

# **Porirua City Council**

## **Long-term Plan 2015-25**

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**Section 1: Strategic Overview**

## Our Council

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## Message from the Mayor

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This is Porirua's 50th year as a city. In developing this 10 year plan, the Council considered our city's past and present, as we planned for the future. The decisions we've made in the Long-term Plan 2015-25 take care of the here and now while keeping in mind those who will inherit our city.

We don't have money to throw around on flashy projects. It's about getting the basics right. This means balancing the budget, as well as investing in critical infrastructure. Like households or businesses, we have to weigh competing priorities with scarce resources. This Long-term Plan represents our best effort to get the balance right. It reflects community values and aspirations, while making a genuine difference in the way we operate as a city.

Porirua is young, dynamic and open for business. With around 40 per cent of our population aged under 25, we don't face the looming labour shortage of many parts of New Zealand.

But we also know that too many children and young people in our city should be doing better. We have extremes of rich and poor, as well as unacceptable disparities for Māori and Pasifika. We believe that the whole city – including the Council – has a responsibility to help lift the educational achievement of our young people, as well as tackle major child health issues that have no place in the 21st century.

In our city's 50th year, these persistent negative outcomes are unacceptable to me. To get different results, we need to do things differently. That's why a significant change in our Long-term Plan 2015-25

is to put children and young people at the centre of city decision making. This is a stark departure from the thinking of many local authorities.

Placing children and young people at the heart of what we do won't add costs. We won't be duplicating central government services but will use the resources we currently apply to different areas of city operations and focus them on improving opportunities for kids – and improving our advocacy for them too. This plan represents real change – it's not just a retrofit designed to justify the status quo.

We are also confronting the city's financial issues in this plan. We have changed the way we've previously done things so future generations are not left with debt and deficits. Past councils have done a good job of investing in the city's growth, but in many cases they did so by increasing spending – and increasing household rates – but without putting funds aside to renew assets and infrastructure. This plan aims to end that cycle of deferral and denial so that residents of tomorrow don't bear the consequences of expediency today. The buck has to stop here.

We have increased investment in underground infrastructure so that our water and waste water reticulation delivers efficient and reliable services for city residents. And we will spend \$40 million connecting Waitangirua and Whitby to the Transmission Gully Highway.

In this plan, you will see projects aimed at making Porirua an even better place to live, work and raise a family. In particular, we hope to spark development to open up opportunity for more affordable home ownership for more people. We've included investment in our CBD that will change the whole character of our city centre - to offer new kinds of activities and open it up for people to live.

Over time the Council wants to create the environment that will enable us to:

- Increase the ratio of ratepayers to residents. Currently, Porirua has the lowest proportion of rateable properties per head of population in the Wellington region;
- Develop medium to high density housing that will be more affordable, require fewer cars and increase patronage of public transport;
- Reduce pressure on the harbour and catchment by focussing development on infill housing that doesn't require major earthworks;
- Grow the population of the city to improve the range and number of amenities here; and
- Transform the Porirua city centre to enable inner city living for 1500 residents within a decade.

I am confident this plan will help fulfil our vision for a prosperous, healthy and active Porirua, where more people have jobs, own their own homes and raise happy families.

**Nick Leggett**

*Mayor of Porirua City*



## Message from the Chief Executive

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The Long-term Plan 2015-25 has been developed on the following important principles:

- Prudent financial management;
- Increased investment in our infrastructure; and
- Efficiency of our business.

### **Prudent financial management**

We are facing a number of financial pressures and this Long-term plan addresses a number of legacy challenges regarding rating for depreciation and running deficit budgets. While our financial position is basically sound (as evidenced by our Standard and Poors' AA rating), our current policies of not rating for all depreciation and running cash deficits are not sustainable for the next 10 years.

We will balance our budget but we will do it in a way that safeguards our core infrastructure and allows future generations some choices. Keeping rate increases as low as possible remains a priority, but we cannot continue to borrow to invest in our business.

With all of these factors in mind, we looked at four budget options to determine the best one for residents and ratepayers. The chosen option presented in the consultation document is to achieve a balanced budget by 2021/22 which sees us live within our means, bring our debt down to a manageable level, ensures we are not running the business with cash deficits and also meets the requirements of the Local Government Act



2002. We believe that this option moves us in a sustainable way forward and also provides for rating for depreciation. Over the 10 years of the long-term plan, our debt is forecast to peak at \$126 million in 2021 (as we complete the link roads to the Transmission Gully Highway), declining to \$96 million in 2024/25 as we balance the budget and rating for depreciation takes effect.

### **Increased investment in our infrastructure**

Porirua City Council has assets of over \$1.2 billion. Over the 10 years of the Long-term Plan we will invest \$300 million on capital, 32% of which will be on wastewater, stormwater and water supply areas, and 24% on roading to improve resilience and reduce the risk of service failure to the community.

This Long-term Plan will also see us complete our investment of \$40 million in the link roads that will connect Porirua to the Transmission Gully Highway. We will also invest \$21 million in improvements to the city centre, an area that is overdue for updating. We have provided to replace the canopies but have deferred a final decision for a year.

### **Efficiency of our business**

We ask residents every year how satisfied they are with the services we offer and this year, satisfaction levels are up on the majority of services and facilities the Council provides. We have looked at all our levels of service and the costs of delivering them. In this Long-term Plan we are not proposing to reduce levels of service as a means of lowering rates. Instead, we have made savings and identified areas where we could deliver the same service for less money.

We are pooling resources with other Councils in the region creating opportunities for greater efficiency and resilience through shared services. Wellington Water was established in 2014 and is jointly owned by the five Councils in the region: Porirua, Wellington, Hutt, Upper Hutt and Greater Wellington Regional Council. We're also part of a regional initiative with Wellington City Council, Upper Hutt City Council and Greater Wellington Regional Council for shared information and communications technology infrastructure services.

### **Securing our future**

We are also mindful of possible amalgamation changes to local government in the Wellington region in the near to medium term. Our

Long-term Plan has been prepared on the basis that we will continue as a stand-alone Council for the first three years of this plan.

Over the next 10 years the Council will move to a position of sound financial strength through prudent management of existing debt and by ensuring the Council achieves a balanced budget by the year 2021/22. Investment in core infrastructure will ensure our assets are safe and deliver what they must do for our community.

**Gary Simpson**  
*Chief Executive*

## Porirua Today

Porirua is a city of diversity with the third highest median household income in New Zealand but also some low socioeconomic communities. The population of approximately 52,000 residents is made up largely of Pakeha (64%), followed by Pasifika (26%), Maori (20%) and Asian (6%)<sup>1</sup>.

Porirua City is built in a fantastic natural environment beside the harbour, sea and rolling hills. Its boundaries stretch from Pukerua Bay in the north to Pauatahanui and Judgeford in the East and south as far as Tawa. In area, 80% of Porirua is zoned rural.

However, Porirua's urban areas continue to grow, largely with new houses in the Aotea, Duck Creek and Silverwood subdivisions. Being just 20 minutes north of the Capital City, Porirua residents travel regularly to Wellington, either to work or play, and as a result expect high levels of services when at home. You could say Porirua is a small city with big city expectations.

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<sup>1</sup> Individuals identify to more than one ethnic group which is why the total is more than 100 per cent.

## Our City Profile

This image shows a map of Porirua identifying the Northern, Western and Eastern Wards and their suburbs.

### PORIRUA'S WARDS AND SUBURBS



### *Population trends for Porirua*

The Council takes account of trends in population change as part of planning for the future. These trends, based on the latest information from Statistics New Zealand, help to calculate demand for council services and estimated revenue levels in upcoming years.

The 2013 Census population of Porirua City was 51,717; representing 11% of the population in the Wellington region (see table below). Porirua's population has been increasing at a gradual rate over the last 10 years, slightly below the average regional and national growth rates. Growth rates are expected to continue a similar trend for the next 10 years.

Table 1: Census 2013 usually resident population of Porirua City and other cities and districts in the Wellington region.

<b>City or District</b>	<b>Total Population</b>	<b>Percentage</b>
Porirua City	51,714	11%
Kapiti Coast District	49,104	10%
Upper Hutt City	40,179	9%
Lower Hutt City	98,241	21%
Wellington City	190,959	41%
Masterton District	23,352	5%
Carterton District	8,235	2%
South Wairarapa District	9,525	2%
<b>Total</b>	<b>471,312</b>	Percentages do not total 100 due to rounding

Note: Statistics New Zealand's Census of Populations and Dwellings is usually conducted 5-yearly. The scheduled 2011 Census was delayed until 2013 as a result of the Canterbury emergencies.

### *Population by Ward<sup>2</sup>*

Northern Ward: 20,628

Western Ward: 10,443

Eastern Ward: 20,643

### *Key Points for Porirua City's Social Profile*

Porirua City has a high proportion of young people compared with other territorial authorities in New Zealand. The 2013 Census showed Porirua had 25% residents in the 0 to 14 year category, compared to an average of 20% for New Zealand. Porirua also has a lower proportion of older people compared with other territorial authorities. The Census 2013 showed Porirua had 10% residents in the 65 years and over category, compared to an average of 14% for New Zealand.

The 2013 Census also showed that higher proportions of the Porirua population are Maori (20%) and Pacific (26%) than the averages for New Zealand (15% and 7% respectively). Lower proportions of the Porirua population are European (64%) and Asian (6%) than the averages for New Zealand (74% and 11% respectively).

For detailed population information go to the following websites:

- [www.pcc.govt.nz/Publications/Porirua-Statistics](http://www.pcc.govt.nz/Publications/Porirua-Statistics)
- [www.stats.govt.nz](http://www.stats.govt.nz)
- [profile.idnz.co.nz/porirua/home](http://profile.idnz.co.nz/porirua/home)

<sup>2</sup> Statistics New Zealand's Census of Populations and Dwellings was conducted on 5 March 2013. The Local Government Commission's Determination of Porirua City Council's representation arrangements was made on 24 August 2012 for the local body elections held on 12 October 2013, and the suburb of Ranui moved from the Western Ward to the Eastern Ward.

# Strategic Framework

## Porirua – a great place to live, work and raise a family



## Our Strategic Priorities for the next 10 years

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Porirua is already a great place to live, work and raise a family but we need to look to the future.

We need our city to thrive. We have identified four priorities that we think are key foundations for the city to succeed. This section explains what our priorities involve us doing over the next 10 years to make Porirua an even better place to live, work and raise a family.

### **Priority: Children and Young People at the centre of our city decisions**

The Council has developed a new strategic priority to make clear our commitment to the children and young people of our city. We have a diverse and youthful population with a quarter of our population under the age of 15. We need our young people to be equipped for the future. This means ensuring they are well educated, healthy, engaged in decisions affecting their future and are connected to their families, culture and community. We want to give our younger residents a greater say about what kind of city and community they want to live in.

#### *How are we doing?*

Porirua's young and ethnically diverse population faces a number of long-standing social challenges. For example, when compared to national averages some of our children are falling behind in areas such as education and health. We have the highest rates of rheumatic fever associated with overcrowded and/or poor housing. Some parents choose to school their children outside the district rather than locally.

We need to ensure that all residents can participate fully in our local community and are informed and engaged in decisions affecting their future. This isn't a youth deficit issue. It's about all kids in Porirua being invested in today.

#### *How will we do this over the next 10 years?*

The Council delivers some services directly to children and young people – libraries, pools and recreation facilities are examples of this. Other Council services are provided for all residents; our water infrastructure, roads and parks are critical for the smooth running of our city. Investing in these services now ensures we have a safe and resilient city for future generations.

There will not be significant change to these services, but in the future we will be specifically seeking children and young people's views about their city and about us as a Council. We will do this through surveys and social media. We will use the feedback to make improvements to the way we deliver services to children and young people.

Many other parts of the community contribute to children and young people as they grow up. Families, schools, iwi, community organisations, businesses and government agencies all play their part. We will work in partnership with others to identify how well our children and young people are doing and the issues affecting them in Porirua. The Council will put together an annual status report on child and youth wellbeing using the latest data from different sources. This will enable us to respond to specific issues with our partners and provide a report on progress. For example, the Council is looking to work with schools, the Ministry of Education, parents, iwi and community organisations such as SHINE to find ways to improve education outcomes for our young people.

## **Priority: A healthy and protected harbour and catchment – Te Awarua-O-Porirua**

Our harbour, Te Awarua-o-Porirua, is the centre-piece of our city. For Ngāti Toa Rangatira, the harbour, along with the lands and rivers within their rohe, are taonga. Their history and relationship with these resources are the foundation of their identity, cultural integrity, wairua, tikanga and kawa.

Traditionally Te Awarua-o-Porirua was also an important food source but, over time, the harbour and waterways have been adversely affected by reclamation, pollution and excessive sediment. Since 2006 we have prioritised harbour restoration work and improvement of the land and water environment. The health of the harbour and catchment is critical to the health and wellbeing of the Porirua community. We all rely on the harbour recreationally and environmentally.

### *How are we doing?*

While harbour restoration is a long-term project, we have seen the first small indications that the health of Te Awarua-o-Porirua is improving. Cockle surveys carried out regularly over the last 20 years by the Guardians of Pauatahanui Inlet have indicated an improvement in cockle numbers. A recent survey of the harbour suggests that sedimentation rates have reduced over the past five years. In addition, improved litter management has resulted in less rubbish in the harbour. Ngāti Toa Rangatira have completed the first fish survey of the harbour, while Greater Wellington Regional Council has established a monitoring network around the harbour. These monitoring activities will be critical in establishing whether our remedial actions are improving the health of the harbour.

The three-yearly review of the original *Porirua Harbour and Catchment Strategy and Action Plan 2012*, has recently been completed. Goals, programmes and actions have been updated. The four foundation partners – Porirua City Council, Ngāti Toa Rangatira, Greater Wellington Regional Council and Wellington City Council have a renewed commitment to the programme. We work in partnership with these and other key organisations on actions agreed in *Te Awarua-o-Porirua Harbour and Catchment Strategy and Action Plan 2015*.

### *How will we do this over the next 10 years?*

We have a Te Awarua-o-Porirua Harbour and Catchment Joint Committee comprising Porirua City Council, Ngāti Toa Rangatira, Wellington City Council and Greater Wellington Regional Council. The joint committee provides leadership and is supported by the Whaitua process being implemented by Greater Wellington Regional Council to provide a strong scientific basis for our future work. The integrity of our infrastructure is vital in keeping the harbour clean.

We will continue to monitor the key results from surveys about the health of the harbour and catchment and reassess our priorities and direction based on these findings.

### *New Initiatives*

- Undertake a significant renewal to the sewer and upgrade to the stormwater networks;
- Implement a catchment-wide sediment reduction plan;
- Implement an ecological enhancement plan for the Porirua Stream mouth; and
- Increase promotion of opportunities for public assistance.

### **Priority: A growing, prosperous and regionally connected city**

We are a growing city at the heart of the Wellington region. Our central location brings regional and national advantages – this will be particularly true once the Transmission Gully Highway is built. Encouraging economic growth is particularly important. At the moment we average about one per cent growth each year. If we can improve this rate of growth we will have a more vital and attractive city. We will also have more people to support investment in our city and share the cost of its running.

#### *How are we doing?*

Porirua is reaping the benefits of an overall improvement in the New Zealand economy. On most indicators we're doing well – the total value of goods and services produced in the city continues to grow (up 1.2 per cent from a year ago), residential consents continue to improve, guest nights are increasing and retail spending has increased 2.3 per cent in comparison to the same period last year. However, non-residential consents are low and house prices have reduced (down 1.5 per cent compared to a national increase of 6.4 per cent). Our median household income is the third highest in New Zealand. However, while the overall picture is optimistic, it masks some significant disparities. We need to focus on providing a sustainable environment for all people living in Porirua to have the opportunity to succeed. Our central city area is struggling and we need to look at ways to improve the heart of our city.

#### *How will we do this over the next 10 years?*

Our main focus will be to invest in our infrastructure. Over the next six years we will complete the link roads connecting Transmission Gully Highway to the city, costing a total of \$40 million. We'll also continue to invest in our core infrastructure such as water, wastewater and stormwater to ensure our services are reliable and safe. This benefits the

wider community and is good for business. We will also undertake improvements to our city centre. It is the part of the city most often criticised in our annual surveys, receiving only 46 per cent satisfaction by residents in the 2015 survey. We will also continue to monitor the indicators of economic growth in the city to enable us to direct resources to the areas of most need.

The Long-term Plan 2015-25 will see the Council:

- Invest \$21 million in public improvements in the central city and surrounding area;
- Promote commercial and residential development in the city centre through incentives and working with others;
- Introduce free public Wi-Fi in the city centre; and
- Attract new businesses to Porirua.

#### *New Initiatives*

- **Infrastructure investment** - We have assets of over \$1.2 billion, \$970 million of which is infrastructure. Over the next 10 years we will invest \$156 million to reduce risk of failure in our infrastructure assets as set out in the table on page 13. This capital investment will be funded by debt and by rating for depreciation.



**Infrastructure investment to reduce risk of service failure**

<b>AMP</b>	<b>Existing Risk Profile</b>	<b>Planned Risk Profile</b>	<b>Historic Expected Spend</b>	<b>Extra \$ over 10 years</b>	<b>Expected Total Spend</b>
Storm water	Medium	Low/Medium	\$7.0m	+ \$0.1m	\$7.1m
Wastewater incl WWTP	High	Medium/High	\$48.4m	+ 14.5m	\$62.9m
Water Supply	Medium	Medium	\$21.1m	+ \$3.1m	\$24.2m
Roading	High	Medium	\$18.7m	+ \$12.8m	\$31.5m
Property	High	Low	\$6.8m	+ \$3.9m	\$10.7m
Leisure	Low/High	Medium	\$13.8m	+ \$6.2m	\$20.0m
<b>Total</b>			<b>\$115.8m</b>	<b>\$40.6m</b>	<b>\$156.4m</b>

<b>Definition of risk<sup>3</sup></b>	<p>Significant failure of an asset resulting in loss of level of service is:</p> <p><b>High</b> up to 50% chance of occurring in next 12 months</p> <p><b>Medium</b> up to 30% chance of occurring in next 12 months</p> <p><b>Low</b> up to 5% chance of occurring in next 12 months</p>
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<sup>3</sup> Based on SNZ HB 4360:2000 Risk Management for Local Government

### *New Initiatives continued...*

- **City Centre** - Our city centre is not thriving. We have a number of vacant shops and Cobham Court is looking tired and is overdue for updating. We will be spending \$21 million over the next 10 years on improvements to the city centre. Of the \$21 million, \$12 million will be spent over the next three years on remodelling the public space in a number of ways, for example shifting the public toilets from Lyttelton Ave to Cobham Court and making the area more pedestrian friendly.

The Council is still considering replacement options for the canopies. The old canopies had to be removed for safety reasons. They were in place for nearly 20 years – longer than had been estimated. We have allowed \$4 million over the next two years, as this is the estimated cost of full replacement.

We will encourage residential development in the city centre and close-by areas. Our recently amended Development Contributions Policy assists with this.

- **Whitford Brown Intersections Improvements Project** - We're committing \$3 million for improvements to the intersections along Whitford Brown Avenue at The Fjord, Papakowhai Road, Okowai Road, a mid-block pedestrian crossing (between Okowai and Papakowhai Road), and Routeburn Avenue. The traffic volumes at these intersections are increasing as the city grows. This upgrade will be necessary to reduce travel time and the frequency of accidents.

The Whitford Brown intersections are a high priority because they are a key east-west connector across the city. These upgrades will also improve pedestrian access across Whitford Brown Avenue which is particularly important for children and young people attending Papakowhai Primary School and Aotea College.

### **Priority: A great village and city experience**

We are a city with a diverse range of villages, many great opportunities and a beautiful physical environment. We will play our part in shaping the future by providing efficient, accessible services. So whether you are setting up a business, choosing a library book or renovating your house, your business with us will be friendly, quick and affordable. When you turn on the tap, fresh clean water will flow. When you have a problem with our services you know where to turn.

Ensuring that we have reliable infrastructure is an important part of what we do, so is allowing our communities to have a say on the physical improvements in their villages and local public spaces.

#### *How are we doing?*

We run annual surveys to see how satisfied people are with our services. Many of our services are highly regarded. Libraries, water supply, sportsfields and parks and reserves all receive over 90 per cent satisfaction ratings. However, people don't think we do so well in the inner city – especially the Cobham Court area, our maintenance of footpaths, our stormwater system and our role in creating the right business conditions. The harbour, beaches and streams also receive some criticism.

#### *How will we do this over the next 10 years?*

Our focus is on getting these things right. We will:

- Continually improve our policies and customer service practices so that businesses have confidence in doing business with us;
- Survey our residents and key stakeholders to enable continuous improvements to our services;

- Take care of the basics including footpaths, roads and our stormwater system;
- Improve our engagement with the people in our city – making our decisions clearer;
- Develop our villages and provide a modest investment toward local public improvements; and
- Develop a performing arts centre in partnership with others.

#### *New Initiatives*

- **Performing Arts Centre** - We support having a performing arts centre in Porirua - a multi-purpose venue where our multicultural community can showcase its talent. We have been approached by Aotea College to partner with it in a new auditorium that would serve the school as well as the wider community. The new auditorium is part of a wider master plan for the College. If agreed, construction is likely to be two to three years away. We have allocated \$1 million in 2018/19 as a grant towards a performing arts centre. However, the Council reserves the right to reallocate the funding to another option should agreement with Aotea College regarding satisfactory community use not be achieved, or the project is unduly delayed. The provision of this grant would have had a 2% rate increase impact in the 2018/19 year. The grant has been 'spread' over a two year period to smooth the impact on rates. This can be reviewed for the 2018/19 Long-term Plan.
- **Outdoor wet playground facility** – We have made provision in the Long-term Plan for a \$500,000 capex for an outdoor wet playground facility in year 1 of the Long-term Plan 2015-25. We will consult on options and potential sites with the community.

Our priorities are about what we do but the way we do business is also important. The following principles underpin everything we do:

**Affordability** – we’re a small city with big city aspirations. We need to invest carefully and be prudent – the financial burden falls on relatively few people compared to other cities.

**Sustainability** – not investing is not an option. We have important network infrastructure to maintain and a young and vibrant population to serve. We need to spend money to make Porirua the city we want.

**Partnerships** – working with others is a smart way to get the best value for money. It recognises that many things are the responsibility of other sectors or organisations. It means working with Ngāti Toa Rangātira on our shared vision for Porirua, with schools to get shared facilities, with businesses to improve our city centre and with our communities to improve our local environment.

**Creativity and Innovation** – being small brings its advantages. We are nimble and creative and can often punch above our weight because we can problem solve and generate innovative solutions from our own small, well-connected community.

## Māori contribution to Council decision-making

The Council has an established relationship with Ngāti Toa Rangātira (tangata whenua of Porirua) both at a governance and management level. The Council and Te Rūnanga o Toa Rangātira (the Runanga or business arm of Ngāti Toa) have a Charter of Understanding which sets out the principles of the relationship between the two organisations and the mechanisms by which the relationship will be supported.

The Council and Rūnanga officers liaise regularly on a wide range of strategic and local issues. Te Rūnanga o Toa Rangātira also provides the Council's cultural support. Mr Taku Parai of Ngāti Toa Rangātira is the Council's kaumatua and is able to attend council meetings.

We also demonstrate our commitment to this ongoing relationship with a new council activity 'Partnership with Māori' and a performance measure that the Council meet with Ngāti Toa Rangātira on a regular basis to discuss matters of mutual interest.

## Rates Information

Rates are a property tax to fund local government activities. The amount of rates charged varies between properties because of differences in capital values, and differences in services provided for residential, rural and commercial properties. Property valuation changes, which the Council has no control over, will also affect the rates paid. Prospective financial statements for the 10 year period of the Long-term Plan 2015-25 that detail the rate funding requirements can be found in Section 4: Funding our work.

### *Rating base information*

The projected number of rating units within Porirua City at the beginning of each financial year of the Long-term Plan 2015-25 are as follows:

Year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Number of rating units	18,096	18,277	18,460	18,644	18,831	19,019	19,209	19,401	19,595	19,791	19,989

### *What will our rates look like?*

We have a high dependence on rates as our income source. Unlike many metropolitan councils we do not have significant assets such as airports or ports, to provide alternative sources of income to offset the amount of rates we need to collect. Rates account for 74 per cent of our cash income compared to the national average of around 54 per cent<sup>4</sup>. To make up this difference, we have to rate \$13 million more by rates than the average New Zealand council – simply because we are a young city with few income generating businesses in our ownership.

We also have fewer ratepayers than might be expected for our population. We provide the same levels of service and perform the same functions as other Councils like Kapiti Coast District Council for example, that has a similar population of 50,000, but is able to raise rates from 24,000 properties. Porirua, with a population of 52,000, has only 18,000 properties to raise rates from. Essentially we have more people in each household and fewer householders. Fewer ratepayers mean we have to collect more rates from each property.

