not damage it for future users, or reduce its ability to support life.

Tb Vector

An animal, such as a possum or ferret, that is able to transfer Tb (bovine tuberculosis) to farm animals.

Territorial Authorities (TAs)

District and city councils.

Total Mobility Service

A subsidised service for people who are assessed as being mobility impaired.

Wetland

A permanently or seasonally wet area, usually with high biodiversity values.

Whole Farm Plans (WFPs)

Specific work programmes for the Region's hill-country and the Whanganui Catchment.



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