As we start to rate for depreciation and move towards a balanced budget, we need to have higher rates than we would like. For the average ratepayer with a property value of \$381,000, their rate increase will be 4.8% or \$124 per annum which is a \$2.38 per week increase.

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<sup>4</sup> Local Government Funding Review: A Discussion Paper, February 2015, p.20.

### *Rates increase over 10 years of the Long-term Plan 2015-25*

The average ratepayer will see a 4.8% increase in property rates in 2015/16 based on the final budget in this Long-term Plan. The annual increases in the average property rate-funding required across the ten years of the Long-term Plan 2015-25 are shown below. These figures take into account additional income from new properties in the city each year, which expands the rating base. This means the cost of Council services is spread over a greater number of properties. Property growth is assumed to be 1% each of the Long-term Plan 2015-25.

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Rates Income (\$ million) <sup>1</sup>	54.0	57.3	60.8	64.8	69.1	74.4	79.4	83.5	86.4	89.0
Increase from previous year	5.80%	6.03%	6.03%	6.65%	6.60%	7.72%	6.70%	5.20%	3.42%	3.00%
Average effect on ratepayers <sup>2</sup>	4.80%	5.03%	5.03%	5.65%	5.60%	6.72%	5.70%	4.20%	2.42%	2.00%

1 These figures include inflation, but exclude GST

2 These figures take into account additional income from new properties in the City each year. Property growth is assumed to be 1% each year of the LTP.

### *Rates charged by Greater Wellington Regional Council*

The property rates figures in this Long-term Plan exclude the rates assessed by the Greater Wellington Regional Council, which also appear on your rates bill. See <http://www.gw.govt.nz> for information on Greater Wellington Regional Council's rates for 2015-25.

### Property rates for 2015/16 (Year 1)

The tables below show the rates that property owners will pay for the 2015/16 year:

#### Residential Properties – rate increase for 2015/16

Property Value (\$)	2014/15 Annual rates (\$)	2015/16 Annual rates (\$)	Annual increase from 2014/15 (\$)	% increase	Total Rates per week
\$150,000	\$1,682	\$1,748	\$66	3.9%	\$34
\$250,000	\$2,059	\$2,149	\$91	4.4%	\$41
\$350,000	\$2,436	\$2,551	\$116	4.7%	\$49
\$450,000	\$2,813	\$2,953	\$140	5.0%	\$57
\$550,000	\$3,190	\$3,355	\$165	5.2%	\$65
\$750,000	\$3,944	\$4,159	\$215	5.4%	\$80
\$1,000,000	\$4,886	\$5,163	\$277	5.7%	\$99

1 Figures inclusive of general and targeted rates

2 Figures exclude rates assessed by Greater Wellington Regional Council (go to [www.gw.govt.nz](http://www.gw.govt.nz)) for information on Greater Wellington's proposed rates for 2015/16)

#### Rural Properties – rate increase for 2015/16

Property Value (\$)	2014/15 Annual rates (\$)	2015/16 Annual rates (\$)	Annual increase from 2014/15 (\$)	% increase	Total Rates per week
\$250,000	\$1,060	\$1,123	\$63	5.9%	\$22
\$350,000	\$1,324	\$1,404	\$80	6.1%	\$27
\$450,000	\$1,588	\$1,685	\$98	6.2%	\$32
\$550,000	\$1,852	\$1,967	\$115	6.2%	\$38
\$750,000	\$2,379	\$2,529	\$150	6.3%	\$49
\$1,000,000	\$3,039	\$3,232	\$193	6.4%	\$62

1 Figures include Uniform Annual General Charge but exclude targeted rates such as Water, Sewerage and the Pauatahanui Sewerage scheme

2 Figures exclude rates assessed by Greater Wellington Regional Council (go to [www.gw.govt.nz](http://www.gw.govt.nz)) for information on Greater Wellington's proposed rates for 2015/16)

### Business Properties – rate increase for 2015/16

Property Value (\$)	2014/15 Annual rates (\$)	2015/16 Annual rates (\$)	Annual increase from 2014/15 (\$)	% increase	Total Rates per week
\$250,000	\$4,397	\$4,638	\$241	5.5%	\$89
\$350,000	\$5,716	\$6,043	\$327	5.7%	\$116
\$450,000	\$7,035	\$7,449	\$414	5.9%	\$143
\$550,000	\$8,354	\$8,855	\$501	6.0%	\$170
\$750,000	\$10,993	\$11,666	\$673	6.1%	\$224
\$1,000,000	\$14,290	\$15,180	\$890	6.2%	\$292

1 Figures inclusive of Uniform Annual General Charge, general and targeted rates but exclude kerbside recycling and Pauatahanui Sewerage targeted rate

2 Figures exclude rates assessed by Greater Wellington Regional Council (go to [www.gw.govt.nz](http://www.gw.govt.nz)) for information on Greater Wellington's proposed rates for 2015/16)

3 Business Group 13 consists of 766 business properties. Of the 766 business properties 56 are also charged City Centre Development rate and the City Centre Covered Walkways rate. In 2015/16 there will be no City Centre Covered Walkways rate because the original loan for the Canopies will be fully repaid. As a result the 56 business properties will have a reduction in their 2015/16 year rates as there will be no City Centre Covered Walkways rate in the 2015/16 year.

### Motel Properties – rate increase for 2015/16

Property Value (\$)	2014/15 Annual rates (\$)	2015/16 Annual rates (\$)	Annual increase from 2014/15 (\$)	% increase	Total Rates per week
\$250,000	\$2,373	\$2,495	\$123	5.2%	\$48
\$350,000	\$3,022	\$3,186	\$164	5.4%	\$61
\$450,000	\$3,672	\$3,877	\$205	5.6%	\$75
\$550,000	\$4,322	\$4,568	\$246	5.7%	\$88
\$750,000	\$5,622	\$5,949	\$328	5.8%	\$114
\$1,000,000	\$7,246	\$7,676	\$430	5.9%	\$148

1 Figures inclusive of Uniform Annual General Charge, general and targeted rates but exclude kerbside recycling targeted rate

2 Figures exclude rates assessed by Greater Wellington Regional Council (go to [www.gw.govt.nz](http://www.gw.govt.nz)) for information on Greater Wellington's proposed rates for 2015/16)

\* The examples above only show one wastewater charge whereas motels have a number of wastewater charges depending on their number of units.



**Shopping Plaza Properties – rate increase for 2015/16**

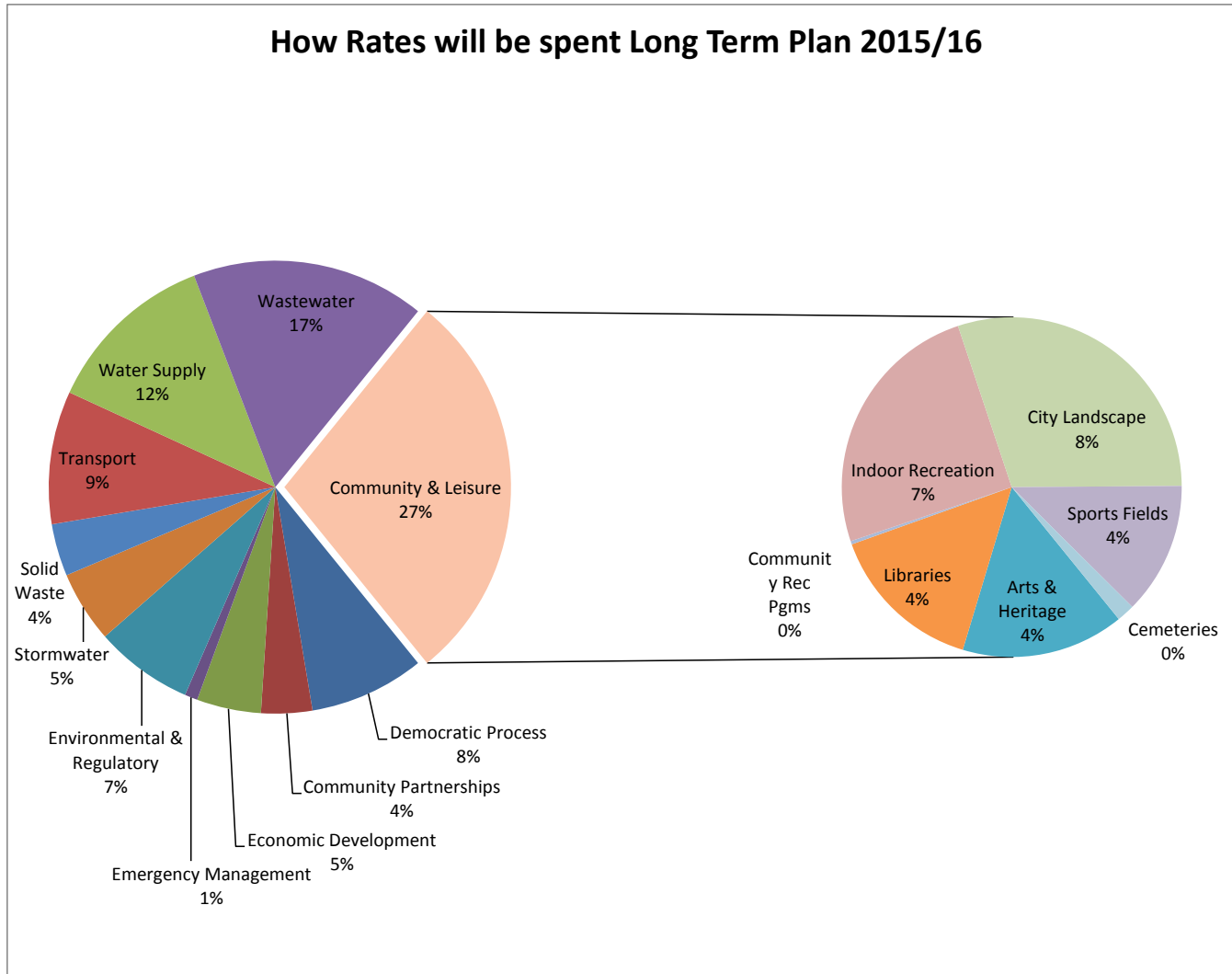
<b>Property Value (\$)</b>	<b>2014/15 Annual rates (\$)</b>	<b>2015/16 Annual rates (\$)</b>	<b>Annual increase from 2014/15 (\$)</b>	<b>% increase</b>	<b>Total Rates per week</b>
\$250,000	\$3,725	\$3,922	\$197	5.3%	\$75
\$350,000	\$4,776	\$5,043	\$268	5.6%	\$97
\$450,000	\$5,826	\$6,164	\$338	5.8%	\$119
\$550,000	\$6,876	\$7,285	\$409	5.9%	\$140
\$750,000	\$8,977	\$9,527	\$550	6.1%	\$183
\$1,000,000	\$11,603	\$12,330	\$727	6.3%	\$237

1 Figures inclusive of Uniform Annual General Charge, general and targeted rates but exclude kerbside recycling targeted rate

2 Figures exclude rates assessed by Greater Wellington Regional Council (go to [www.gw.govt.nz](http://www.gw.govt.nz)) for information on Greater Wellington's proposed rates for 2015/16)

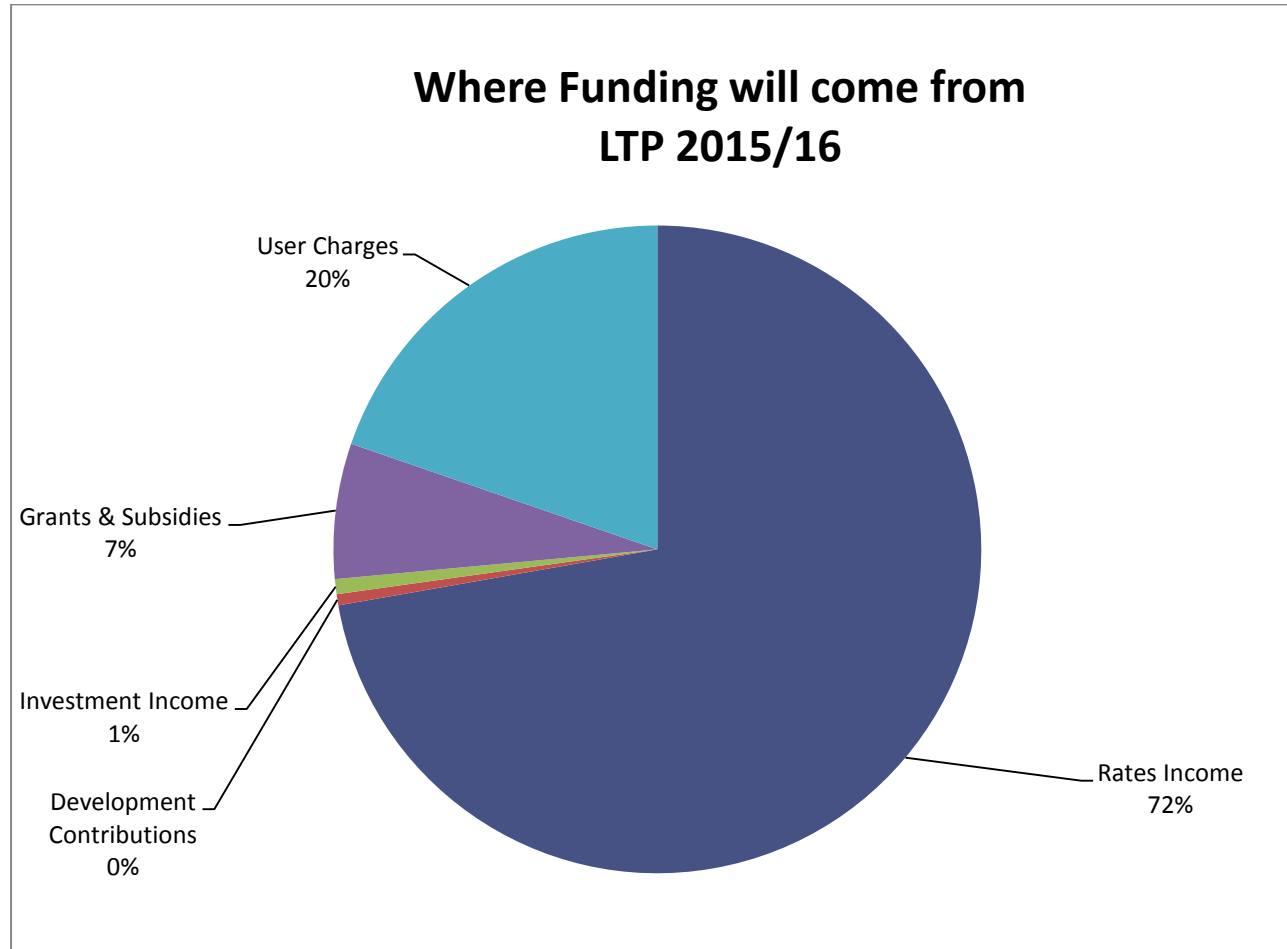
*How rates will be spent in 2015/16*

The pie chart below shows the portion of rate-funding that goes towards each of the Council's groups of activities in 2015/16:



*Where operating funding will come from 2015/16*

The pie chart below shows that the Council has some other sources of income in addition to property rates. Non-cash items such as vested assets and asset valuations have been excluded.





### To the reader:

#### Independent auditor's report on Porirua City Council's 2015/25 Long-Term Plan

I am the Auditor-General's appointed auditor for Porirua City Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). I have carried out this audit using the staff and resources of Ernst & Young. We completed the audit on 30 June 2015.

#### Opinion

In my opinion:

- the plan provides a reasonable basis for:
  - long-term, integrated decision-making and coordination of the Council's resources; and
  - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 30 to 41 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from City Council's audited information.

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

#### Basis of Opinion

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards.

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

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been consistently applied in the development of the forecast information;

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

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

#### **Responsibilities of the Council and auditor**

The Council is responsible for:

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

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

#### **Independence**

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



Stuart Mutch  
Ernst & Young  
On behalf of the Auditor-General  
Wellington, New Zealand

## Section 2: Financial Strategy

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# Financial Strategy

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## Executive Summary

This new Long Term Financial Strategy has been developed to ensure that over the next ten years Porirua City Council will move to a position of sound financial strength. 2025 will see the Council with sound infrastructure (having over the ten years of the plan invested significantly in core infrastructure such as roading and the 3 waters; water supply, stormwater and wastewater), a debt level that is well within its policy levels and rate increases down below three percent for the average ratepayer. It will also have been able to enact fiscal policies that address a number of legacy challenges with regards to rating for depreciation and running deficit budgets.

Over the past 15 years the Council has invested \$176 million on key capital infrastructure. This has not only been on traditional infrastructure such as roads and water but also on significant leisure assets such as Pātaka, Te Rauparaha Arena, and parks and recreation infrastructure. This development has occurred as the city has grown and reflects the growing demands from residents for facilities one would expect in a community of our size.

As the Council's information improved on the quality of the assets condition it became apparent that more needed to be spent (and more quickly) than originally planned. This saw the Council spend \$79 million more over the last 10 years than the original long-term plans had allowed for. At the same time because the Council had not anticipated the higher capital spend requirement, the Council determined that it did not need to rate for depreciation to fund the capital programme. In the 2009/19 LTP the Council started to rate for depreciation for the 3 waters assets, but in hindsight a more extensive and significant policy change including depreciation for a wider asset group would have been more appropriate.

The Council primarily used debt to fund the capital programme and over the past six years, in particular, has run cash operating deficits rather than increase rates to meet any shortfall. These two factors have been the major drivers in determining Councils current financial position.

The Council are also forecasting to continue to invest in capital infrastructure over the life of the plan and this year, 2015, sees our city celebrate its 50th anniversary. It should not therefore be a surprise that significant investment in aging infrastructure is and has been required.

Our financial position is basically sound and while we have a strong balance sheet – as supported by our Standard and Poor's A+ credit rating - our current policies of not rating for all depreciation and running cash deficits are not sustainable for the next 10 years.

The Council's strategy is to steer a prudent course of action that ensures:

- A prudent budget keeping debt levels manageable;
- Prioritising infrastructure investment;
- Ensuring intergenerational equity.

Over the 10 years of the plan the Council is proposing to spend \$300 million on capital, 32% of which will be in the wastewater, stormwater and water supply areas, and 24% on roading. The other main area of spending is in the city centre where we propose to spend \$21 million. Significant capital projects include:

- \$41 million on increasing the capacity of our Wastewater Treatment Plant to handle the projected growth over the next 25 years. (The plant is 25 years old and nearing its current capacity);



- \$33 million on improving the condition of our roads – currently 8 per cent of our 247 km of roading are classified below ‘fair’. This will drop to 4 per cent by 2025;
- \$31 million on the link roads to Transmission Gully Highway;
- \$21 million City Centre revitalisation, including surrounding areas;
- \$9 million on new reservoirs and refurbishment of existing reservoirs; and
- \$1 million on Pataka, which is 15 years old, and the Arena, which is six years old.

These major projects reflect the Council’s desire to continue to invest in core infrastructure and lower the risk profile associated with these assets. This significant capital investment will be funded by debt and the commencement of rating for depreciation.

Over the 10 years of the plan, debt is forecast to peak at \$126 million in 2021 (at the completion of the link roads to Transmission Gully Highway), declining to \$96 million in 2024/25 as the policies of a balanced budget and rating for depreciation take effect.

Rating levels for the first six years of the plan are at higher levels than has been the case for a number of years, but are reflective of the increased capital spend and the progressive increase in rating for depreciation along with the need to start to move toward achieving a balanced budget (i.e. living within our means). 2021/22 signals achievement of balanced budgets and also the drop in rating levels to the Local Government Cost Index or lower. It is also over this period that the possibility exists to increase investment beyond what is planned as the fiscal strength will be there to enable this approach in an affordable manner.

## Introduction

Over the past three years, the economy has been relatively steady, albeit with less activity than prior to the global crisis. Economic growth has been around 1% per annum and is likely to continue at this level over the next few years. The start of Transmission Gully Highway in 2015 - and our two local link roads are due to be completed in 2020 when Transmission Gully Highway will open – is likely to drive an increase in economic activity as Porirua takes advantage of the opportunity. We anticipate that after 2020, an increase in residential activity is likely and this, coupled with the ultimate opening up of the Northern Growth Area, will sustain the 1% growth that we have been experiencing.

The preparation of this 10-year financial strategy has, for the Council, highlighted the fiscal challenges facing the city, as we address growing demands for increased capital expenditure in core infrastructure assets such as the roading network, the stormwater, wastewater and water supply networks and the property portfolio.

Rating levels relate to the levels of service that a council provides. In Porirua's case our rating levels result in a higher level of service, for example in the arts and recreation areas, than other similar local authorities. However, when many of the Council’s financial ratios such as debt and operational expenditure per capita are compared with other councils, its performance indicates fiscal restraint.

The significant challenge for the Council is that we have a population base of 50,000 but only 18,000 rateable properties to spread our costs over. By comparison our northern neighbours (Kapiti) hold 24,527 rateable entities with a similar population base. Yet, our ability to meet service levels has not been compromised, with the latest resident survey

demonstrating that 82% of residents were either very satisfied or satisfied with the services provided.

A major financial issue for the Council is its very high dependence on rates as its principal source of revenue. Last financial year, for example, 74% of the Council's cash revenue comes from rates compared with the national average of approximately 54%. As a young city, Porirua does not have legacy investments such as investment proceeds from the sale of public utilities or large land and property endowments which other long-established cities use to offset the reliance on rates.

This high dependency on rates means that the Council has very few options available to absorb cost increases; it either has to increase rates or lower the levels of service.

The previous long-term plan had forecast increases in non-rate revenue, which saw the dependence on rates reduced. Unfortunately, the Council was not able to achieve the increases assumed, conversely we saw revenue from fees and charges decline in a number of areas. Some of this was a result of lower levels of economic activity (landfill quantities actually declined) and increased competition.

It is not expected that the non-rate revenue trend will change, putting more pressure on rate income as our major income source.

It is against this backdrop that the Council is steering a prudent course of action and adhering to the following principles:

- A prudent budget that keeps debt levels manageable, invests in future assets, provides a return in terms of public use of investment and supports intergenerational equity;

- Prioritising infrastructural investment expenditure made by the Council to ensure assets are maintained and significant programmes of work are completed; and
- The Council takes the view that rates are an investment in the city and require a prudent and responsible approach to how they are spent.

## Budget Priorities

### Balancing the Budget

The Local Government Act (2002) requires the Council to budget each year for operating revenue at a level sufficient to meeting the operating expenses budgeted for that year. This is known as the "balanced budget" requirement.

The legislation also allows the Council to budget for a deficit, if it resolves that it is financially prudent to do so.

In assessing a financially prudent decision consideration is to be given to:

- The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long-term plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life;
- The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life;

- The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life; and
- The funding and financial policies adopted under section 102.

In 2014, Government introduced a number of amendments to the Local Government Act including the Local Government 2014 Financial Regulations, which established eight benchmarks against which all councils must report.

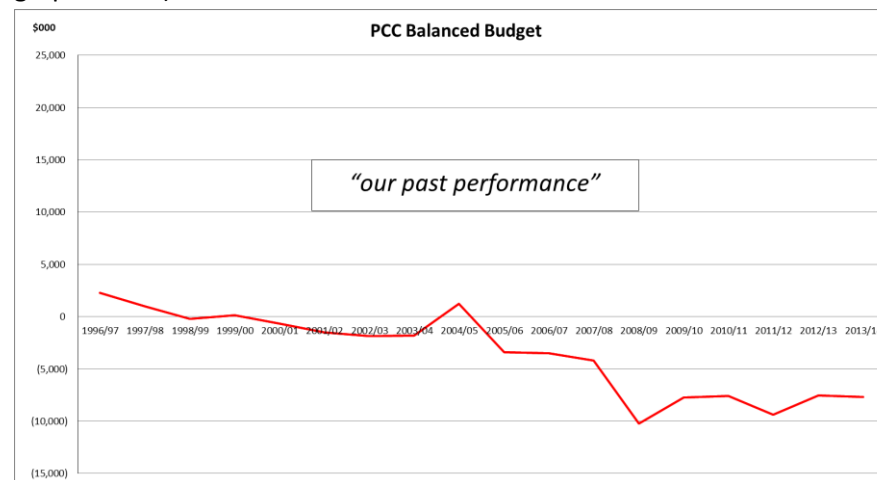
One of these benchmarks is the balanced budget, defined as *“Council Revenue – excluding development contributions, vested assets, gains on derivatives and revaluations of PPE as a proportion of operating expenses – excluding losses on derivatives and revaluations”*.

This definition includes NZ Transport Agency capital subsidies as revenue and assumes councils fully rate for depreciation. However, Porirua City Council does not fully rate for depreciation. It is acknowledged that the Council runs deficits from a balanced budget perspective because it does not fully rate fund depreciation. The following fiscal levers will be used to move progressively towards achieving a balanced budget within the life of this long-term plan:

- Rates setting
- Fees and charges
- Rating for depreciation
- Development and financial contributions
- Efficiencies
- Debt repayment

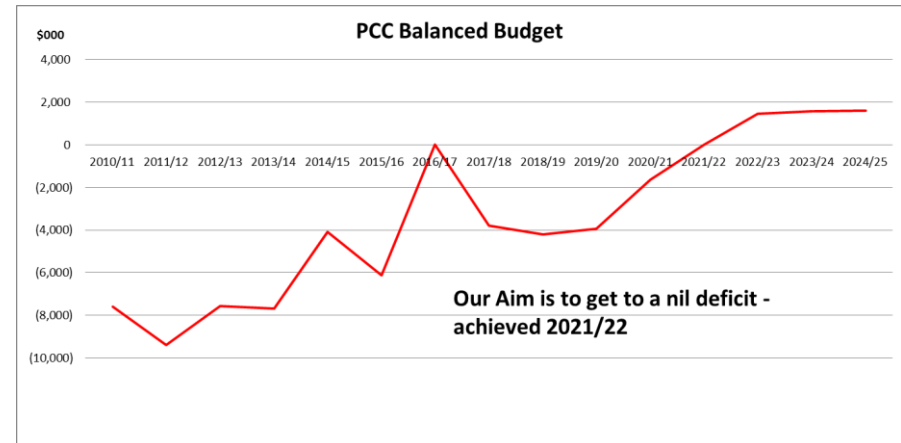
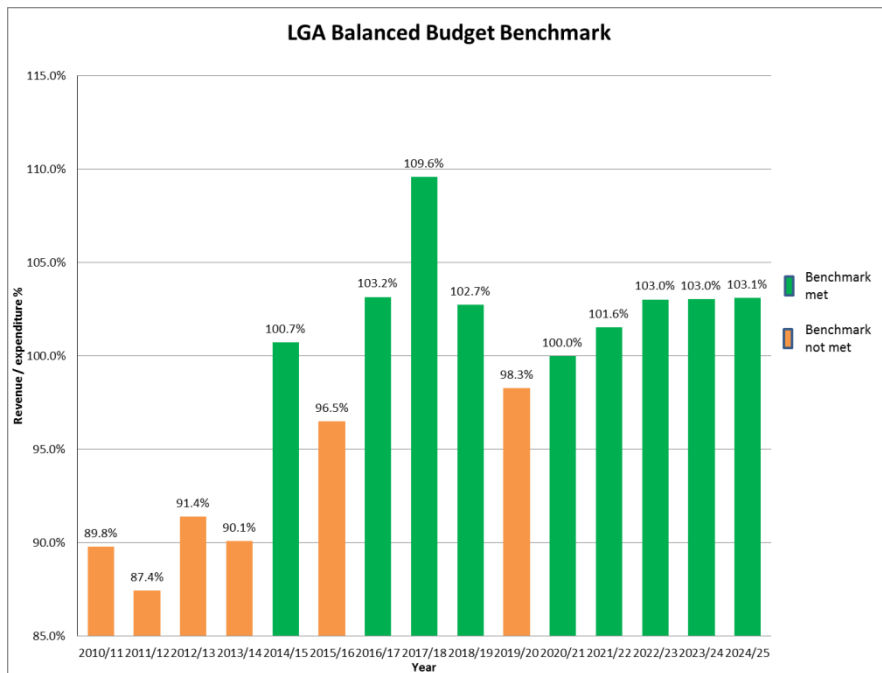
The Council has defined **its balanced budget target** as the Local Government (Financial Reporting and Prudence) Regulations 2014 definition modified to exclude the NZ Transport Agency’s capital subsidies from the calculation of revenue.

For a number of years, the Council has been running deficits (refer to the graph below):



Moving forward and long term this is neither a sustainable position nor financially prudent. In the 2006/16 LTP, the Council considered that the deficits were manageable given the capital programme at the time. Our actual capital spend over the past 10 years was \$79 million more than originally planned. This was due to the Council responding to increased capital spending requirements for core infrastructure assets, as definitive information concerning their condition became available. Debt was primarily used to fund the additional requirements.

The following graphs set out how this plan delivers against both the Local Government Act (LGA) balanced budget benchmark and the PCC defined balanced budget:



It is not practical to immediately move to a balanced budget, but prudent fiscal approaches are being implemented to achieve this end. Part of this approach includes adopting a number of principles relating to some key fiscal levers and is discussed in the following sections.

**Section 100 and clause 14 of schedule 10 of the Local Government Act** requires us to have a balanced budget for all 10 years of the long-term plan. We acknowledge that we will not achieve this for all 10 years. This is because we believe that setting rate levels to immediately achieve this would be inequitable and extremely hard on ratepayers. Based upon the budget options discussed above, the gradual changes proposed will result in the best fiscal and sustainable outcome. While rates will be higher than in previous years, it will enable us to achieve the capital investment required for the city while maintaining the levels of service that residents expect.

The graph to the left displays the Council’s revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

## Depreciation

### Principle

1. Depreciation is recognition of the current “use” of the asset by residents and ratepayers.
2. Depreciation is a charge that today’s ratepayers should meet as it provides the funds for renewal of the asset. Applied like this it recognises the key issue of Intergenerational Equity and will ensure that future generations are not left with an unsustainable fiscal burden.
3. The Council will steadily increase the amount of depreciation that is rate funded.

### Logic

Depreciation spreads the capital cost of assets over their useful lives so that each generation of ratepayers pays for their fair share of use of the asset. By not rate funding, it places an unfair burden on future ratepayers who have to front the asset replacement.

Rate funding depreciation supports the intergenerational equity principle whereby everyone who benefits from use of the asset pays their fair share over the assets’ useful life.

By rating for depreciation, we are providing cash to fund the capital renewal programme.

that it is not necessary to fully rate for our roading network as NZ Transport Agency provide a capital subsidy for roading assets of approximately 50% of the total cost. Consequently, the Council has

With our roading assets, it is not necessary to rate-fund fully for depreciation of this asset class. As we receive a NZ Transport Agency capital funding subsidy on our roading assets, then we only need to provide funding for “our share” of the expenditure. Rate funding to a maximum of 50% for our roading assets would seem appropriate.

While in the past we have only rate funded for the depreciation for the 3 waters, we have directly rate funded for much of the actual capital programme. For 2014/15 this was \$5.3 million. The balance of the capital programme was debt funded – both directly and indirectly. Rather than this confusing and non - transparent approach, it is clearer to rate for depreciation more fully.

### Rate-Funding for Depreciation

The Council resolved in 2009 that it was prudent to begin to rate-fund for depreciation of the 3 waters (i.e. stormwater, wastewater and water supply activities) from Year 1 of the 2009-19 long-term plan. The intention behind this resolution was to address the issue of intergenerational equity - spreading the load over present and future generations for the replacement of infrastructural assets.

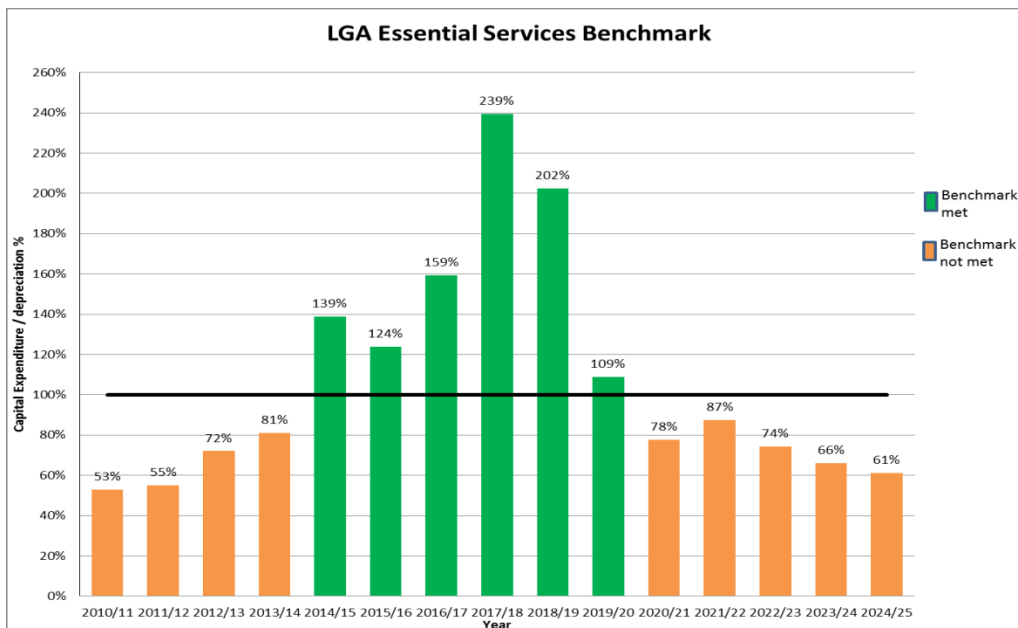
The Council has reviewed its approach and now considers it prudent to rate fund for depreciation for all asset classes. It does, however, consider

determined to only look to rate fund for depreciation, only 50% of the roading assets value.

While the Council only rate funded for a portion of the 3 waters it did directly rate for much of the capital programme. For transparency, the Council will look to increase the amount it rates for depreciation as set out in the table below. This rated depreciation will be the prime source of funding for our capital programme. Debt will be used where funds from depreciation, capital subsidy and development contributions are insufficient to meet the capital programme expenditure.

To move to fully rate for depreciation immediately would not be equitable to current ratepayers. This is why the Council has determined to progressively move towards fully rating for depreciation. The following table indicates the percentage of the activity's total depreciation funded from rates:

Year	2015/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
	1	2	3	4	5	6	7	8	9	10
All Activities except Roothing	75%	76%	77%	78%	79%	80%	81%	82%	83%	84%
Roothing	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Rate funding for depreciation \$m	13.0	13.6	14.6	15.3	16.4	17.3	18.8	19.3	20.2	21.0



The graph to the left displays the Council's capital expenditure on infrastructure services as a proportion of depreciation on infrastructure services. The Council meets this benchmark if its capital expenditure on infrastructure services equals or is greater than depreciation on infrastructure services.

In the first five years of the Long-term Plan 2015-25 there is significant capital expenditure on infrastructure including the Transmission Gully Link Roads.

## Debt

### Principle

- 1) Debt is a fiscal tool to achieve intergenerational equity.
- 2) Debt to fund capital (and where rated depreciation is not available) will typically be raised and repaid over a 20-25 year period.
- 3) The financial impact of new debt (interest and debt repayments) will require to be reflected in rate levels.
- 4) Debt is a tool that helps manage risk.

### Logic

A certain level of debt is considered prudent financial management. Debt is a key component of recognising intergenerational equity. The 2014/15 level of rates provides for the interest cost for \$69 million of debt.

Having no debt (without stopping capital expenditure) places an unacceptable burden on current ratepayers as it would require rates to increase significantly; similarly, unlimited debt is not a sensible approach.

The actual level of debt is a decision based upon the capital requirements, the impact of the servicing of the debt (interest charge) on rates and the ability to repay principle. The first four years of the LTP see significant increase to debt to support the link roads and additional capex projects associated with a change in risk profile. As a result of this concentration the Council has decided not to commence repayment of this new debt for five years. From 2020/21 this debt repayment is factored into the rates requirements.

Existing policy limits provide guidance in relation to the amount of debt the Council can raise and are as follows:

Limit	2013/14 Annual Report	Projected 2017/18	Peaking in 2020/21
Ratio of debt to operating income current limit 250%	80%	112%	132%
External interest as % of operating income limit 20%	5.0%	5.7%	7.0%

### Debt Levels and Borrowing Limits

It is council policy to offer security for its borrowings by way of a charge over its rates through its Debenture Trust Deed. The Council joined the Local Government Funding Agency (LGFA) as a Guarantor Borrower in June 2014, and has since secured long term funding of \$20 million through the LGFA at attractive margins. It has also secured longer term funding of existing debt through private placements. This borrowing facility is seen by the Council as a very low risk - high benefit option.

The Council's Treasury Risk Management Policy sets out the Council's borrowing limits through the application of two ratios as shown in the following table:

Ratio	Limit Levels
Interest Expenses/Operating Revenue	20%
Council's Net debt/Operating Revenue	250%

The long-term plan increases the city's debt over the 10 year period from \$60.9 million to a projected maximum of \$126.4 million in Year 7 (2020/21) and back to \$96.2 million in Year 10 (2024/25). This maximum is well within the policy limits set.

The table below demonstrates that the Council is operating well within the acceptable limits as contained in the Treasury Risk Management Policy:

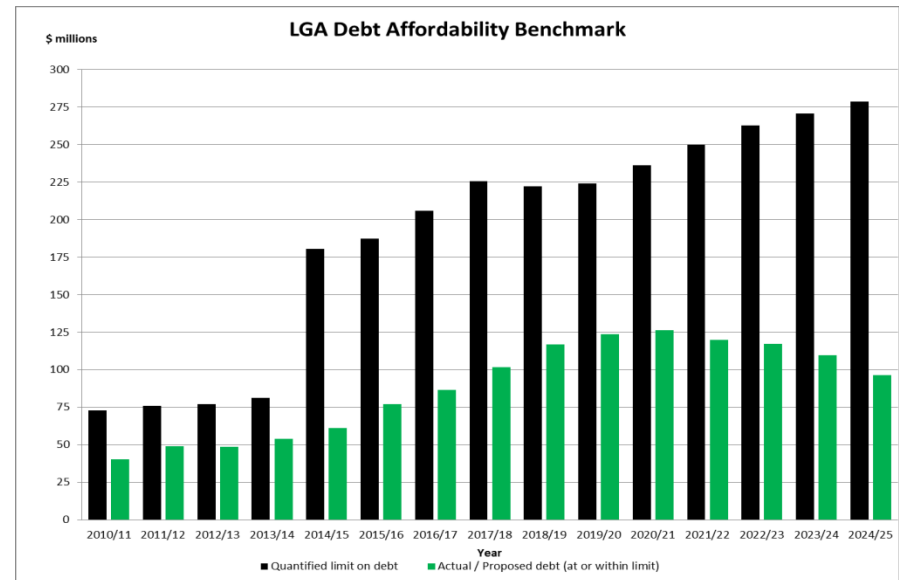
		2015 /16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Year		1	2	3	4	5	6	7	8	9	10
Debt (\$'m)		77.1	86.6	101.5	116.8	123.8	126.4	119.9	117.2	109.7	96.2
Ratio of debt to operating income	Limit 250%	102%	105%	112%	131%	137%	132%	119%	111%	100%	85%
External interest as a % of operating income	Limit 20%	5%	6%	6%	7%	7%	7%	7%	6%	6%	5%

The increase in the Council's debt is the result of funding major infrastructural renewal, e.g. water supply, stormwater, wastewater reticulation, roading, as well as work associated with the construction of two link roads for Transmission Gully Highway. These major capital projects estimated to cost \$166.0 million will be funded from rates, loans, development contributions and cash reserves.

Notwithstanding raising the level of debt during the 10 year period of the long-term plan, the Council will still have the capacity to raise additional

debt in the event of a major failure or significant event during this period. However, to do so would result in an increase in rates above the limits set in the long-term plan for the servicing of such additional loans.

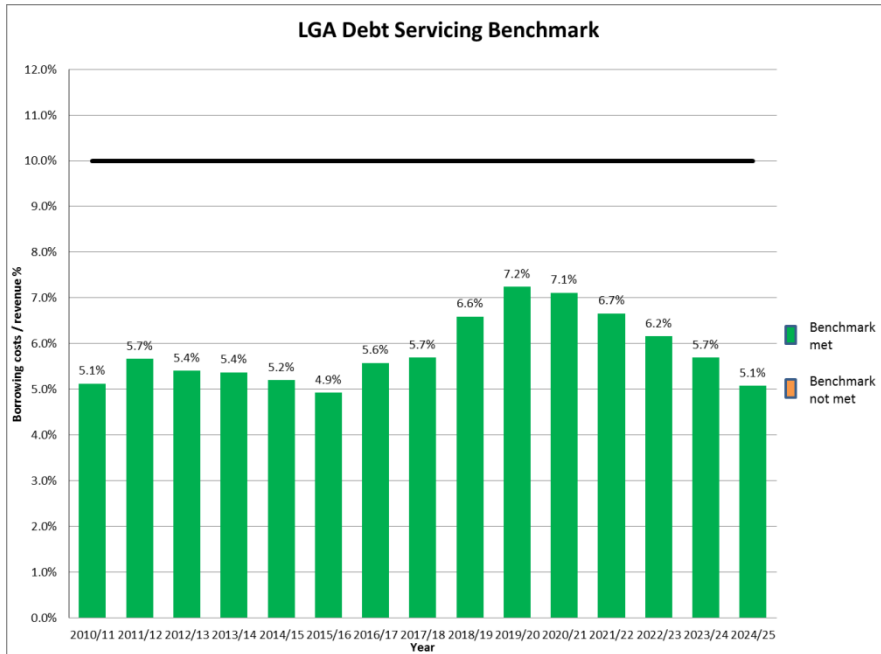
The Council has carefully considered the timing of its capital programme and the associated borrowing requirements to ensure that this best meets the needs of current and future generations.



The graph above shows that the Council meets the debt affordability benchmark if its actual borrowing is within the quantified limit on borrowing.

The quantified limit is based on total Council debt and is measured in \$million.





The graph above displays the Council’s borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment).

## Intergenerational Equity

### Principle

1. Intergenerational equity will ensure that present and future generations of ratepayers will be treated fairly with neither bearing an unnecessary share of debt or rate burden.
2. Rating for both depreciation and debt repayment are major fiscal tools the Council will use to ensure both transparency and intergenerational equity.
3. The Council endorses the concept of intergenerational equity and it will be a factor considered when developing annual plans and long-term plans to ensure an appropriate balance of cost and benefit for present and future generations.

## Operating Surplus (Deficit)

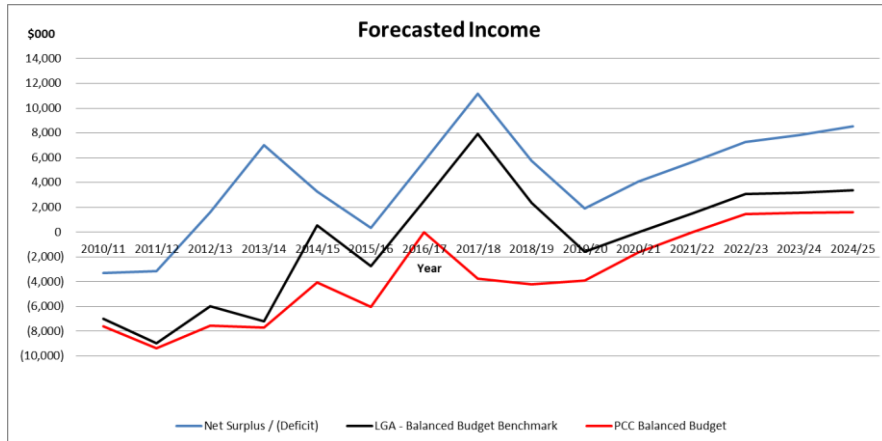
The draft long-term plan indicates a forecast accounting operating surplus being achieved for each of the 10 years of the long-term plan. The operating surpluses reflect the accounting position as meeting all the Public Benefit Entity- BPE IPSAS International Public Sector Accounting Standards reporting standards. It does not, however, represent our cash position or refer to if we are running a balanced budget.

## Summary of the Forecast Income Statements for 2015-25

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Operating Surplus/ (Deficit) (\$'000)	366	5,707	11,183	5,761	1,906	4,092	5,642	7,291	7,801	8,513
Less Vested Assets, Development Contributions, & Revaluations	3,087	3,182	3,266	3,396	3,483	4,096	4,116	4,196	4,608	5,135
LGA – Balanced Budget Benchmark	(2,721)	2,525	7,917	2,365	(1,577)	(4)	1,526	3,095	3,193	3,378
Less NZTA subsidy	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
PCC Balanced Budget	(6,021)	8	(3,778)	(4,200)	(3,923)	(1,633)	4	1,446	1,571	1,600

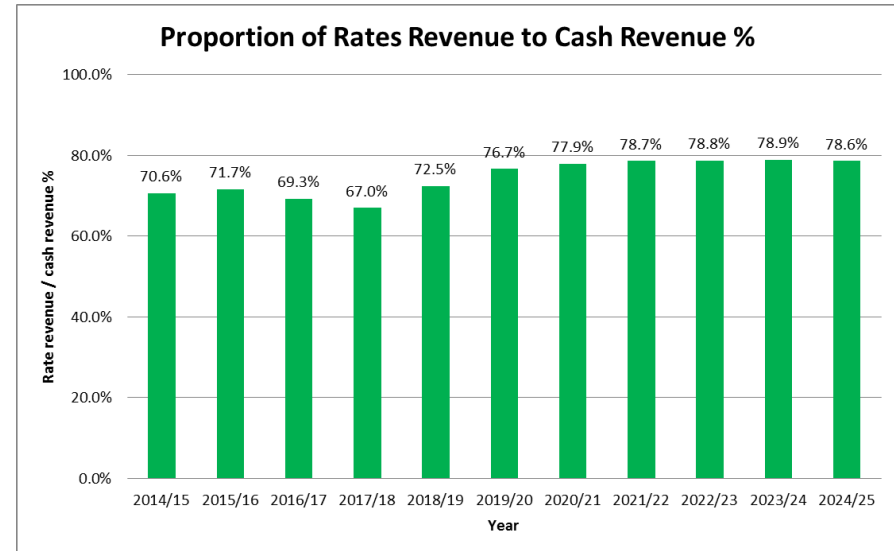
## Understanding an Operating Deficit

Although the Council has an operating surplus for the period of the long-term plan the Council is running a balanced budget deficit for the first seven years as shown in the table and graph below:



## Rates

The Council has a high dependency on rates as its principal source of income. The graph to the right shows this dependency over the 10 years of the Plan trending slowly upwards. The Council would need to create further dividend yielding investments, such as investment properties or move into other profitable revenue generating areas for this trend to change.



**Note:** The lower figure in year four results from an increase in subsidies from New Zealand Transport Agency arising from the construction aspect of two link roads for the Transmission Gully Highway. The link road subsidies are in the first four years.

The Council is forecasting that its operating expenditure will increase from \$77.7 million to \$108.2 million, a 40% increase, between 2015 and June 2025. These increases are a result of:

- **Growth** – there are or will be more households in Porirua based on growth assumptions of 1% per annum of the Plan.

- **Depreciation and interest payments** – the increased capital expenditure programme means corresponding increases in costs in these cases.
- **Price increases** – inflation and the factors that influence it will mean that it costs more to do business. It is forecasted by the BERL Group that costs in general for the local government sector could increase by 33% over the same 10 year period.

## Rates and Rate Increases

Legislation requires the Council to quantify its limits on rates and rate increases.

The Council believes that the Local Government Cost Index is the most appropriate index to reflect the cost increases the Council is subject to. It further believes that the Local Government Cost Index is the benchmark upon which residents and ratepayers can compare the level of rates that the Council sets each year. The Local Government Cost Index is independently determined by BERL and is widely used by councils throughout New Zealand.

It is important to distinguish between the increases in rate revenue from year to year and the average rate increase. Our revenue increases reflect not only the impact of rate increases to the average ratepayer, but it also includes rate revenue received from the growth in new ratable properties each year – currently running around 1% pa.

The Council has determined its rate increases based upon the level of services it wants to provide and the capital programme. These increases also reflect the principles and issues referred to earlier in the Finance Strategy.

The total rates requirements for each year on the long-term plan will be no more than that shown in the adopted long-term plan for that year, as indicated in the table below. It is believed that this level of rate increase will meet the levels of service that the Council provides.

	2015 /16	16/ 17	17/ 18	18/ 19	19/ 20	20/ 21	21/ 22	22/ 23	23/ 24	24/ 25
Year	1	2	3	4	5	6	7	8	9	10
Rates Income (\$million) <sup>1</sup>	54.05	57.31	60.77	64.81	69.08	74.41	79.40	83.53	86.39	88.98
Average effect on ratepayers <sup>2</sup>	4.80%	5.03%	5.03%	5.65%	5.60%	6.72%	5.70%	4.20%	2.42%	2.00%
LGCI benchmark	2.24%	2.45%	2.53%	2.61%	2.75%	2.90%	3.04%	3.19%	3.36%	3.53%

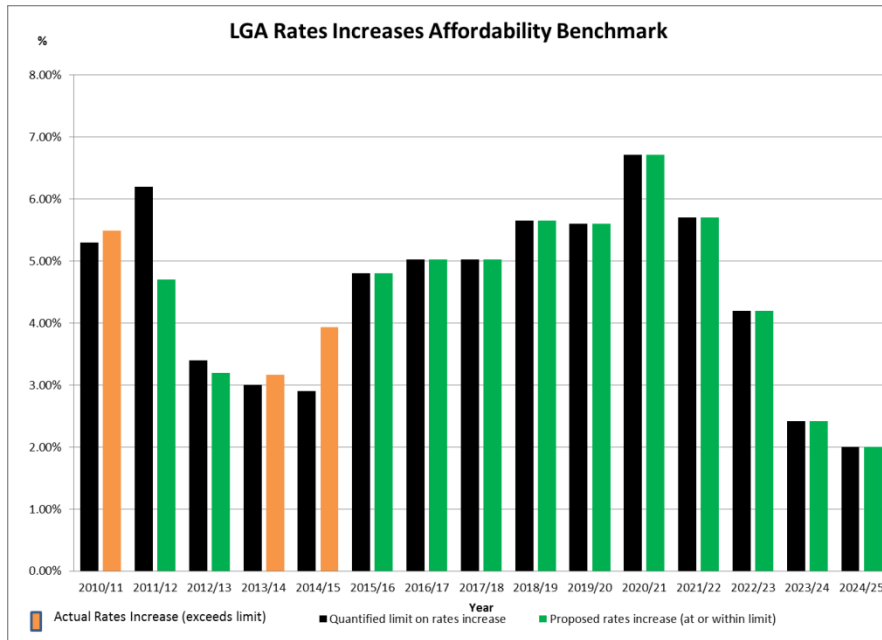
1 These figures include inflation but exclude GST

2 These figures do not take into account additional income from new properties in the City each year. Property growth assumed to be 1.0% annually.

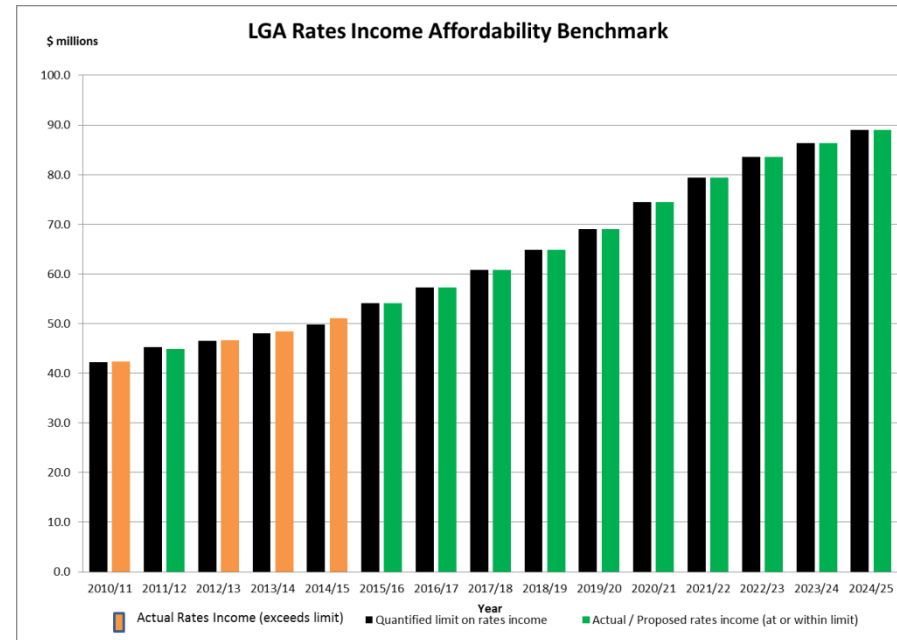
## Quantified Limits on Rates (2015-25 LTP)

The Local Government Cost Index shows the impact upon the Council's cost structure assuming a stable operating scenario. The Council has determined to invest significant additional capital of \$39.6 million into our core infrastructure over that value projected in the previous long-term plan. This investment needs to be paid for and is a major driver in the actual rate increase being higher than the Local Government Cost Index. In addition, we are moving to rate to progressively deliver a balanced budget. These two factors are the prime causes for the difference between our quantified rate levels and the Local Government Cost Index.

By 2023/24 we will have addressed the balanced budget levels and our rate requirements are lower than the Local Government Cost Index.



The above graph compares the Council’s actual rate increases with a quantified limit on rate increases included in the Long Term Financial Strategy in the Council’s long-term plan 2015-25. The quantified limit is the average rates increase per rating unit and is measured as a percentage increase. This is a lagging indicator. As such, it will always show the Council achieving 100% for future years.



The above graph compares the Council’s actual rates income with a quantified limit on rates contained in the Long Term Financial Strategy included in the Council’s long-term plan 2015-25. The quantified limit is the total rates income measured in \$ million.

## Levels of Service

A key determinant of the Council's costs relate to the level of service that is provided to ratepayers. Whether it's the ability to provide clean water or the frequency the grass on the parks is cut, levels of services have been established for all council activities. The annual residents' satisfaction survey 2014 indicated that overall satisfaction with the levels of council services was 82%.

Generally there is a trend of demand for increasing service levels rather than reducing them from ratepayers and residents alike.

The Council has, as part of the development of the long-term plan, looked at all the Council's levels of service – both operation and capital – and also the costs of delivery of such. While it has made savings and identified areas where better delivery for the same money could occur, the Council has determined not to reduce any level of service as a means of lowering rates. While looking at all our cost areas, the Council identified a number of areas that it wanted to signal in the long-term plan that it wanted strategic reviews undertaken, these included:

- The library service;
- Operation and use of the arena;
- The waste minimization policy and the Council's role in rubbish collection<sup>5</sup>;

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<sup>5</sup> The Council's rubbish collection is forecast to run into a negative reserve over the life of the plan. It is not a sustainable situation. The review will look at other options, for example, it being rate funded.

- The operation of the landfill including ownership options and closer integration with Wellington City Council landfill operations; and
- Water conservation.

These areas will be looked at over the next few years and any changes addressed as part of the annual plan process.

In addition to those areas mentioned above, the Council is now required under section 17A of the Local Government Act to review the cost effectiveness of how it delivers its services for "local infrastructure, local public services and performance of regulatory functions". Councils have up to 6 years to complete these reviews. Clearly it is not practical to undertake these reviews in time for the proposed long-term plan, but they will occur over the lifetime of this long-term plan.

### State Highway 1 and State Highway 58

Once Transmission Gully Highway is complete, then NZ Transport Agency will transfer ownership of SH58 (from Paremata to the Pauatahanui) and SH1 (from Mungavin to Paekakariki) to Porirua City Council and they will become local roads. This means that Porirua City Council will assume responsibility for all maintenance and capital works for these roads.

The exact terms of this transfer and the basis upon which PCC will qualify for subsidies from NZ Transport Agency are yet to be determined and therefore it has not been possible to incorporate any of the resulting financial impacts into the long-term plan at this stage. Progress on the arrangements with NZ Transport Agency will no doubt occur over the first

three years of the long-term plan and we would expect the financials will be understood sufficiently by then to incorporate the impacts into the 2018/28 long-term plan. By way of example, as a local road we do not need to maintain the four lane section of SH1 as four lanes nor to the same standard that a State Highway would require. While Transmission Gully Highway is being built as a non-toll highway, should that change then the use of SH1 is likely to also change and that may also impact ownership and/or maintenance arrangements.

While no specific budgetary provision has been made for the two roads our roading asset management plan does provide for roading maintenance in general. We believe that we would expect, based upon the improvements in roading conditions as a result of our proposed capital programme, to see the amount of money required for reactive maintenance to reduce. The resulting savings will therefore enable any new maintenance required for these roads to be able to be accommodated from existing provisions.

The amount of subsidy that these new roads will attract from NZ Transport Agency, we believe will be far higher than the current Financial Assistance Rates that we receive on our current network, to reflect the nature and importance of the roads. The sections of State Highway revoked to local roads are expected to come to the Council in a condition that will not require significant renewal expenditure for at least 25 years. "Note the traffic loading on the revoked sections will be substantially lower than their current loadings."

The ownership of these two roads will likely see the value of our asset base increase significantly. While we do not know the exact values, they are estimated to be in the order of \$300 million to \$375 million. The majority of this will represent "land" so only the non-land component would be depreciated and impact upon the Statement of Comprehensive Income and our surplus or balanced budget.

## Council's Investments

The Council's Treasury Risk Management Policy requires that funds are invested in a way that the Council maintains the liquidity of its investments, such that cash is available when needed. The Council's Balance Sheet (Prospective Statement of Financial Position) indicates a build-up of investments that represent the (cash) amount equivalent to the reserves the Council holds.

Apart from its cash investments, the Council does not hold large investments, because it prefers not to expose itself to the risks of equity investments. The three small shareholdings it holds relate to the Council being able to optimise the value of owning the shares to contribute to achieving goals and objectives for the city.

The Council has a small property portfolio where it seeks to achieve market returns, which are in turn applied to the Council's general funds

The Council also has a number of properties that are not considered as investment properties. In light of this, a recent review of council property holdings has been undertaken. From this review a number of land parcels

have been identified as no longer necessary for the Council to retain ownership of. A sale programme is being developed. A number of the land holdings will require reclassification to enable the Council to dispose of them. This process will take some time, which means that the draft long-term plan will not see any proceeds from these sales commencing until the 2016/17 year.

## **Asset Management Issues**

Porirua City Council has assets of over \$1.2 billion and it plans to invest \$166 million in capital works for its major strategic assets, namely water supply, wastewater and storm water (the “3 waters”) and transport over the next 10 years of the Plan. This capital expenditure is for building or replacing the city’s major assets.

Each group of assets has an Asset Management Plan (AMP) which is a key planning tool for the maintenance, renewal and increased capacity of these assets. Renewals are the replacement programmes for existing assets. For several years, the Council has had in place a programme of monitoring and data collection with regard to the condition and performance of its infrastructure assets. In addition, information on the condition of our property assets has also greatly increased in recent times.

The Council has reviewed all its asset management plans and determined that it needs to increase the amount of capital it spends on renewals of infrastructure assets and move to a more conservative risk approach as set out as follows:



AMP	Existing Risk Profile	Planned Risk Profile	Historic Expected Spend	Extra \$ over 10 years	Expected Total Spend
Storm water	Medium	Low/Medium	\$7.0m	+ \$0.1m	\$7.1m
Wastewater incl WWTP	High	Medium/High	\$48.4m	+ 14.5m	\$62.9m
Water Supply	Medium	Medium	\$21.1m	+ \$3.1m	\$24.2m
Roading	High	Medium	\$18.7m	+ \$12.8m	\$31.5m
Property	High	Low	\$6.8m	+ \$3.9m	\$10.7m
Leisure	Low/High	Medium	\$13.8m	+ \$6.2m	\$20.0m
<b>Total</b>			<b>\$115.8m</b>	<b>\$40.6m</b>	<b>\$156.4m</b>

<b>Definition of risk<sup>6</sup></b>	Significant failure of an asset resulting in loss of level of service is: <b>High</b> up to 50% chance of occurring in next 12 months <b>Medium</b> up to 30% chance of occurring in next 12 months <b>Low</b> up to 5% chance of occurring in next 12 months
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<sup>6</sup> Based on SNZ HB 4360:2000 Risk Management for Local Government

By investing in the renewals programme, it is expected that the level of risk will reduce over the ten-year period improving the reliability of service to the customer. In the event of any unforeseen asset renewal requirements above what is provided for through the increased capital spend, the Council has the ability to draw on existing cash reserves in the first instance before looking to other funding options.

The level of the Council's debt (and its ability to borrow) is such that, in the event asset renewal work needs to be brought forward, there is adequate capacity to fund such projects. The funding would be achieved either through the use of reserve funds or through loans or a combination of both.

The Council has indicated the priority for investment based on the level of relative importance of activities to achieve service delivery. This is summarised in table on page 18. It is investment over time that will result in a reduction in risk in terms of reliability and quality of services delivered. In achieving this, moving the four core infrastructure services to a medium risk scenario would require an additional \$7 million over 10 years or an additional 1.5% rate increase per year.

The comparative work and risk assessment also concluded that water services renewal expenditure continued to be a key issue along with addressing a backlog in the transport network and property renewals. The Council focus is to manage the following priorities:

- **Water supply pipeline renewal** – this will reduce escalating operating costs associated with attending to pipeline breaks and water loss;

- **Reducing infiltration of stormwater into the sewer network** – this will reduce the number of bypasses at the treatment plant, overflows of the sewer line and operational cost of the sewer system;
- **Trunk wastewater network and treatment plant upgrades** – this will improve the ability of the network to handle increasing flows and subsequently reduce the risk of uncontrolled discharges;
- **Upgrade the stormwater network at known locations of under-capacity** – this will reduce the incidents of flooding occurring during rainfall events; and
- **The Transport (roading) renewal programme** has been increased to address a backlog over the first 6 years of the 10-year long-term plan. This renewal programme will also serve to curb the rise in roading maintenance costs. The Transmission Gully Highway programme will see the Council investing a further \$31 million (making the total cost of the programme \$40 million) in construction of two link roads associated with this development.

**Community and leisure assets** forecast to invest \$21 million in community and leisure assets over the next 10 years. Leisure assets encompass the entire city's "greenspace", walkways and cycleways, coasts and harbour, playgrounds, parks, reserves and open space, sports fields and outdoor courts, and the cemeteries and crematorium.

The city has an ageing range of sports fields, outdoor courts and walkways which will progressively require renewal and/or retirement.

The Council's property assets, currently valued at \$91 million, furnish an important resource for staff accommodation and for providing key

services through its many recreational facilities and community halls. The portfolio also includes the strategic investment properties which require management and on-going expenditure.

The Council plans to invest \$166 million in capital works for water supply, wastewater, storm water and transport over the next 10 years of the long-term plan.

The Council's infrastructure is relatively young in terms of its lifecycle which is reflected in the variance of infrastructure investment:

- 46% of the ten-year investment will be in renewing ageing assets which are reaching the end of their economic life;
- 38% in increasing capacity of infrastructure to meet the demand from growth; and
- 16% to improve the level of service.

Capacity increases and improvements to level of service often involve replacing or renewing an ageing asset. It should be noted that the renewals programmes targets those sections or elements of the network that have been identified as operating at greatest risk.

Various risk scenarios have been developed by using industry based risk assessment processes that take account of both the likelihood and consequence of failure. For assets operating at a high risk there is up to a 50% chance of a significant failure occurring in a 12-month period which could lead to a loss of service to customers. For water supply, this could be a burst watermain pipe. In the case of wastewater, a discharge of sewage onto land could occur as a result of stormwater entering a broken pipe or blocked sewer pipe creating a risk to health and the harbour. By

investing in the renewals programme, it is expected that the level of risk will reduce over the ten-year period improving the reliability of service to the customer.

The Council has managed its risk to loss or failure of a service over the last four years by:

- Having a prioritised and appropriately funded renewals programme;
- Responding to significant outages using the Council's maintenance staff and established local contractors who are resourced to repair breakages;
- Reprioritising the renewals programme; and
- In the event of a major failure in part of the network which is not included in the ten year capital works programme, the Council has maintained a borrowing capacity so it is able to respond with additional investment.

Customer surveys have shown that this approach has maintained a high level of customer satisfaction with the water services. In the case of water supply, the Council is seeing evidence of a reduction of breaks leading to fewer water outages. The Council will continue to manage the service risk in this manner.

The table below shows a **summary of capital expenditure**. Further details about each network asset are provided in the following pages.

	Total 10 years	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Economic Development	20,546	2,853	4,298	4,368	1,105	1,188	1,220	1,251	1,372	1,420	1,472
Community Partnerships	6,044	537	550	564	579	594	610	626	639	661	685
Emergency Management Operations	1,966	173	178	182	187	192	197	202	211	218	226
Democratic Processes	39,731	4,471	5,215	4,133	3,983	3,409	3,958	3,496	3,662	3,476	3,928
Stormwater Services	7,064	276	717	716	697	717	738	761	786	813	843
Wastewater Management	62,887	4,325	8,975	6,165	5,273	8,208	5,698	7,590	6,392	5,517	4,743
Water Supply	24,200	2,175	1,748	1,687	8,814	1,780	1,599	1,649	1,528	1,581	1,639
Transport	72,206	7,368	8,239	22,365	12,963	5,537	3,172	2,979	3,164	3,068	3,353
Community & Leisure	20,825	2,500	3,140	2,506	1,727	2,039	1,602	2,015	1,519	1,861	1,916
Management Groups	24,548	1,775	1,324	1,125	2,201	2,647	8,794	1,368	1,751	1,620	1,943
Solid Waste	17,455	1,987	155	160	2,025	3,020	201	208	5,332	4,263	104
<b>Total</b>	<b>297,472</b>	<b>28,439</b>	<b>34,541</b>	<b>43,969</b>	<b>39,554</b>	<b>29,331</b>	<b>27,789</b>	<b>22,145</b>	<b>26,353</b>	<b>24,497</b>	<b>20,852</b>

**Funded by:**

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Depreciation</b>	13,048	13,622	14,636	15,268	16,352	17,314	18,756	19,264	20,187	21,008
<b>Capital subsidy</b>	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
<b>Development contributions</b>	417	432	433	478	478	1,001	928	912	1,226	1,652
<b>Reserves</b>	3,697	155	160	2,025	3,020	201	208	5,332	4,263	104
<b>Debt</b>	7,978	17,813	17,045	15,218	7,134	7,645	732	0	0	0

## Water Supply

Water supply asset replacement strategies have been developed to meet customer service level expectations. The basis of the strategies is to replace components before they fail and at the end of their economic life.

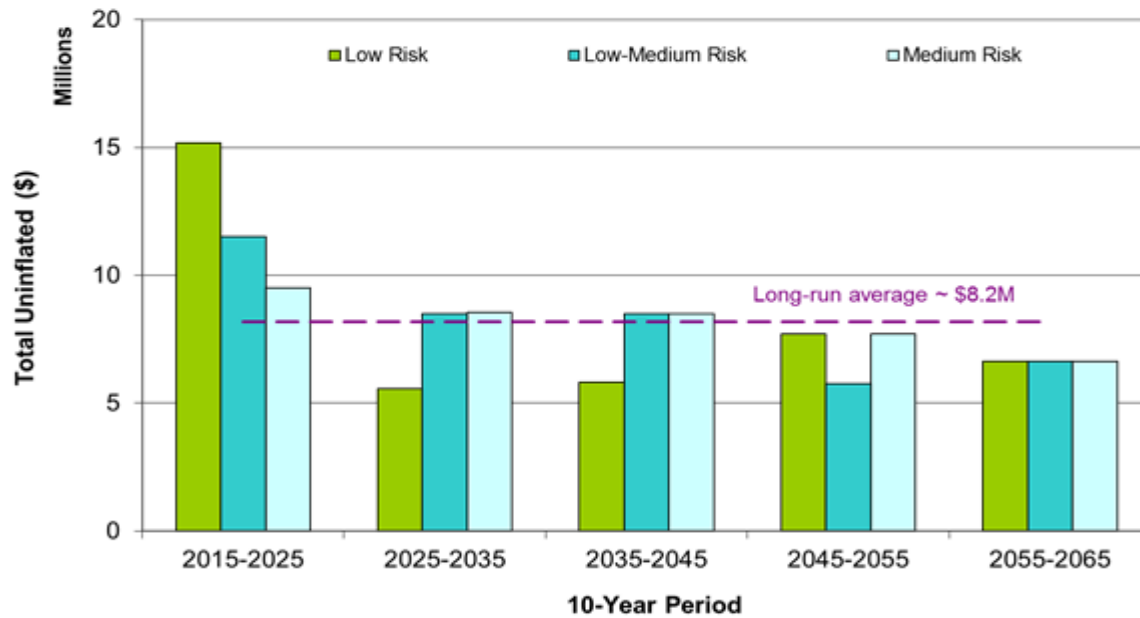
The Council has continued with the replacement of water pipes throughout the reticulation network. This has resulted in the water supply pipeline assets now being at a point where the frequency of breakages has decreased to below target levels.

The graph below shows four risk scenarios for the Council's pipeline replacement programme. The Council has elected a low - medium risk scenario investing \$11.5 million (uninflated) over the first 10 year period.

It is believed that this scenario is most likely to continue a reduction in the frequency of failures in the pipeline network and ensure that the level of service for water supply to customers is maintained. The longer-term effect of a medium risk option is that any back-log of work will take longer to clear and that there will likely be some negative impacts on levels of service and maintenance costs.

### Water Supply Pipeline Renewals – 50 year horizon \$11.5 million (Uninflated)

(Scenario loaded into LTP 2015/25: Low - Medium Risk, over the first 10-year period)



## Wastewater

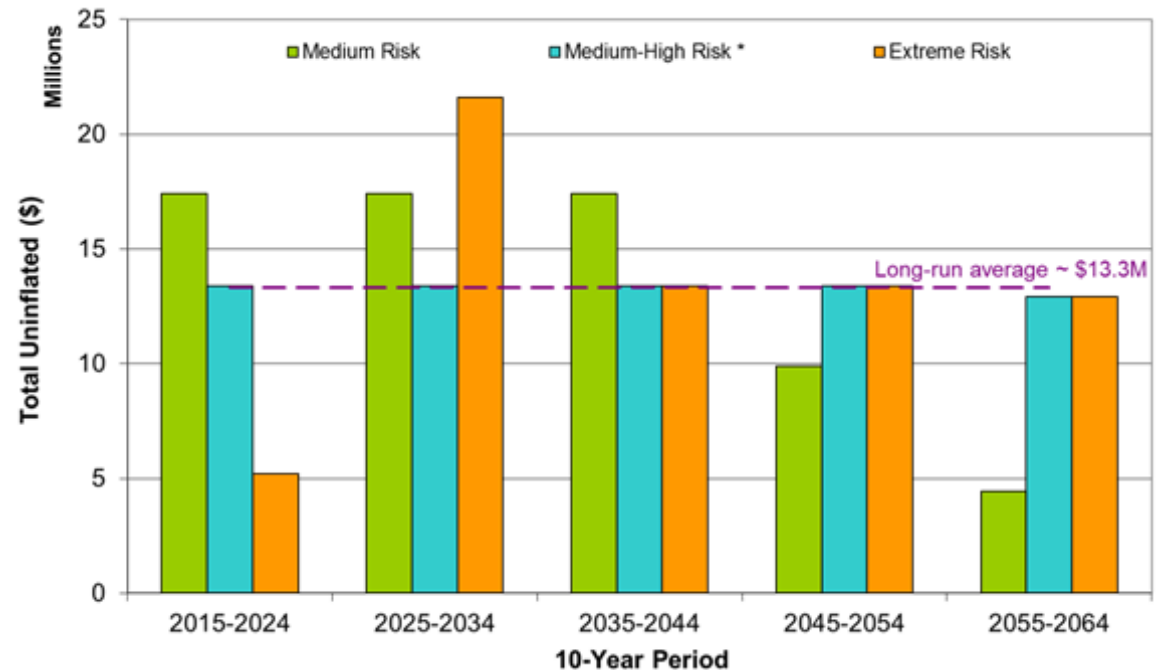
Within the sewer network there is a wastewater treatment plant (jointly owned by Porirua City Council and Wellington City Council), over 400km of pipelines and 45 pump stations. The long-term plan provides for a replacement and upgrade programme for the treatment plant and the wastewater reticulation network over the next ten years at a cost of \$26.7 million uninflated.

Over the last three years, significant progress has been made in increasing the capacity of the wastewater treatment plant. A third clarifier has been built at the wastewater treatment plant which will help reduce the volume of temporary sewage discharges from the plant. The Council has also begun a significant redevelopment programme of renewing and replacing main branch pipes in the network. This initiative has had a direct impact on reducing the level of pollutants and contaminants entering the city's harbour.

The graph below shows three risk scenarios for renewing our wastewater reticulation network. The Council is keen to move from the current high risk position to a medium-high risk scenario and plans to invest \$13.4 million over the next ten years. The longer-term effect of a medium-high risk option is that any backlog of less critical work that does not impact on the level of service to the end customer, will take longer to clear and that project funding will be spread over a longer term (50 years or more). Rate funding for depreciation of the water assets and the collection of development contributions will provide a mechanism to help fund the future replacement programme.

### Wastewater Pipeline Renewals – 60 year horizon (Uninflated)

(Scenario loaded into LTP 2015/25: Medium-High Risk, \$13.4 million over the first 10-year period)



## Stormwater

The stormwater network is considered to be at a stage in its life cycle where no significant expenditure is required for renewals until approximately 2020. Over the next 10 years however, some issues relating to the capacity of the network will be addressed with expenditure of \$6 million on stormwater upgrades.

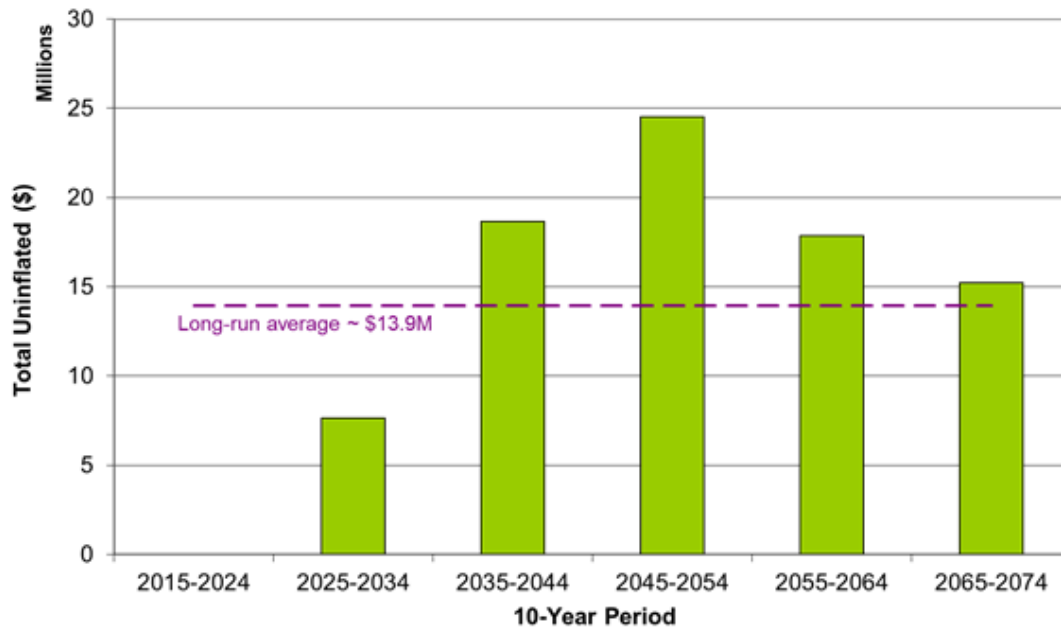
Stormwater network upgrades arise from the need to increase the capacity of parts of the network which cause upstream flooding during significant rain events. The original design of the network was to a lower

standard and the advent of a dynamic stormwater model has helped the Council prioritise its upgrade programme.

With the main focus for the first 10 years of the stormwater capital works programme being upgrades for capacity, the graph below shows the stormwater pipeline renewals programme with a 60 year time horizon.

### Stormwater Pipeline Renewals – 60 year horizon (Uninflated)

(Scenario loaded into LTP 2015-25: Low - Medium Risk, no renewal requirement over 10-year period as shown below. No further scenario development at this stage)





## Transport

The roading network, although relatively young, is considered to be moving towards a developed stage of its life cycle. A developed life cycle stage is characterised by a need for an on-going renewals programme and is consistent with the typical life of pavements and surfaces, which are maintained to meet current levels of service.

The Council has been operating under a high risk scenario, which is in line with the way roads have historically been managed. The reason why a high risk scenario was appropriate is due to the Council’s determination to invest in three-water infrastructure, prior to the roading network. The previous long-term plan 2012-2022 recognised that a consequence of operating within a high risk scenario was that the Council would need to respond to unplanned maintenance requirements from time to time.

In managing the roading network, it is necessary to consider the prudent management of the assets in the short to medium term, as well as planning for the replacement of assets as they are nearing the end of their life cycle.

Funding for a medium risk maintenance strategy will enable the Council to adequately invest within the roading network. The move to a medium risk scenario will enable appropriate investment in the pavement and strengthening renewal activities, to maintain the network in a stable state. The medium risk scenario will also contain the network maintenance cost. It is predicted that by year six, at this level of renewal investment, that there will be an effective reduction in network maintenance cost. Note, actual network maintenance cost does not

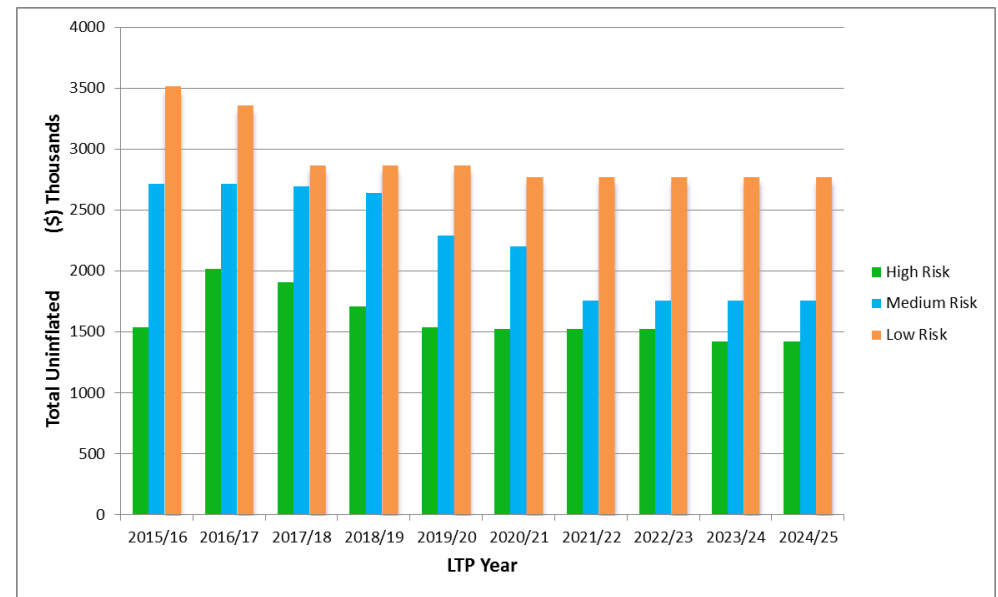
reduce, because in year six, allowance has been made for the maintenance of the revoked sections of State Highways 1 and 58, which will come to the Council when Transmission Gully Highway is opened.

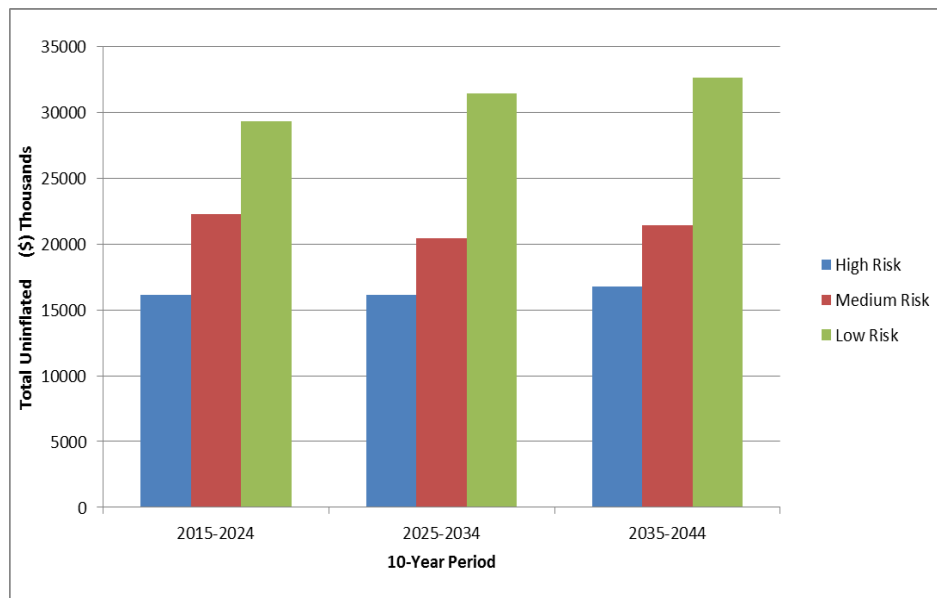
The graph below shows the local road renewals programme with a 10 year time horizon:

### Local Road Renewals – 10 year horizon (Uninflated)

(Scenario loaded into LTP, Medium risk, \$25.5 million over first 10-year period)

Capital Expenditure Programme - Renewals (subsidised and non-subsidised). Excludes canopies, minor improvements, cycleways, Transmission Gully Highway link roads and intersection upgrades)





## Property

Over 80% of the Council’s 103 buildings are more than 30 years old and require regular maintenance to ensure they remain ‘fit for purpose’. Seven are more than 70 years old and their maintenance costs have increased significantly to ensure the buildings remain weather tight, structurally sound and compliant with the existing Building Code. Some of the high use areas such as the swimming pools and Pātaka Museum & Porirua Library quickly become dated and require regular re-theming and redecoration. There is also the issue of earthquake strengthening which is a requirement for eight of the council owned buildings.

In prioritising expenditure in 2012, the Council chose a high risk approach to the management of the property portfolio. This has meant that some

expenditure has been deferred and has led to some facilities or features being closed until repaired. Over the last three years the Council has recognised the need to increase its funding on property assets and agreed in 2013/14 to an additional \$500,000 per year over a three year period to address major repairs at Porirua Aquatic Centre, Te Rauparaha Arena, Pātaka Museum and Gear Homestead & Woolshed.

With the majority of the Council properties being fully depreciated, the maintenance costs increasing and the likelihood of buildings having to close until repaired, has led to the recommendation that a lower risk funding scenario is followed for the next ten years.

The Council has undertaken a property review to establish those properties that were purchased for recreation, economic or strategic purposes but are now considered surplus to requirements. The Council proposes to sell these surplus properties over several years.

## Investment in Leisure Assets

The leisure assets management plan prioritises investment over 2015-25 to maintain and renew the existing asset base and a limited amount of further targeted investment.

Targeted investment covers the development of new strategic shared pathways such as Te Ara Piko, the development of a splash pad or water play feature, the development of the Titahi Bay South Beach area and the continuation of restoration of Bothamley Park. Development of a mountain bike park on Colonial Knob in partnership with Mana Cycle Group is another investment priority.

## Development Contributions

The Council has reviewed its Development Contributions and Financial Contributions policies in light of the recent changes to the legislation. A new policy has been developed that brings the financial contributions under a new Development Contributions Policy.

Development contributions are designed to recognise the portion of our 10 year capital programme that is driven by “growth demand” and seek cash contributions from developers to fund that demand. Two critical components drive the amount of development contributions that the Council receives:

- Firstly the physical amount (or volume) of new subdivision and building activity; and
- Secondly the levies that are set by the Council that represent the growth component of the capital programme that is required to be spent to meet that growth demand.

The levies are triggered at the point in time that a resource consent is approved but payment does not occur until connections are sought. There is also generally a timing difference between when a development contribution is paid and when the Council spends its money on the actual capital project that supports the development contribution charge. This makes it difficult and complex to account for the income and expenditure.

When the Council receives the development contribution through the resource consent process, it will recognise the development contribution as a liability in the balance sheet and progressively release the DC through the profit and loss account as the capital project is completed.

The table below sets out the estimated dollar amounts that are forecast to be released over the 10 year period:

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024./25
Amounts released	417	432	433	478	478	1001	928	912	1226	1652

**Section 3: Statement of Service Provision**

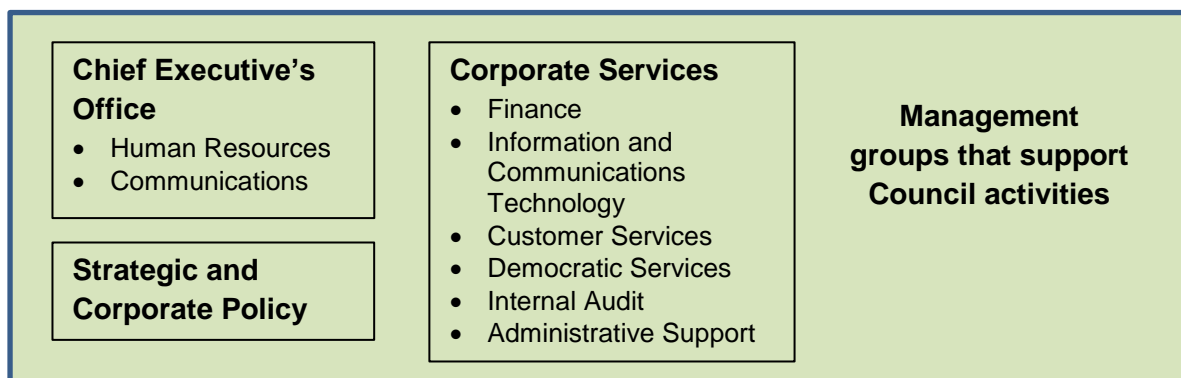
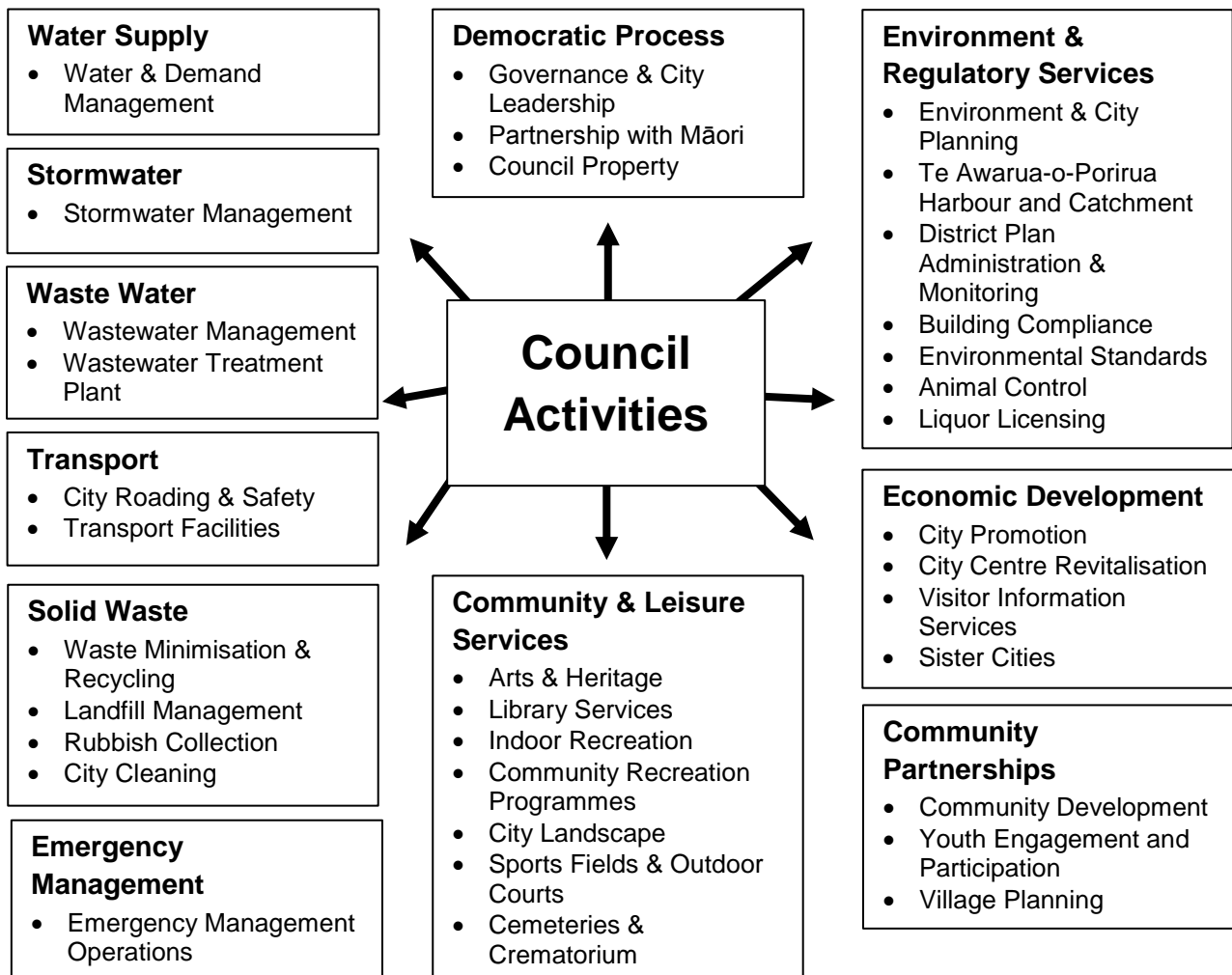
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# STATEMENT OF SERVICE PROVISION

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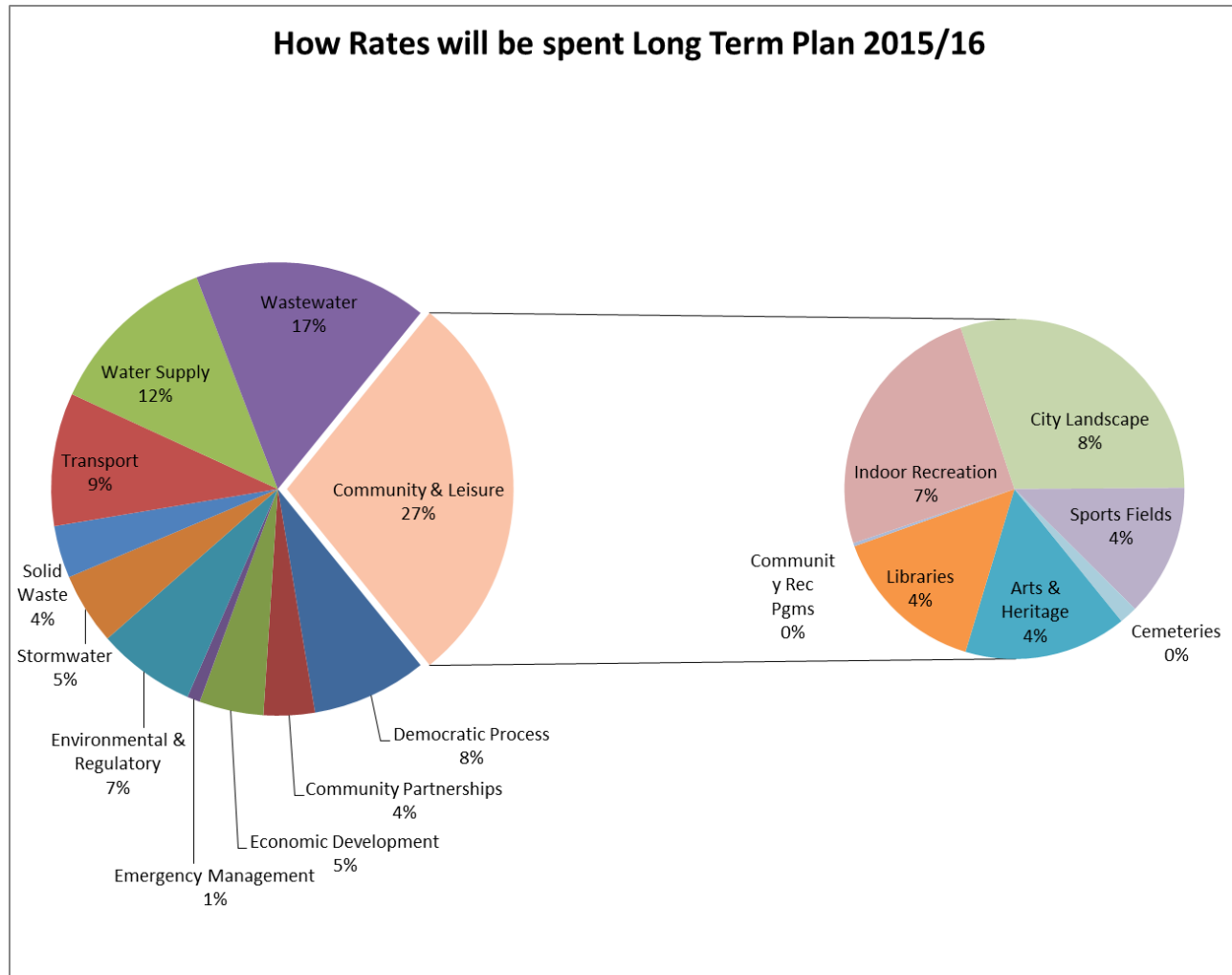
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## Council's groups of activities



## How rates will be spent

The following pie chart shows the portion of rate-funding that goes towards each of the Council's 11 groups of activities in 2015/16:



## Stormwater

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### *What we do*

We provide a network of pipes and in a few places, open channels, to efficiently and safely control and remove stormwater in order to protect people and properties from the effects of flooding, and to maintain clean and safe streams, harbours and coastlines. The stormwater drainage system includes the underground pipe network which carries the stormwater to open waterways, and a 24-hour response system.

### *How does this activity benefit the community?*

We ensure that stormwater is managed and removed in a secure and sustainable way that protects people and property from the effects of flooding, and minimises the impact of stormwater on Te Awarua-o-Porirua Harbour and the catchment areas.

### *How we manage negative effects*

Uncontrolled stormwater discharge has the potential to cause damage to people and property through flooding or other unintended consequences which risk public safety. Regular monitoring and modelling of possible impacts minimises hazards. We also review our network capacity, identify areas that require upgrade and develop plans for ongoing renewal work.

### *Who pays for it?*

Stormwater activities are 100% funded by the general rate.

### Did you know?

**5% of rates** go towards stormwater drainage.

There are **310 km** of **stormwater pipes**, **650 pipe outlets** and about **8000 manholes** in the city.

Porirua's rainfall for 2014 was **877.4mm**.

**Run-off** from the average roof in Porirua was about **140m<sup>3</sup>** in 2014.

**Run-off from concrete** is about **3.4 times faster** than from grass.



### Measuring our performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 - 2025	
To measure the satisfaction of the community with the Council's stormwater services	Number of complaints about stormwater system performance per 1000 connections	Not measured *	<30	Council Request for Maintenance System database (CRMS)
	% of community satisfied with stormwater management	74%	70%	Annual Residents' Survey
To measure the quality of the stormwater service	Number of flood events	Nil *	Trend only	Council records
	For each flooding event, the number of habitable floors affected per 1000 properties	Nil *	Trend only	Council records
	Number of pipeline blockages per km of pipeline	0.25	<0.5 per km	Council records
To understand Council's responsiveness to flood events	Median response time to attend a flooding event	N/A as no flooding events *	60 minutes	Council records
To understand the impact of the stormwater activity on the environment	Breaches of resource consents for discharges from stormwater system, measured by the number of: <ul style="list-style-type: none"> <li>a) Abatement notices</li> <li>b) Infringement notices</li> <li>c) Enforcement orders; and</li> <li>d) Convictions</li> </ul>	<ul style="list-style-type: none"> <li>a) One notice</li> <li>b) One notice</li> <li>c) Nil orders</li> <li>d) Nil convictions</li> </ul>	Nil for all	Council records

\*New mandatory measure, effective 30 July 2014

*What it will cost – Stormwater*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,356	3,032	2,987	2,868	3,135	3,198	3,390	3,488	3,699	3,750	3,952
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1	1	1	1	1	1	2	2	2	2	2
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,357</b>	<b>3,033</b>	<b>2,988</b>	<b>2,869</b>	<b>3,136</b>	<b>3,199</b>	<b>3,392</b>	<b>3,490</b>	<b>3,701</b>	<b>3,752</b>	<b>3,954</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	390	500	438	453	616	637	660	684	711	739	770
Finance costs	251	220	198	179	171	162	154	145	136	126	117
Internal charges applied	679	729	721	733	751	783	817	884	915	946	977
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,320</b>	<b>1,449</b>	<b>1,357</b>	<b>1,365</b>	<b>1,538</b>	<b>1,583</b>	<b>1,631</b>	<b>1,714</b>	<b>1,762</b>	<b>1,812</b>	<b>1,864</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,037</b>	<b>1,584</b>	<b>1,631</b>	<b>1,504</b>	<b>1,598</b>	<b>1,616</b>	<b>1,761</b>	<b>1,776</b>	<b>1,939</b>	<b>1,940</b>	<b>2,090</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	48	133	138	139	71	71	114	103	100	134	175
Increase / (decrease) in borrowing	203	(364)	(318)	(134)	(142)	(143)	(145)	(154)	(163)	(159)	(168)
<b>Total Sources of Capital Funding</b>	<b>251</b>	<b>(231)</b>	<b>(179)</b>	<b>4</b>	<b>(71)</b>	<b>(72)</b>	<b>(31)</b>	<b>(50)</b>	<b>(63)</b>	<b>(24)</b>	<b>7</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	579	276	717	716	697	717	738	761	786	813	843
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	709	1,076	735	792	830	828	993	966	1,090	1,103	1,254
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,288</b>	<b>1,353</b>	<b>1,452</b>	<b>1,508</b>	<b>1,527</b>	<b>1,544</b>	<b>1,730</b>	<b>1,726</b>	<b>1,876</b>	<b>1,916</b>	<b>2,097</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,037)</b>	<b>(1,584)</b>	<b>(1,631)</b>	<b>(1,504)</b>	<b>(1,598)</b>	<b>(1,616)</b>	<b>(1,761)</b>	<b>(1,776)</b>	<b>(1,939)</b>	<b>(1,940)</b>	<b>(2,090)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\*The figures for all the 'what it will cost' tables may not add due to roundings.

## Wastewater

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### *What we do*

We collect, treat and dispose of sewage for Porirua City and Wellington's northern suburbs (through a joint venture with Wellington City Council). We provide a wastewater collection and management system that includes the underground pipe network, pump stations and a wastewater treatment plant.

### *How does this activity benefit the community?*

We ensure that the infrastructure for the collection, treatment and disposal of wastewater is secure and resilient to protect the health of the community and support a growing city. We also want to minimise the effects of unintended sewage overflows on the natural environment.

### *How we manage negative effects*

Unintended sewage overflows can negatively affect people's health and cause damage to the natural environment. We continually review and action our maintenance and renewal programmes to safeguard our wastewater network.

### *Who pays for it?*

Operational services are funded largely from a targeted rate (95-100%) with the remainder from fees and charges (0-5%) and grants/subsidies (0-5%). Capital works are funded through loans, development contributions and reserve funds. For the wastewater treatment plant, costs are split between Wellington City Council and Porirua City Council in proportion to their respective use of the infrastructure.

### Did you know?

**16% of rates** go towards wastewater services.

The **Porirua treatment plant receives waste** from a 22km long catchment **from Pukerua Bay to Johnsonville.**

**15.8 million litres of wastewater** are generated in the city **each day.**

### Measuring our performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 - 2025	
To measure the satisfaction of the community with the Council's wastewater services	Number of complaints per 1000 connections about: a) Wastewater odour; b) Wastewater system faults; c) Wastewater system blockages; and d) Responsiveness to wastewater system issues	Not measured *	a) <5 b) <5 c) <5 d) TBC	Council Request for Maintenance System database (CRMS)
	% of community satisfied with wastewater services	82%	80%	Annual Residents' Survey
To measure the quality of the wastewater and wastewater treatment plant services	Dry weather wastewater overflows per 1000 connections	Not measured *	Nil	Council records
	Number of wastewater reticulation incidents per km of reticulation (blockages)	0.81	<1.2 km	Council records
	Non-consented overflows (treatment plants)	Not measured	Trend only	Council records
	Consented overflows (treatment plants)	Not measured	Trend only	Council records
To understand Council's responsiveness to wastewater overflows	Median response times for: a) Attendance time for wastewater overflows; and b) Resolution time for wastewater overflows	Not measured * Not measured *	a) 60 minutes b) 6 hours	CRMS
	Breaches of resource consents for discharges from stormwater system, measured by the number of: a) Abatement notices; b) Infringement notices; c) Enforcement orders; and d) Convictions	* a) Nil notices b) One notice c) Nil orders d) One conviction	Nil for all	Council records

\*New mandatory measure, effective 30 July 2014

## What it will cost – Wastewater

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,697	2,480	2,592	2,774	2,884	2,994	3,222	3,394	3,593	3,752	3,968
Targeted rates	6,795	7,427	7,765	8,311	8,640	8,963	9,653	10,170	10,765	11,246	11,893
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	80	81	82	83	84	85	87	88	89	91	92
Internal charges recovered	80	41	42	43	44	45	46	48	49	51	53
Other operating	6,792	6,119	6,349	6,737	6,901	7,169	7,800	8,409	9,025	9,612	10,187
<b>Total Operating Funding</b>	<b>15,443</b>	<b>16,148</b>	<b>16,830</b>	<b>17,947</b>	<b>18,553</b>	<b>19,257</b>	<b>20,808</b>	<b>22,109</b>	<b>23,521</b>	<b>24,752</b>	<b>26,193</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,078	3,746	3,967	4,203	4,603	4,879	5,176	5,497	5,841	6,214	6,618
Finance costs	1,636	1,358	1,405	1,719	1,879	2,001	2,302	2,453	2,706	2,883	2,995
Internal charges applied	7,661	7,826	7,970	8,292	8,483	8,784	9,352	10,006	10,552	11,084	11,607
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>13,375</b>	<b>12,930</b>	<b>13,342</b>	<b>14,214</b>	<b>14,965</b>	<b>15,664</b>	<b>16,830</b>	<b>17,957</b>	<b>19,100</b>	<b>20,181</b>	<b>21,220</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>2,068</b>	<b>3,218</b>	<b>3,488</b>	<b>3,733</b>	<b>3,588</b>	<b>3,593</b>	<b>3,978</b>	<b>4,152</b>	<b>4,421</b>	<b>4,571</b>	<b>4,973</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	88	243	252	253	154	154	204	192	185	175	190
Increase / (decrease) in borrowing	4,859	763	5,238	2,663	2,026	5,016	2,529	4,215	2,938	1,868	853
<b>Total Sources of Capital Funding</b>	<b>4,947</b>	<b>1,007</b>	<b>5,491</b>	<b>2,916</b>	<b>2,180</b>	<b>5,170</b>	<b>2,734</b>	<b>4,407</b>	<b>3,123</b>	<b>2,043</b>	<b>1,044</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	52	1,630	6,398	4,079	3,043	5,347	3,280	0	0	2,581	0
- to improve the level of Service	3,726	409	525	162	166	171	0	0	0	0	0
- to replace existing assets	2,486	2,285	2,052	1,924	2,064	2,690	2,419	7,590	6,392	2,936	4,743
Movement in reserves	752	(100)	4	484	495	556	1,014	969	1,152	1,097	1,274
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>7,016</b>	<b>4,225</b>	<b>8,979</b>	<b>6,649</b>	<b>5,768</b>	<b>8,763</b>	<b>6,712</b>	<b>8,559</b>	<b>7,544</b>	<b>6,614</b>	<b>6,017</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(2,069)</b>	<b>(3,218)</b>	<b>(3,488)</b>	<b>(3,733)</b>	<b>(3,588)</b>	<b>(3,593)</b>	<b>(3,978)</b>	<b>(4,152)</b>	<b>(4,421)</b>	<b>(4,571)</b>	<b>(4,973)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Water Supply

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### *What we do*

We store and manage the distribution of high quality drinking water to the city and ensure an adequate supply for city firefighting. We provide and manage water reservoirs and pump stations, the underground water supply pipe network, and the management of flow to ensure appropriate pressure. We encourage water conservation in the community through awareness programmes and demand management techniques.

### *How does this benefit the community?*

A reliable supply of safe drinking water supports an active and healthy lifestyle for the people of Porirua. Ensuring an adequate water supply for firefighting, and the long term management of water supply assets supports households and businesses in the city, and protects the natural environment.

### *How we manage negative effects*

Uncontrolled discharge of water caused by failure in the network may result in harmful effects to properties and the environment. We plan and undertake pipeline renewals and manage system pressure to reduce the incidence of failure.

### *Who pays for it?*

Operational services are funded largely from a targeted rate (75%-85%). Fees and charges (10-20%), and grants and subsidies (0-5%) contribute toward the rest of the costs. Capital works are funded through loans, development contributions, reserve funds and funding surpluses.

### Did you know?

**12% of rates** go towards the city's water supply.

**Porirua consumes 308 litres of water per person** per day on average.

There is **30,230m<sup>3</sup> of reservoir storage** in the city.

**15%** of the city's water supply – commercial and industrial – **is already metered.**

There are **325km of water supply pipes** in the city.

The city has about **2000 fire hydrants.**

## Measuring our performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 - 2025	
To measure the satisfaction of the community with the Council's water supply services	Number of complaints per 1000 connections about: <ul style="list-style-type: none"> <li>a) Drinking water clarity;</li> <li>b) Drinking water taste;</li> <li>c) Drinking water odour;</li> <li>d) Drinking water pressure or flow;</li> <li>e) Continuity of supply; and</li> <li>f) Responsiveness to water supply issues</li> </ul>	Not measured *	<ul style="list-style-type: none"> <li>a) &lt;5</li> <li>b) &lt;5</li> <li>c) &lt;5</li> <li>d) &lt;5</li> <li>e) &lt;5</li> <li>f) TBC</li> </ul>	Council Request for Maintenance System database (CRMS)
	% of community satisfied with water supply services	91%	90%	Annual Residents' Survey
To measure the quality of drinking water	Compliance with Drinking Water Standards (Part 4 bacterial compliance criteria)	100% Compliant *	Compliance	Council records
	Compliance with Drinking Water Standards (Part 5 protozoal compliance criteria)	100% Compliant *	Compliance	Council records
	Maintenance of water supply gradings from Ministry of Health	Maintained	Maintain	Ministry of Health
To understand the service quality of the water supply activity	Number of unplanned supply cuts per 1000 connections	3.32 per 100 connections	<4 per 100 connections	Council records
	Percentage of fire hydrants tested that meet NZFS Code of Practice	100%	95%	Council records
To understand Council's responsiveness to water supply callouts	Median response times for: <ul style="list-style-type: none"> <li>a) Attendance for urgent callouts;</li> <li>b) Resolution of urgent callouts;</li> <li>c) Attendance for non-urgent callouts; and</li> <li>d) Resolution of non-urgent callouts</li> </ul>	Not measured *	<ul style="list-style-type: none"> <li>a) 60 minutes</li> <li>b) 4 hours</li> <li>c) 36 hours</li> <li>d) 15 days</li> </ul>	Council records
To understand the impact of the water supply activity on the environment	Average drinking water consumption per resident per day	211 litres per day*	335 litres per day	Council records
	Percentage of real water loss from networked reticulation system	17% *	<18%	Council records

\*New mandatory measure, effective 30 July 2014

## What it will cost – Water Supply

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	972	1,826	1,935	2,082	2,282	2,618	2,860	3,000	3,106	3,183	3,271
Targeted rates	5,510	5,477	5,807	6,244	6,846	7,852	8,579	9,003	9,317	9,549	9,813
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	850	1,112	1,129	1,146	1,163	1,180	1,198	1,216	1,234	1,253	1,272
Internal charges recovered	167	171	175	179	184	189	194	200	206	213	220
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>7,499</b>	<b>8,586</b>	<b>9,045</b>	<b>9,651</b>	<b>10,474</b>	<b>11,839</b>	<b>12,831</b>	<b>13,419</b>	<b>13,863</b>	<b>14,197</b>	<b>14,576</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,129	4,425	4,793	5,299	6,010	6,664	7,399	7,788	7,959	8,198	8,447
Finance costs	541	486	456	427	396	796	756	714	669	621	571
Internal charges applied	1,656	1,813	1,787	1,809	1,850	1,937	2,027	2,209	2,290	2,370	2,448
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>6,326</b>	<b>6,723</b>	<b>7,036</b>	<b>7,535</b>	<b>8,256</b>	<b>9,398</b>	<b>10,182</b>	<b>10,711</b>	<b>10,917</b>	<b>11,190</b>	<b>11,466</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,173</b>	<b>1,863</b>	<b>2,009</b>	<b>2,116</b>	<b>2,218</b>	<b>2,441</b>	<b>2,649</b>	<b>2,708</b>	<b>2,946</b>	<b>3,007</b>	<b>3,110</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	14	40	41	42	45	45	98	85	84	94	102
Increase / (decrease) in borrowing	852	(490)	(491)	(520)	6,677	(667)	(707)	(749)	(794)	(842)	(766)
<b>Total Sources of Capital Funding</b>	<b>866</b>	<b>(450)</b>	<b>(449)</b>	<b>(479)</b>	<b>6,723</b>	<b>(622)</b>	<b>(609)</b>	<b>(664)</b>	<b>(710)</b>	<b>(748)</b>	<b>(665)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	145	0	0	0	7,193	0	0	0	0	0	0
- to improve the level of Service	0	154	147	151	44	46	47	48	0	0	0
- to replace existing assets	1,244	2,021	1,601	1,536	1,577	1,735	1,552	1,600	1,528	1,581	1,639
Movement in reserves	650	(762)	(188)	(50)	127	39	441	396	708	678	806
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>2,039</b>	<b>1,413</b>	<b>1,560</b>	<b>1,637</b>	<b>8,941</b>	<b>1,819</b>	<b>2,040</b>	<b>2,044</b>	<b>2,236</b>	<b>2,259</b>	<b>2,445</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,173)</b>	<b>(1,863)</b>	<b>(2,009)</b>	<b>(2,116)</b>	<b>(2,218)</b>	<b>(2,441)</b>	<b>(2,649)</b>	<b>(2,708)</b>	<b>(2,946)</b>	<b>(3,007)</b>	<b>(3,110)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Transport

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### *What we do*

We provide a local transport network for Porirua including all public roads (excluding State Highways 1 and 58), road drainage infrastructure and cleaning, walkways and cycleways (non-recreational category), traffic and street lighting, and community road safety education activities. We also provide and maintain transport facilities in Porirua including city car parks, footpaths, footbridges, underpasses and the city centre canopies.

### *How does this activity benefit the community?*

We want to support a growing city where pedestrians, cyclists and users of public transport can travel safely and conveniently between villages, and that an appropriate level of parking is available in the city and suburban areas. Our transport services enable Porirua to be well-connected and for people and goods to be on the move throughout the city, safely and efficiently.

### *How we manage negative effects*

Vehicle emissions, noise, and run-off from road surfaces can negatively impact the environment. We clear the road network channels and sumps every five months to keep adverse effects to a minimum.

### *Who pays for it?*

City roading and safety activities are funded 65-80% by general rates, and 20-35% by grants and subsidies. Transport facilities services are funded almost entirely (90-100%) by the general rate with the remainder 0-10% funded by a targeted rate.

### Did you know?

**11% of rates** go towards maintaining the local transport network.

Porirua City has about **247 kms of roads.**

Porirua's **roads** overall are in good condition although approx. 18km are in a poor to very poor state.

We maintain about **330 kms of footpaths.**

It costs **\$25,000** to **maintain, resurface and renew** every **km of road** in Porirua City.

### Measuring our performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure Council's responsiveness to service requests about the transport network	The percentage of customer service requests relating to roads and footpaths to which the Council responds within the timeframe specified in the long-term plan	Not measured *	85% of customer service requests responded to within 10 working days.	Council records
To measure the safety of the roading network	The change, from the previous financial year, in the number of fatalities and serious injury crashes on the local road network, expressed as a number	Not measured *	2	NZ Transport Agency
To measure the condition of the roading network	The average quality of ride on a sealed local road network, measured by smooth travel exposure	Not measured *	90%	Transport Condition Survey Report
To measure the maintenance of the roading network	The percentage of the sealed local road network that is resurfaced	Not measured *	9% for first 6 years. 6.5% for remaining 4 years	Council RAMM records
To measure the standard of the city's footpaths	The percentage of footpaths that fall within the level of service or service standard for the condition of footpaths that is set out in the Council's long-term plan	Not measured *	97% of footpaths are in average or better condition	Transport Condition Survey Report

\*New mandatory measure, effective 30 July 2014

## What it will cost – Transport

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	5,259	5,637	6,308	6,681	6,741	6,633	7,703	7,939	8,314	8,518	8,240
Targeted rates	143	0	0	64	68	72	77	82	87	93	99
Subsidies for operating purposes	1,216	1,410	1,628	1,732	1,774	1,900	2,075	2,219	2,759	2,947	3,083
Fees and charges	90	275	279	283	287	292	296	301	305	310	314
Internal charges recovered	0	124	127	130	133	136	140	143	147	151	155
Other operating	124	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>6,832</b>	<b>7,446</b>	<b>8,342</b>	<b>8,889</b>	<b>9,003</b>	<b>9,034</b>	<b>10,291</b>	<b>10,684</b>	<b>11,612</b>	<b>12,018</b>	<b>11,891</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	3,137	3,203	3,304	3,330	2,728	2,662	3,930	4,064	4,905	5,084	5,279
Finance costs	443	406	546	748	1,246	1,395	1,350	1,304	1,255	1,204	1,151
Internal charges applied	1,367	1,498	1,482	1,513	1,550	1,611	1,675	1,808	1,865	1,922	1,979
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>4,947</b>	<b>5,108</b>	<b>5,332</b>	<b>5,591</b>	<b>5,524</b>	<b>5,668</b>	<b>6,956</b>	<b>7,175</b>	<b>8,024</b>	<b>8,210</b>	<b>8,409</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,885</b>	<b>2,338</b>	<b>3,010</b>	<b>3,298</b>	<b>3,479</b>	<b>3,366</b>	<b>3,335</b>	<b>3,509</b>	<b>3,588</b>	<b>3,808</b>	<b>3,482</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	4,604	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
Development and financial contributions	0	0	0	0	192	192	246	233	228	224	294
Increase / (decrease) in borrowing	436	2,328	3,364	8,314	2,473	279	(775)	(816)	(846)	(881)	(914)
<b>Total Sources of Capital Funding</b>	<b>5,040</b>	<b>5,628</b>	<b>5,882</b>	<b>20,009</b>	<b>9,231</b>	<b>2,817</b>	<b>1,100</b>	<b>939</b>	<b>1,031</b>	<b>965</b>	<b>1,158</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	4,572	2,392	2,250	19,149	7,275	325	0	0	0	0	0
- to improve the level of Service	320	2,466	3,581	765	786	1,436	418	463	478	494	512
- to replace existing assets	2,049	2,510	2,408	2,449	4,902	3,777	2,754	2,516	2,686	2,573	2,841
Movement in reserves	(15)	598	653	943	(252)	645	1,262	1,469	1,456	1,706	1,286
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>6,926</b>	<b>7,966</b>	<b>8,892</b>	<b>23,307</b>	<b>12,710</b>	<b>6,183</b>	<b>4,435</b>	<b>4,448</b>	<b>4,619</b>	<b>4,773</b>	<b>4,640</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,886)</b>	<b>(2,338)</b>	<b>(3,010)</b>	<b>(3,298)</b>	<b>(3,479)</b>	<b>(3,366)</b>	<b>(3,335)</b>	<b>(3,509)</b>	<b>(3,588)</b>	<b>(3,808)</b>	<b>(3,482)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Solid Waste

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### *What we do*

We provide kerbside collection of household rubbish, recyclable and reusable material, bulk recycling and recycling at the landfill, Trash Palace and Poly Palace (waste diversion services). We also provide green waste diversion and promote waste minimisation through public education and awareness programmes and support.

We provide city cleaning and graffiti reduction services around the City Centre and suburban shopping centres including pavement cleaning, emptying litterbins and discouraging graffiti through education and painting murals in high risk areas.

We also manage the Spicer Landfill in a joint venture with Wellington City Council.

### *How does this activity benefit the community?*

We help create clean and safe villages for our community by:

- ensuring household rubbish is disposed of safely and efficiently;
- keeping the city centre and suburban shopping centres clean and graffiti free;
- ensuring the Spicer Landfill is managed sustainably to allow for the safe disposal of domestic, commercial and industrial residual waste;
- encouraging waste reduction; and
- protecting Te Awarua-o-Porirua Harbour and the catchment areas.

### *How we manage negative effects*

Porirua City Council, along with other councils in the Wellington region, has developed a Regional Waste Management and Minimisation Plan that guides a coordinated approach to solid waste management throughout the region.

### *Who pays for it?*

Solid Waste activities are funded in the following ways:

- **Waste minimisation and recycling** is funded 40-45% by the general rate, 30-35% by a targeted rate, 20-25% from a Ministry for the Environment subsidy, and 0-5% by fees and charges.
- **The Spicer Landfill** is funded 75-90% by fees and charges and 10-25% by grants and subsidies.
- **Rubbish collection** is funded 100% by fees and charges.
- **City cleaning** is 100% funded by the general rate.

### Did you know?

**4% of rates** go towards our solid waste activities.

**5,533 tonnes of material** was recycled in 2014.

### Measuring our performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure the effectiveness of the solid waste activity in meeting the needs of our community	Number of requests per 1000 households relating to missed kerbside recycling	3	<10	Council Request for Maintenance System database (CRMS)
	Number of requests per 1000 households relating to missed kerbside rubbish bag collections	4.6	<10	CRMS
	Reduce the number of maintenance requests per 1000 households relating to city cleaning	6.2	<10	CRMS
To measure how well we provide and manage waste minimisation, recycling and landfill services	The amount of recycled material recovered from kerbside collections, bulk recycling, tip face and transfer station, and by Trash Palace	5,533 tonnes (to be used as baseline)	Trend increases	Weights from database collection contractor
	The volume of waste taken to and remaining in landfill (excluding clean fill)	49,219 tonnes	45,000 - 55,000 tonnes	Database landfill weigh bridge
To ensure the landfill is provided and managed sustainably	Compliance with landfill resource consent conditions	98%	100%	GWRC

#### Did you know?

**49,219 tonnes of waste went to the landfill** in 2014.

## What it will cost – Solid Waste

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,017	1,817	1,856	1,876	1,913	1,983	2,054	2,133	2,209	2,286	2,363
Targeted rates	258	398	404	414	424	437	451	469	483	498	514
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	5,526	4,739	4,743	4,746	4,818	4,890	4,963	5,038	5,113	5,190	5,268
Internal charges recovered	1,360	1,370	1,370	1,370	1,390	1,411	1,432	1,454	1,476	1,498	1,520
Other operating	160	216	193	230	263	231	160	182	201	38	(95)
<b>Total Operating Funding</b>	<b>9,321</b>	<b>8,540</b>	<b>8,566</b>	<b>8,636</b>	<b>8,808</b>	<b>8,951</b>	<b>9,060</b>	<b>9,276</b>	<b>9,481</b>	<b>9,510</b>	<b>9,569</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,915	5,281	5,418	5,552	5,696	5,853	6,020	6,199	6,392	6,601	6,825
Finance costs	355	301	319	336	354	372	391	411	430	388	385
Internal charges applied	2,329	2,131	2,141	2,163	2,205	2,296	2,391	2,540	2,627	2,721	2,804
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>7,599</b>	<b>7,713</b>	<b>7,878</b>	<b>8,051</b>	<b>8,255</b>	<b>8,521</b>	<b>8,802</b>	<b>9,150</b>	<b>9,449</b>	<b>9,710</b>	<b>10,014</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,722</b>	<b>827</b>	<b>688</b>	<b>585</b>	<b>553</b>	<b>430</b>	<b>258</b>	<b>126</b>	<b>32</b>	<b>(200)</b>	<b>(445)</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(4)	(5)	(5)	(5)	(5)	(6)	(6)	(6)	(7)	0	0
<b>Total Sources of Capital Funding</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(7)</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	372	1,987	155	160	2,025	3,020	201	208	5,332	4,263	104
- to improve the level of Service	423	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	923	(1,165)	528	420	(1,477)	(2,596)	51	(87)	(5,306)	(4,463)	(549)
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,718</b>	<b>822</b>	<b>683</b>	<b>580</b>	<b>548</b>	<b>424</b>	<b>252</b>	<b>120</b>	<b>25</b>	<b>(200)</b>	<b>(445)</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,722)</b>	<b>(827)</b>	<b>(688)</b>	<b>(585)</b>	<b>(553)</b>	<b>(430)</b>	<b>(258)</b>	<b>(126)</b>	<b>(32)</b>	<b>200</b>	<b>445</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Environment and Regulatory

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### *What we do*

The following services are delivered under Environment and Regulatory:

- Environment and city planning
- Te Awarua-o-Porirua Harbour and Catchment
- District Plan administration and monitoring
- Building compliance
- Environmental standards
- Animal control
- Liquor licensing

### *How does this activity benefit the community?*

Environment and regulatory services help provide an environment where the people of Porirua can be active, healthy and safe through monitoring and controlling various land-use activities, protecting Te-Awarua-o-Porirua Harbour and the catchment areas, inspection and licensing of food and liquor premises, and animal control.

These activities ensure the natural and city environment continue to be safe and healthy, and that the public health of our community is protected.

### *How we manage negative effects*

The city's natural and built environment can become degraded if not safeguarded. We develop and administer Porirua's District Plan and bylaws to manage urban planning and sustainable building and design. We ensure Te-Awarua-o-Porirua Harbour and catchment areas are clean, healthy and regularly enjoyed by the public.

### *Who pays for it?*

Environment and regulatory services are funded in the following ways:

- **Environment and city planning** is 100% funded by the general rate.
- **Te-Awarua-o-Porirua Harbour and catchment** programme is funded 100% by the general rate.
- **District Plan administration & monitoring** is funded 45-60% by the general rate, and 40-55% by fees and charges.
- **Building compliance** is funded 15-40% by the general rate and 60-85% by fees and charges.
- **Environmental standards** are 50-65% funded by the general rate and 35-50% by fees and charges.
- **Animal control** is 5-30% funded by the general rate and 70-95% by fees and charges.
- **Liquor licensing** is funded 25-50% by the general rate and 50-75% by fees and charges.

#### Did you know?

**6% of rates** go towards our environment and regulatory services.

**1170 noise complaints** were investigated in 2014.

**194 resource consents** were processed in 2014, of which **30** were **subdivision consents**.

## Measuring our Performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure the timeliness of our legislative compliance processes and related services	Resource consent applications are processed in a timely manner	100% within statutory timeframe of 20 days	Target: within 18 working days Statutory: within 20 working days	Property and Rating database
	Monitoring of resource consents (those with conditions requiring monitoring) within four months of issue - for full compliance with the conditions or follow-up actions taken	100%	100%	Property and Rating database
	Building consent applications are processed in a timely manner	99.99%	Target: within 15 working days Statutory: within 20 working days	Property and Rating database
	Response time to noise complaints within one hour of receiving notification	98%	95%	Council Request for Maintenance System database (CRMS)
	Response time to all urgent animal-related complaints within two hours of notification	100%	100%	CRMS
	All non-opposed licence applications are sent to the District Licensing Committee for determination within 10 working days of the last agency report being received	New measure	100%	Council records
To understand the effectiveness of our public health and safety services	Inspection of food premises in accordance with the frequency stated in the Council's adopted food risk categories	100%	100%	Property and Rating database
	Food premises with an inspection rating of 'very good' or 'excellent' maintain or improve their rating	New measure	95%	Property and Rating database
	All premises with a liquor licence are inspected at least once during the year whilst they are open for business	New measure	100%	Council records
	All known dogs in the city at 1 <sup>st</sup> July to be registered by 30 June the following year using the legislative tools available e.g. financial penalties, infringement notices and/or seizures	100%	100%	Property and Rating database



*Environment and Regulatory continued...*

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure our efforts to protect and enhance Te Awarua-o-Porirua Harbour and catchment	All recorded exceedances of recreational water quality guidelines (identified during testing from Nov 1 to Mar 31, and monthly for the remainder of the year) are investigated to determine possible causes of pollution, and a report of proposed action is issued	100%	100%	GWRC Annual Water Quality Monitoring Reports
To measure our effectiveness of our integrated land-use planning and policy advice, including monitoring and reviewing Porirua City's District Plan	District Plan review is progressed as per agreed programme	Agreed programme has been progressed	Agreed programme has been progressed	Council records
	Council notifies a proposed District Plan (DP) review	New measure	Proposed DP review notified 2017/18	Council records
To measure the satisfaction of our customers with the services and programmes we provide	Customer satisfaction with service given by Resource Consents Team	70%	70%	Annual Survey
	Customer satisfaction with service given by Building Compliance Team	91%	80%	Annual Survey
	% community satisfied with Council's harbour programme	New measure	75%	Stakeholder survey
To measure the quality of the services we provide	No judicial reviews or decisions made by Environment Court overturn decisions made by the Resource Consents Team	Nil	Nil	Council records
	No determinations by the Ministry of Business, Innovation and Employment overturn a decision that has been made by the Building Compliance Team	Nil	Nil	Council records

**Did you know?**

**100% of resource consents** were processed within statutory timeframes.

There are **69 historic items** listed in Porirua's District Plan.

**4583 dogs** are registered in Porirua.

All **229 food premises** in the city.

## What it will cost – Environment and Regulatory

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	3,296	4,116	4,007	4,069	4,601	4,777	4,905	5,233	5,339	5,534	5,643
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	3,102	3,245	3,370	3,500	3,015	3,107	3,202	3,299	3,400	3,503	3,609
Internal charges recovered	0	1,190	1,220	1,250	1,282	1,314	1,346	1,380	1,415	1,451	1,491
Other operating	3	2	2	2	2	2	2	2	2	2	2
<b>Total Operating Funding</b>	<b>6,401</b>	<b>8,553</b>	<b>8,599</b>	<b>8,821</b>	<b>8,900</b>	<b>9,200</b>	<b>9,455</b>	<b>9,914</b>	<b>10,155</b>	<b>10,490</b>	<b>10,745</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,126	4,645	4,725	4,872	4,879	5,036	5,131	5,301	5,406	5,594	5,716
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	2,282	3,835	3,820	3,912	4,002	4,147	4,307	4,596	4,735	4,885	5,018
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>6,408</b>	<b>8,479</b>	<b>8,545</b>	<b>8,784</b>	<b>8,881</b>	<b>9,183</b>	<b>9,438</b>	<b>9,897</b>	<b>10,141</b>	<b>10,479</b>	<b>10,734</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>(7)</b>	<b>74</b>	<b>54</b>	<b>37</b>	<b>19</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>14</b>	<b>11</b>	<b>11</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	8	0	0	0	0	0	0	0	0	0	0
Movement in reserves	(16)	74	54	37	19	17	17	17	14	11	11
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>(8)</b>	<b>74</b>	<b>54</b>	<b>37</b>	<b>19</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>14</b>	<b>11</b>	<b>11</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>8</b>	<b>(74)</b>	<b>(54)</b>	<b>(37)</b>	<b>(19)</b>	<b>(17)</b>	<b>(17)</b>	<b>(17)</b>	<b>(14)</b>	<b>(11)</b>	<b>(11)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Community and Leisure

### What we do

The following services are delivered:

- Arts and Heritage
- Libraries
- Indoor Recreation
- Community Recreation Programmes
- City Landscape
- Sports Fields and Outdoor Courts
- Cemeteries and Crematorium

### How does this activity benefit the community?

These activities allow the community to participate in passive and active recreation, celebrate the diversity of the city, and contribute to the lifelong education of residents and visitors. The Council also provides essential cemetery and crematorium services.

### How we manage negative effects

There is the potential for safety risks from our facilities and services. We regularly review our maintenance records and safety monitoring programmes to ensure potential risks are dealt with.

### Who pays for it?

Community and leisure activities are funded in the following ways:

- **Arts and heritage** are 90-95% funded by the general rate and 5-10% by fees and charges.
- **Libraries** are 90-95% funded by the general rate and 5-10% by fees and charges.
- **Indoor recreation** is funded 55-65% by the general rate; 30-40% by fees and charges; and 5-15% by grants and subsidies.
- **Community recreation programmes** are 20-40% funded by the general rate and 60-80% by grants and subsidies.

- **City landscape** is funded 95-100% by the general rate and 0-5% by fees and charges.
- **Sports fields and outdoor courts** are funded 90-95% by the general rate and 5-10% by fees and charges.
- **Cemeteries and crematorium** are funded 25-50% by the general rate and 50-75% by fees and charges.

### Did you know?

**27% of rates** go towards community and leisure services.

The Arena has **over 4,000 square metres** of floor space for expos.

We manage **173 reserves covering 994 hectares**.

**5000 children a year** learn to swim at our **Dash Swim School**.

Over **7000 children** take part in **Pātaka's children's art programmes** every year.

**Pātaka houses 6000 taonga/objects** in its local history collection.

We maintain **72km of walking and cycling tracks**.

Porirua has **39 sportsfields and 35 outdoor courts**.

### Measuring our Performance

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure the satisfaction of the community with the Council's community and leisure activities	% of users satisfied with Pātaka exhibitions and services	New measure	90%	Annual Residents' Survey
	% of users satisfied with library services	95%	95%	Annual Residents' Survey
	% of users satisfied with indoor recreation facilities	90%	93%	Annual Residents' Survey
	% of key stakeholder survey respondents satisfied with cemetery services	88.6%	80%	Annual Customer Survey
	% of community satisfied with festivals and events supported by the Council	91%	80%	Annual Residents' Survey
To understand the reach and utilisation of our community and leisure activities	Number of major contemporary arts and heritage exhibitions held at Pātaka	21	12	Pātaka management report
	Number of visitors to Pātaka	285,498	200,000	Electronic headcount
	Number of library visits (physical and online)	463,852 visits	340,000 visits	Electronic foot count, Google Analytics
	User numbers of indoor recreation facilities	613,202 users	550,000 users	Council database (CLASS), programmer and facilitator reports and major event reports
To measure the maintenance of assets that support our community and leisure activities	Size of library collection (loan and reference items) meets NZ library standards	154,869 items	156,000 items	Library management report
	Weekly visual checks of all play equipment	-	100%	Business Unit monthly report
	Area of walkways that are upgraded each year to New Zealand standards	3 sections	1000 metres and/or significant structures	Business Unit monthly report
	Percentage of competition fields and courts that are available(safe and playable)	n/a	85%	Council's Works and Business Unit records

*What it will cost –Community and Leisure*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	15,134	16,812	16,871	17,486	18,763	19,041	19,307	20,263	21,067	21,750	22,454
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	52	53	54	54	55	56	57	58	59	59	60
Fees and charges	3,785	3,735	3,794	3,852	3,905	3,965	4,025	4,086	4,148	4,208	4,267
Internal charges recovered	604	740	759	777	797	817	837	859	880	903	928
Other operating	170	115	117	119	120	122	124	126	128	130	132
<b>Total Operating Funding</b>	<b>19,745</b>	<b>21,455</b>	<b>21,594</b>	<b>22,289</b>	<b>23,641</b>	<b>24,001</b>	<b>24,351</b>	<b>25,392</b>	<b>26,282</b>	<b>27,051</b>	<b>27,842</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	10,070	9,921	10,185	10,545	11,630	11,740	11,546	11,905	12,311	12,732	13,197
Finance costs	499	440	407	405	404	372	347	321	300	279	259
Internal charges applied	8,010	7,966	7,877	7,942	8,116	8,493	8,879	9,614	9,969	10,329	10,667
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>18,579</b>	<b>18,327</b>	<b>18,469</b>	<b>18,892</b>	<b>20,149</b>	<b>20,605</b>	<b>20,772</b>	<b>21,840</b>	<b>22,579</b>	<b>23,339</b>	<b>24,122</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,166</b>	<b>3,128</b>	<b>3,125</b>	<b>3,397</b>	<b>3,492</b>	<b>3,396</b>	<b>3,579</b>	<b>3,552</b>	<b>3,703</b>	<b>3,712</b>	<b>3,720</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	16	16	338	315	315	599	892
Increase / (decrease) in borrowing	(563)	(582)	(74)	(18)	(534)	(418)	(438)	(352)	(350)	(332)	(320)
<b>Total Sources of Capital Funding</b>	<b>(563)</b>	<b>(582)</b>	<b>(74)</b>	<b>(18)</b>	<b>(518)</b>	<b>(402)</b>	<b>(100)</b>	<b>(37)</b>	<b>(35)</b>	<b>267</b>	<b>572</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	197	626	479	521	32	43	28	60	32	90	35
- to improve the level of Service	0	579	1,451	497	370	708	271	252	208	201	94
- to replace existing assets	980	1,294	1,209	1,488	1,326	1,289	1,304	1,703	1,278	1,570	1,788
Movement in reserves	(574)	47	(88)	874	1,247	954	1,876	1,500	2,149	2,118	2,375
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>603</b>	<b>2,546</b>	<b>3,051</b>	<b>3,379</b>	<b>2,974</b>	<b>2,994</b>	<b>3,479</b>	<b>3,515</b>	<b>3,668</b>	<b>3,979</b>	<b>4,292</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,166)</b>	<b>(3,128)</b>	<b>(3,125)</b>	<b>(3,397)</b>	<b>(3,492)</b>	<b>(3,396)</b>	<b>(3,579)</b>	<b>(3,552)</b>	<b>(3,703)</b>	<b>(3,712)</b>	<b>(3,720)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Economic Development

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### *What we do*

We encourage a growing local economy by:

- Attracting new business investment;
- Supporting existing businesses;
- Identifying and improvement employment opportunities;
- Supporting growth of the digital economy;
- Ensuring the city centre has a prosperous retail and business sector;
- Promoting Porirua as a destination for residents and visitors; and
- Creating an environment where businesses can flourish.

### *How does this activity benefit the community?*

We want to develop a robust, well-connected and sustainable economy in Porirua City that provides a range of business and employment opportunities, attracts new residents and visitors to the city, and contributes to an economically strong and prosperous Wellington region.

### *How we manage negative effects*

We do not anticipate any significant negative effects arising from our economic development activities.

### *Who pays for it?*

Economic development services are funded as follows:

- City promotion, city centre revitalisation and sister cities activities are funded 100% from the general rate;
- Visitor information services are funded 80-85% from the general rate, with 5-10% from a targeted rate and 0-5% from fees and charges.

### Did you know?

**5% of rates** go towards economic development services.

There are **4033 businesses** in Porirua

**Porirua's employment rate** has grown an average of **2.6%**.

Porirua had **63,135 visitors** to the city in 2014.

**19%** of the **Porirua workforce** was **self-employed** in 2014.

*Measuring our performance*

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015 – 2025	
To measure the success of our investments in economic development	% of businesses satisfied with provision of Council support	49%	75%	Business Satisfaction Survey
	Number of businesses recorded in the city centre	127	146	Chamber of Commerce
	Foot traffic recorded at selected locations around the city centre	Increase	Trend increases	Chamber of Commerce
	Number of residential property units recorded in the city centre	None	Trend only	Property & Rating database

## What it will cost –Economic Development

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,485	2,726	2,893	3,279	3,686	3,855	4,033	4,295	4,432	4,589	4,802
Targeted rates	150	150	150	150	150	150	150	150	150	150	150
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	261	203	208	214	219	225	231	237	243	249	256
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,896</b>	<b>3,079</b>	<b>3,251</b>	<b>3,643</b>	<b>4,055</b>	<b>4,230</b>	<b>4,414</b>	<b>4,682</b>	<b>4,825</b>	<b>4,988</b>	<b>5,208</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,121	1,925	1,971	2,018	2,070	2,124	2,183	2,245	2,311	2,382	2,459
Finance costs	144	318	434	681	926	969	1,015	1,060	1,104	1,155	1,208
Internal charges applied	577	660	624	631	651	690	725	837	865	892	924
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>2,842</b>	<b>2,904</b>	<b>3,029</b>	<b>3,330</b>	<b>3,646</b>	<b>3,784</b>	<b>3,923</b>	<b>4,142</b>	<b>4,280</b>	<b>4,429</b>	<b>4,591</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>54</b>	<b>175</b>	<b>222</b>	<b>313</b>	<b>409</b>	<b>446</b>	<b>491</b>	<b>540</b>	<b>545</b>	<b>559</b>	<b>617</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	2,867	1,934	4,105	4,085	725	765	750	731	848	881	875
<b>Total Sources of Capital Funding</b>	<b>2,867</b>	<b>1,934</b>	<b>4,105</b>	<b>4,085</b>	<b>725</b>	<b>765</b>	<b>750</b>	<b>731</b>	<b>848</b>	<b>881</b>	<b>875</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	2,921	2,853	4,298	4,368	1,105	1,188	1,220	1,251	1,372	1,420	1,472
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	(744)	29	30	29	23	21	20	21	21	21
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>2,921</b>	<b>2,109</b>	<b>4,327</b>	<b>4,398</b>	<b>1,134</b>	<b>1,211</b>	<b>1,241</b>	<b>1,271</b>	<b>1,393</b>	<b>1,440</b>	<b>1,492</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(54)</b>	<b>(175)</b>	<b>(222)</b>	<b>(313)</b>	<b>(409)</b>	<b>(446)</b>	<b>(491)</b>	<b>(540)</b>	<b>(545)</b>	<b>(559)</b>	<b>(617)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Emergency Management

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### *What we do*

Porirua City Council works with the Wellington Regional Emergency Management Office (WREMO) to provide regional emergency management services such as regional planning and advice, training, emergency equipment, and public education on how to plan for an recover from an emergency. We manage the Porirua Emergency Operations Centre and ensure that council staff are trained for an emergency event. We also run a water supply project and have installed emergency water tanks at strategic locations in the community.

### *How does this activity benefit the community?*

We want to ensure the community has the knowledge, preparedness and resilience to manage during an emergency and to recover after an emergency.

### *How we manage negative effects*

To ensure Council's preparedness for an emergency event, training for staff from across the Council is being provided in shorter, more regular sessions to develop a greater sense of familiarity with responding to an emergency and being able to activate and manage the Porirua Emergency Operations Centre.

### *Who pays for it?*

Emergency management services are funded 100% by the general rate.

### Did you know?

**1% of rates** go towards emergency management services.

There are **65 emergency water tanks** in the city.

**80% of residents** report being **ready for an emergency** with stored water, food, survival items and a household emergency plan.

**Are you ready for an emergency?** Visit <http://getthru.govt.nz/how-to-get-ready/emergency-survival-items/>

*Measuring our performance*

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015/16 – 2025/26	
To measure how prepared the Council and community are for any emergency	Percentage of Porirua households that are ready for any emergency with stored water, food, survival items and a household emergency plan	80%	75%	Annual Residents' Survey
	The Council's response and recovery systems are able to be activated promptly	New measure	1 hour	WREMO
	Community response plans are developed	New measure	4 community response plans to be developed	WREMO

**What it will cost – Emergency Management**

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	498	545	512	518	530	559	589	615	641	679	710
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1	1	1	1	1	1	2	2	2	2	2
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>499</b>	<b>546</b>	<b>513</b>	<b>519</b>	<b>531</b>	<b>560</b>	<b>591</b>	<b>617</b>	<b>643</b>	<b>681</b>	<b>712</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	328	345	353	362	371	381	392	403	416	429	444
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	83	98	95	99	99	104	112	121	125	132	133
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>411</b>	<b>443</b>	<b>448</b>	<b>461</b>	<b>470</b>	<b>485</b>	<b>503</b>	<b>524</b>	<b>541</b>	<b>562</b>	<b>577</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>88</b>	<b>103</b>	<b>65</b>	<b>58</b>	<b>61</b>	<b>75</b>	<b>88</b>	<b>93</b>	<b>102</b>	<b>119</b>	<b>135</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	88	173	178	182	187	192	197	202	211	218	226
Movement in reserves	0	(70)	(113)	(124)	(126)	(117)	(109)	(109)	(108)	(99)	(91)
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>88</b>	<b>103</b>	<b>65</b>	<b>58</b>	<b>61</b>	<b>75</b>	<b>88</b>	<b>93</b>	<b>102</b>	<b>119</b>	<b>135</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(88)</b>	<b>(103)</b>	<b>(65)</b>	<b>(58)</b>	<b>(61)</b>	<b>(75)</b>	<b>(88)</b>	<b>(93)</b>	<b>(102)</b>	<b>(119)</b>	<b>(135)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Democratic Process

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### *What we do*

We provide administration services to the Council enabling open and democratic decision making. We prepare public agendas, papers and minutes for the Council and its committees and make them available to the community through our website and at our front counter and libraries. We also regularly engage with manawhenua, Ngati Toa Rangatira to discuss issues of mutual interest.

This activity also includes the management and maintenance of the Council's property that supports the delivery of council services, community activities and future developments.

### *How does this activity benefit the community?*

The community can have confidence that democratic processes, such as Council and Committee meetings, public engagement, elections and decision-making processes are robust and delivered to a high standard.

We ensure that the building and property facilities provided in the city meet the needs of the community and the Council.

### *How we manage negative effects*

Urgent building remediation work was identified and carried out in 2013/14. The Council continues to assess the maintenance requirements of its property through the Buildings Asset Management Plan.

### *Who pays for it?*

Democratic processes services are funded 100% by the general rate. Council property is funded 90-100% by the general rate and 0-10% by fees and charges.

### Did you know?

**9 % of rates** go towards democratic process

**37% of voters** voted at the last elections

**Council owns 103 buildings**

*Measuring our performance*

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015/16 – 2025/26	
To measure how easy it is for the community to access information about Council and Committee meetings, and whether the information is provided in a timely manner	Council and Committee agendas are made available to the public within statutory timeframes (2 working days prior to the meeting)	100%	100%	Council records
	Council meets all statutory and legislative requirements for: a) Representation review b) Elections and by-elections	100%	100%	Local Government Commission
To measure the health of our relationship with mana whenua	Council engages with Ngati Toa Rangatira on a regular basis to discuss proposed Council strategies	New measure	Quarterly	Council records
To measure the satisfaction of the community with the Council's facilities	% of community satisfied with Council's halls and facilities	93.75%	60%	Annual Residents' Survey
To assess whether Council-owned buildings are fit-for-purpose	Council-owned buildings will have a current building warrant-of-fitness where required and be fit-for-purpose	New measure	100%	Council records

## What it will cost – Democratic Processes

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	4,189	4,878	5,344	5,758	6,165	6,716	7,119	7,657	7,982	8,407	8,978
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,746	1,969	2,153	2,028	2,059	2,262	2,121	2,153	2,376	2,218	2,251
Internal charges recovered	0	192	197	202	207	212	217	223	228	234	240
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>5,935</b>	<b>7,039</b>	<b>7,693</b>	<b>7,988</b>	<b>8,430</b>	<b>9,190</b>	<b>9,457</b>	<b>10,032</b>	<b>10,587</b>	<b>10,859</b>	<b>11,469</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,968	4,139	4,569	4,547	4,765	5,264	5,233	5,484	6,069	6,027	6,321
Finance costs	1,055	648	779	896	1,013	1,130	1,246	1,362	1,478	1,613	1,750
Internal charges applied	808	1,087	1,079	1,103	1,125	1,165	1,212	1,278	1,319	1,367	1,403
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>4,831</b>	<b>5,874</b>	<b>6,426</b>	<b>6,546</b>	<b>6,903</b>	<b>7,558</b>	<b>7,691</b>	<b>8,125</b>	<b>8,865</b>	<b>9,007</b>	<b>9,475</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,104</b>	<b>1,165</b>	<b>1,267</b>	<b>1,442</b>	<b>1,527</b>	<b>1,632</b>	<b>1,766</b>	<b>1,907</b>	<b>1,722</b>	<b>1,852</b>	<b>1,994</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(75)	2,182	1,960	1,942	1,953	1,931	1,941	1,926	2,251	2,291	2,297
<b>Total Sources of Capital Funding</b>	<b>(75)</b>	<b>2,182</b>	<b>1,960</b>	<b>1,942</b>	<b>1,953</b>	<b>1,931</b>	<b>1,941</b>	<b>1,926</b>	<b>2,251</b>	<b>2,291</b>	<b>2,297</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	2,559	2,625	2,695	2,767	2,844	2,928	3,019	3,118	3,226	3,345
- to improve the level of Service	0	235	0	0	0	0	0	0	0	0	0
- to replace existing assets	1,029	1,676	2,590	1,438	1,216	565	1,030	477	544	249	583
Movement in reserves	0	(1,123)	(1,988)	(749)	(503)	154	(251)	337	311	667	363
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,029</b>	<b>3,347</b>	<b>3,227</b>	<b>3,384</b>	<b>3,480</b>	<b>3,563</b>	<b>3,707</b>	<b>3,833</b>	<b>3,973</b>	<b>4,143</b>	<b>4,291</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,104)</b>	<b>(1,165)</b>	<b>(1,267)</b>	<b>(1,442)</b>	<b>(1,527)</b>	<b>(1,632)</b>	<b>(1,766)</b>	<b>(1,907)</b>	<b>(1,722)</b>	<b>(1,852)</b>	<b>(1,994)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Community Partnerships

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### *What we do*

The Council recognises the important contribution made by the wider community through formal and informal organisations and processes to the overall wellbeing of the city and community. We provide information, advice and financial grants to support community networks. We also work in partnership with communities in Porirua to assist with the development of village plans that help them achieve their vision and outcomes for their neighbourhoods.

### *How does this activity benefit the community?*

The community organisations we support are able to provide essential social services, community development and/or strategic services within the city which enhance the wellbeing of our community. We also support a city of connected and distinct villages, ensuring that the community remains in charge of the vision for their area.

### *How we manage negative effects*

We do not anticipate any significant negative effects from our community partnerships activities.

### *Who pays for it?*

The community partnerships activity is 100% funded by the general rate.

### Did you know?

**4% of rates** go towards community partnerships.

The Council provided **\$180,000** of funding to community organisations in 2013/14.

**20 projects across 12 villages** were completed in 2014.

*Measuring our performance*

Purpose of measure	Measuring our performance	Targets		Data source
		2014 Actual	2015/16 – 2025/26	
To measure stakeholder satisfaction with the services we provide through community development and village planning	% of community organisations satisfied with the availability and quality of the Council’s support services	73%	75%	Annual Survey
	% of stakeholders satisfied with the village programme	78%	75%	Annual Survey



*What it will cost –Community Partnerships*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,038	2,166	2,229	2,389	2,479	2,622	2,815	2,960	3,062	3,106	3,208
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,038</b>	<b>2,166</b>	<b>2,229</b>	<b>2,389</b>	<b>2,479</b>	<b>2,622</b>	<b>2,815</b>	<b>2,960</b>	<b>3,062</b>	<b>3,106</b>	<b>3,208</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,081	882	872	893	916	939	964	991	1,019	1,049	1,081
Finance costs	284	236	252	266	280	293	305	315	325	336	356
Internal charges applied	426	768	759	812	793	824	896	920	951	1,022	1,007
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,791</b>	<b>1,886</b>	<b>1,883</b>	<b>1,971</b>	<b>1,989</b>	<b>2,056</b>	<b>2,165</b>	<b>2,226</b>	<b>2,295</b>	<b>2,407</b>	<b>2,444</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>247</b>	<b>280</b>	<b>346</b>	<b>418</b>	<b>490</b>	<b>566</b>	<b>650</b>	<b>734</b>	<b>767</b>	<b>699</b>	<b>764</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	265	257	244	229	214	197	178	157	189	329	337
<b>Total Sources of Capital Funding</b>	<b>265</b>	<b>257</b>	<b>244</b>	<b>229</b>	<b>214</b>	<b>197</b>	<b>178</b>	<b>157</b>	<b>189</b>	<b>329</b>	<b>337</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	512	537	550	564	579	594	610	626	639	661	685
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	40	83	125	169	218	265	317	367	416
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>512</b>	<b>537</b>	<b>590</b>	<b>647</b>	<b>704</b>	<b>763</b>	<b>828</b>	<b>891</b>	<b>956</b>	<b>1,028</b>	<b>1,101</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(247)</b>	<b>(280)</b>	<b>(346)</b>	<b>(418)</b>	<b>(490)</b>	<b>(566)</b>	<b>(650)</b>	<b>(734)</b>	<b>(767)</b>	<b>(699)</b>	<b>(764)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Section 4: Funding Our Work

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### Public Benefit Entity Financial Reporting Standard 42 Prospective Financial Statements (PBE FRS 42)

The Council has complied with PBE FRS 42 in the preparation of these Prospective Financial Statements. In accordance with PBE FRS 42, the following information is provided:

*(i) Description of the nature of the entity's current operation and its principal activities*

The Council is a territorial local authority, as defined in the Local Government Act 2002. The Council's principal activities are outlined within this Long-term Plan.

*(ii) Purpose for which the Prospective Financial Statements are prepared*

It is a requirement of the Local Government Act 2002 to present Prospective Financial Statements that span one year and include them within the Long-term Plan. This provides an opportunity for ratepayers and residents to review the projected financial results and position of the Council. Prospective Financial Statements are revised annually to reflect updated assumptions and costs.

*(iii) Bases for assumptions, risks and uncertainties*

The financial information has been prepared on the basis of best estimate assumptions of future events which the Council expects to take place. The Council has considered factors that may lead to a material difference between information in the Prospective Financial Statements and actual results. These factors, and the assumptions made in relation to the sources of uncertainty and potential effect, are outlined within this Long-term Plan.

*(iv) Cautionary Note*

The financial information is prospective. Actual results are likely to vary from the information presented, and the variations may be material.

*(v) Other Disclosures*

The Prospective Financial Statements were authorised for issue on 2 April 2014 by Porirua City Council. The Council is responsible for the Prospective Financial Statements presented, including the assumptions underlying Prospective Financial Statements and all other disclosures. The Long-term Plan is prospective and as such contains no actual operating results.

## Guide to Prospective Financial Statements

The main purpose of providing prospective financial statements is to enable stakeholders (residents and ratepayers, other local authorities, businesses, community groups and the Crown, etc) to assess performance and make decisions regarding the Council and how it conducts its business.

Topic	Description
<b>Statement of Comprehensive Income</b>	Provides information about Council revenue (property rates, investment income, rent and fees), operating costs, interest payments and depreciation. The total comprehensive income is added to the Council's equity as shown in the Prospective Statement of Changes in Equity. A positive total comprehensive income figure may not result in an increase in cash resources. The changes in Council's cash position are shown in the Statement of Cash Flows.
<b>Statement of Changes in Equity</b>	Provides information about the difference between total assets and total liabilities for the Council at the end of each financial year. Assets include cash, accounts receivable (ie money owed to the Council but not yet received), investments, land, building and equipment (pipes, bridges, Council vehicles, machinery, etc). Liabilities include accounts due for payment and loans.
<b>Statement of Financial Position</b>	Provides information about the Council's financial obligations to others (liabilities) and financial assets available at the end of each financial year. Liabilities include accounts which are due for payment and loans raised to finance large projects. Assets include cash, accounts receivable (money owed to Council but not yet received), investments, land, buildings and equipment (pipes, bridges, Council vehicles, machinery etc).
<b>Statement of Cash Flows</b>	Provides information about movements of cash in and out of the Council's accounts during the financial year. This statement identifies the sources and application of cash in respect of Council's operating, investing and financing activities.
<b>Notes to Prospective Financial Statements - Depreciation</b>	This table shows the depreciation that has been allocated to each activity.

<b>Statement of Accounting Policies</b>	Provides information about the basis of preparing and reporting of the four major Prospective Financial Statements above.
<b>Funding Impact Statement</b>	Provides information about the revenue and financing tools that the Council intends to use and the level of funds produced by each tool.

## Financial Forecasting Planning Assumptions

This section summarises the Council's long-term financial planning assumptions regarding revenue, expenditure, assets and overall ability to deliver intended level of services.

Note that the Council's non-financial general planning assumptions are provided in section 8.

Schedule 10 of the LGA (2002) requires that Council identifies the significant forecasting assumptions and risks underlying the financial information set out in the ten year LTP.

Where there is a high level of uncertainty the Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions. The level of uncertainty is determined by reference to both the likelihood of occurrence and the financial materiality.

The financial information has been prepared on the basis of best estimate assumptions as to the future events which the Council expects to take place and the recent economic shifts and conditions in the New Zealand economy and internationally.

The basis of the forecast cost indices come from independent industry advice from Business and Economic Research Limited (BERL). BERL

specifically forecasts for price level change indices adjustors for local authorities to use in the budget processes consistent with LTP.

The BERL cost indices have been used for both operating and capital budgets as appropriate (these indices are based on a medium term view and may differ on a particular year).

The Council has opted to use some of the BERL variables but in other cases, it has opted for amended variables or proxies. Council has also opted to use an adjusted variable where there are likely to be higher costs in Porirua City than elsewhere in the Wellington region. This is an important factor for going forward and needs to be reflected in the LTP estimates.

Where relevant, alternative price level changes and methods have been adopted for forecasting taking into consideration of Council's accounting systems and processes. The Council has made a number of significant assumptions in the preparation of the financial forecasts in this LTP. These assumptions are necessary as the LTP covers a 10 year period and to ensure that there is a consistent and justifiable basis for the preparation of the financial forecasts. The significant forecasting assumptions used in developing the financial forecasts in the LTP are detailed in the following table.

## Significant Forecasting Assumptions

Forecasting Assumptions	Risk	Uncertainty	Comments
Levels of Service: Demand for Council services and customer expectations regarding business as usual levels of service will not significantly change and there will be no significant effect on asset requirements or operating expenditure beyond those specially planned and identified within the LTP.	That there are significant changes in customer expectations regarding demand for services or levels of service from those planned in the LTP.	Low	The level of uncertainty is considered low. The Council has well defined service levels for its plan activities which have been reviewed as part of the LTP process.  Customer satisfaction surveys and other engagement strategies generally support the key assumptions made in the LTP and there are currently no known additional areas of the Council's service that require significant modification.
Expected interest rates on investment	That the prevailing interest rates will differ significantly from those estimated.	Medium	Interest rates are largely driven by factors external to the NZ economy over which Council has no control.  The Council is expected to plan and respond to any significant change or movement to interest rates on Council projected investments levels and interests received through its Annual Plan and LTP review processes.  As Council holds minimal levels of investments impact of changes in interest rates will not be large.
Expected interest rates on borrowings	That prevailing interest rates will differ significantly from those estimated.	Medium	Interest rates are largely driven by factors external to the NZ economy over which Council has no control.  Forecast borrowing costs have been based on the current debt portfolio, and assumptions regarding the forecast amount of Council debt borrowing, future borrowing margins and wholesale interest rates. Wholesale interest rates have been implied from the market interest rate yield curve.  The margin assumption assumes Council maintains its current credit rating of 'AA' issued by Standard and Poors.  Council manages its exposure to adverse changes in interest rates through the use of interest rate swaps
Inflation: the Council has adjusted base financial projections to reflect	That actual inflation will be	Low - Medium	Inflation is affected by external economic factors, most of which are outside of the Council's control and influence.

Forecasting Assumptions	Risk	Uncertainty	Comments
the estimated impact of inflation.	significantly different from the assumed inflation.		<p>The Council has relied on the assumption that the Reserve Bank will use monetary controls to keep CPI within the 1.5% to 3% range.</p> <p>Council's costs and the income required to fund those costs will increase by the rate of inflation.</p> <p>Council is expected to carry out relevant monitoring and assessment of impact on Council's financial position through its Annual Plan and LTP review processes.</p>
Salary increases	That actual salary increases will differ significantly from those estimated.	Low - Medium	Council has allowed for salary increases marginally higher than BERL in the first few years of the LTP to allow flexibility for aligning comparative salaries within Council.
<p>Revenue from fees and charges:</p> <p>It is assumed that modest price increases of 1.5% for non-regulatory and 3.0% for regulatory fees will be achieved over the 10 years of the LTP. Landfill revenue is assumed to be flat for the first three years of the LTP and then has limited growth.</p>	<p>That the revenue streams identified are influenced by changes in prices or the rate of inflation.</p> <p>The risk is also that the revenue streams identified fluctuate annually as a result of external factors outside the control of the Council.</p>	Low	<p>The level of uncertainty is considered low because it is reasonable to expect relevant revenue streams to be at least reflecting the costs of providing those services and the levels of fee increase are assumed to be low.</p> <p>Although the revenue streams may vary annually due to factors outside the control of the Council, it is not considered that annual variances will have a material effect on the financial forecasts in the LTP.</p> <p>Council is expected to respond and plan for any significant change to the revenue streams through its Annual Plan and LTP review processes.</p>

Forecasting Assumptions	Risk	Uncertainty	Comments
<p>New Zealand Transport Authority (NZTA) funding:</p> <p>Council has made assumptions on the level of subsidies it expects to receive from central-government through NZTA over the period of the LTP.</p> <p>For non-Transmission Gully Link Road subsidised roading works the NZTA funding Assistance Rates Review was finalised in October 2014. The agreed funding assistance rates for 2015-18 National Land Transport Programme (NLTP) period and at the end of the transition are as below:</p> <p>2015/16 48%</p> <p>2016/17 49%</p> <p>2017/18 50%</p> <p>2023/24 56%</p> <p>The NZTA assistance rate for Transmission Gully Link Road work is assumed to be 54%.</p>	<p>NZTA make further changes to the subsidy rate, the funding cap or the criteria for inclusion in the subsidised works programme.</p>	<p>Low</p>	<p>Variations in the subsidy rate of 1% would not materially impact Council's funding stream with Council being able to respond for any significant change through its Annual Plan and LTP review processes.</p>
<p>Income From vested assets:</p> <p>It is assumed that there will be an annual income from vested assets of \$2.1 million being a mixture roads, reticulation and recreation land that are vested in the city through the subdivision process.</p>	<p>That actual income received will be significantly different from those forecasts.</p>	<p>Medium</p>	<p>The level of uncertainty is considered medium as the degree of income received from this source depends on the rate of sub-division activity in the city, which can be reasonably volatile.</p> <p>Given the current volatility in the economic environment and Council's available knowledge of future development work, Council has taken a conservative approach by budgeting for the estimated long term average for the 10 year period.</p> <p>However, the Council will monitor and assess any future development work with respect to potential impact on Council's financial position through its Annual Plan and</p>



Forecasting Assumptions	Risk	Uncertainty	Comments
			LTP review processes.
<p>Sale of assets</p> <p>We have assumed that the parcel of assets identified for sale will realise a net \$9.8m that will be used to repay borrowing.</p>	<p>That the funds from the sale of assets do not occur at forecasted levels or the timing of sales are delayed.</p>	Moderate	<p>If the funds received from asset sales are less than forecasted then the level of debt will increase by the relevant amount or Council may consider revising its level of asset investment. The interest cost of servicing this debt will be higher or lower depending on the level of asset sales. If funds from the assets sales are delayed from that planned then additional borrowing and interest costs will be incurred.</p>
<p>Sources of funds for the future replacement of significant assets:</p> <p>It is assumed that the sources of funds for operating expenditure is as set out in the Revenue and Financing Policy and for capital expenditure in the relevant financial tables.</p>	<p>That sources of funds are not achieved.</p>	Low	<p>The level of uncertainty is considered low as user charges have been set at previously achieved levels.</p> <p>Depreciation is now funded through rates and the level increases from 75% to 84% during the 10 years of the LTP.</p> <p>The Council is able to access borrowings at levels forecast within the LTP.</p>
<p>Renewal of external funding</p> <p>It is assumed that Council will be able to renew existing borrowings on equivalent terms.</p>	<p>That new borrowings cannot be accessed to fund future capital requirements.</p>	Low	<p>Council maintains its liquidity risk within limits as set out in its Treasury Risk Management Policy by maintaining a mix of current and non-current borrowings.</p> <p>In accordance with the Treasury Risk Management Policy the Council must maintain its borrowing facilities at a level that exceeds 110% of peak borrowing levels over the next 12 months.</p>
<p>Useful lives of significant assets</p> <p>The useful lives of significant assets are shown in the Statement of Accounting Policies.</p> <p>It is assumed that there will be no reassessment of useful lives throughout the 10 year period.</p> <p>It is assumed that assets will be replaced at the end of their useful lives.</p>	<p>That assets wear out earlier or later than estimated.</p> <p>That Council activities change, resulting in</p>	<p>Low</p> <p>Low</p>	<p>The level of uncertainty is considered low. The asset lives are based upon estimates made by engineers and registered valuers. Depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>However, these impacts could be mitigated as capital projects could be reprioritised in the event of early expiration of assets.</p> <p>Council has a comprehensive asset management planning process. Where a decision is made not to replace an asset, this will be factored into capital projections.</p>

Forecasting Assumptions	Risk	Uncertainty	Comments
<p>Planned asset acquisitions (as per the capital expenditure programme) shall be depreciated on the same basis as existing assets.</p>	<p>decisions not to replace existing assets.</p> <p>That Council replaces assets before the end of useful life.</p> <p>That more detailed analysis of planned capital projects may alter the useful life and therefore the depreciation expense.</p>	<p>Low</p>	<p>Asset capacity and condition is monitored, with replacement works being planned accordingly. Depreciation is calculated in accordance with accounting and asset management requirements.</p>
<p>Asset revaluations</p> <p>Investment properties: It is assumed that investment properties are revalued annually.</p> <p>Other Assets: It is also assumed that periodic revaluations of Council's infrastructural assets and land and buildings will occur periodically and rise in value in line with the respective roading and pipeline adjustors above for infrastructural assets. For property assets Council has assumed a lower revaluation rate as historically Porirua</p>	<p>That actual revaluation movements will be significantly different from those forecasts.</p>	<p>Medium</p>	<p>The level of uncertainty is considered medium as Council's investment properties are all commercial in nature, and the value of such properties can be volatile according to the state of the economy. The impact of any such volatility on Council's financial position and performance would be low as these properties form a small part of Council's asset and income base.</p> <p>Council considered using the applicable projected inflation indices as a proxy for revaluation movements is appropriate and consistent with the treatment of price changes generally with the LTP.</p>

Forecasting Assumptions	Risk	Uncertainty	Comments
<p>property values have increased at a lower rate than the BERL property indices.</p> <p>For the purposes of forecasting the revaluations of asset classes for which a policy of revaluations is applied an average inflation rate for the class of assets is utilised for each revaluation based on the long run average inflation rate predicted for the ten year period of the Plan and taking into consideration the period of time since the previous revaluation.</p>			

## Financial Forecasting Planning Assumptions

Annual Percentage (%) Movements											
	Year										10 Year Average
Period 2015-25	1	2	3	4	5	6	7	8	9	10	
Financing Indices <sup>7</sup>											
Risk Free Rate	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.3	<b>3.2</b>
Average Investment Interest Rates (90 Days)	3.8	3.9	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.2	<b>4.0</b>
Debt Interest Rates	5.3	5.3	5.0	5.2	5.2	5.1	5.2	5.2	5.2	5.3	<b>5.2</b>
Cost Indices <sup>8</sup>											
Operating Expenses	2.2	2.3	2.4	2.6	2.7	2.9	3.0	3.1	3.3	3.4	<b>2.8</b>
Capital Expenditure	2.3	2.6	2.6	2.7	2.8	3.0	3.1	3.3	3.5	3.7	<b>3.0</b>
Staff Costs	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.7	<b>2.5</b>
LGCI	2.2	2.5	2.5	2.6	2.8	2.9	3.0	3.2	3.4	3.5	<b>2.9</b>
Roading	1.2	1.4	2.2	2.4	2.5	2.7	2.8	3.0	3.1	3.3	<b>2.5</b>
Property	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	<b>1.0</b>
Pipelines	2.1	2.5	2.6	2.8	2.9	3.1	3.2	3.4	3.5	3.6	<b>3.0</b>
General Price Inflation <sup>9</sup>											
Consumer Price Index (CPI)	1.7	1.9	2.0	2.1	2.1	2.2	2.3	2.4	2.4	2.5	<b>2.2</b>
Revenue Indicator <sup>10</sup>											

<sup>7</sup> Method used to derive **financing cost** indices included advice Price Waterhouse Coopers and data from The Treasury

<sup>8</sup> Method used to derive cost indices forecast included using BERL's Forecast Adjustor and other established forecasts.

<sup>9</sup> Method used to derive general price inflation included using BERL's Forecast Adjustor

<sup>10</sup> The method used for calculating the revenue indicator is based on a high level 10 year budgeting model that calculates the Council income & expenditure for that period based on current levels of income & expenditure and using the projected price level change indicator. It is assumed that the full cost impacts will be passed on to the end user based on the Revenue and Financing Policy principle of charging to those who get the private benefit otherwise it would be rate funded

Annual Percentage (%) Movements											
	Year										10 Year Average
Period 2015-25	1	2	3	4	5	6	7	8	9	10	
Regulatory Revenue Increase	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	<b>3.0</b>
Non-Regulatory Revenue Increase	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	<b>1.5</b>

## Statement of Accounting Policies

### *Reporting Entity*

Porirua City Council is a territorial local authority governed by the Local Government Act 2002. This Long-term Plan is prepared under section 95 of that Act, and in accordance with section 111 of that Act, complies with generally accepted accounting practice. The Council does not have any subsidiaries or associates and is not required to prepare group prospective financial statements.

The primary objective of the Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council is classified as a Public Benefit Entity for the purposes of New Zealand equivalents to International Public Sector Accounting Standards (NZ PBE IPSAS).

### *Reporting Period*

The reporting period for these Prospective Financial Statements are the years ended 30 June 2016 to 30 June 2025.

### *Statement of Compliance*

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

The prospective financial statements have been prepared to comply with Public Benefit Entity Standards (PBE Standards) for a Tier 1 entity. The Council is adopting the PBE standards for the first time.

### *Changes in Accounting Policies*

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

### *Measurement Base*

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this summary of significant accounting policies.

The accrual basis of accounting has been used. The Council's functional currency is New Zealand dollars. These Prospective Financial Statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

### *Judgements and Estimates*

To comply with PBE standards, the Prospective Financial Statements require judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### *Joint Ventures*

The Council's interests in joint ventures are accounted for using the proportionate method of consolidation.

### *Goods & Services Tax (GST)*

Amounts shown in these Prospective Financial Statements are exclusive of GST with the exception of receivables and payables, which are shown inclusive of GST. Where GST is not recoverable as an input tax it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue is included as part of receivables or payables in the Statement of Financial Position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### *Income Tax*

The Council is exempt from Income Tax under the provisions of the Income Tax Act 2007, and therefore no charge for income tax has been provided for.

### *Elimination of Internal Transactions*

All significant internal transactions arising from trading between the Council's various activity centres have been eliminated from these statements, to ensure the statements reflect only those transactions conducted with parties external to the Council.

### *Revenue*

Revenue comprises rates, revenue from operating activities, investment revenue, gains, finance and other revenue and is measured at the fair value of consideration received or receivable.

Revenue may be derived from either exchange or non-exchange transactions.

### *Exchange transactions*

Exchange transactions are transactions where the Council receives assets (primarily cash) or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services, or use of assets) to another entity in exchange.

### *Non-exchange transactions*

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, the Council either receives value from or gives value to another entity without directly giving or receiving approximately equal value in exchange.

An inflow of resources from a non-exchange transaction recognised as an asset, is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the Council satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.

Specific accounting policies for major categories of revenue are outlined below:

- Rates are a statutory annual charge and are recognised as income when the assessments are issued. Where the Council is acting as an agent for the receipt and dispersal of monies, e.g. regional rates, the transactions are excluded from the Prospective Financial Statements.
- Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants are recorded in the Prospective Statement of Comprehensive Income within revenue.
- Assets vested to the Council are recognised in the Prospective Statement of Comprehensive Income at fair value on receipt of the asset.
- Development contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Until such time as the Council provides, or is able to provide, the service, development contributions are recognised as liabilities in the Prospective Statement of Financial Position.
- Rental income from investment property is recognised in the Prospective Statement of Comprehensive Income on a straight-line basis over the term of the lease.
- Other income is recognised when billed or earned on an accrual basis.

### *Expenses*

Borrowing costs are recognised as an expense when incurred, except borrowing costs directly attributable to the construction of a qualifying asset which are capitalised as part of the cost of that asset.



## *Financial Instruments*

The Council is party to financial instrument arrangements as part of its everyday operations. Revenue and expenses in relation to all financial instruments are recognised in the Prospective Statement of Financial Performance. All financial instruments are recognised in the Prospective Statement of Financial Position on the basis of the following accounting policies.

## *Financial Assets*

### **Trade and other receivables**

Trade receivables, which generally have 30-60 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment. The ability to collect trade receivables is reviewed on an on-going basis. Individual debts that are known to be uncollectible are written off when identified. An impairment provision is recognised when there is objective evidence that the Council will not be able to collect the receivable. Financial difficulties of the debtor, default payments or debts more than 90 days overdue are considered objective evidence of impairment. The amount of the impairment loss is the receivable carrying amount compared to the present value of estimated future cash flows, discounted at the original effective interest rate.

### **Available for Sale**

Available for sale investments are those non-derivative financial assets, principally equity securities that are designated as available for sale or are not classified as any of the other financial asset categories.

After initial recognition available for sale securities are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair values of investments that are actively traded in organised financial markets are determined by reference to quoted market bid prices at the close of business on the Prospective Statement of Financial Position date. For investments with no active market, fair values are determined using valuation techniques.

## *Financial Liabilities*

### **Public Debt**

Public Debt is initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. Subsequent to initial recognition, loans and borrowings are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

## **Derivative Financial Instruments**

The Council uses derivative financial instruments (interest rate swaps) to hedge the risks associated with interest rate fluctuations. Such derivatives are initially recognised at fair value on the date on which the derivative is entered into and are subsequently remeasured to their fair value. Fair value of interest rate swaps is determined by reference to market values of similar instruments. Any gains or losses arising from changes in the fair value of the derivatives are taken directly to the Prospective Statement of Financial Performance.

## ***Cash and cash equivalents***

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments. They comprise cash balances on hand, cash held in bank accounts, demand deposits and other highly liquid investments of short maturity, in which the Council invests as part of its day-to-day cash management.

## ***Investment Properties***

Investment properties are properties which are held either to earn rental income or for capital appreciation or both. Investment properties are initially recognised at cost including transaction costs. An external, independent valuation company, having an appropriate recognised professional qualification and recent experience in the location and category of property being valued, values the portfolio every year. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Any gain or loss arising from a change in fair value is recognised in the Prospective Statement of Financial Performance.

The valuations are prepared by considering the aggregate of the net annual rents receivable from the properties and where relevant, associated costs. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation.

## ***Property, Plant and Equipment***

### **Recognition**

Council's property, plant and equipment consists of:

#### **(i) Infrastructural Assets**

These comprise utility assets that provide a continuing service to the community and are not generally regarded as tradable. Infrastructure assets include the fixed utility systems comprising the roading, water, reticulation and stormwater systems, land under roads and infrastructure land. Each asset type includes all items that are required for the network to function.

#### **(ii) Operational Assets**

These comprise tangible assets able to be dealt with as part of the operating strategy. Operational assets include land, the landfill post closure asset, buildings, library collections and plant and equipment.

#### (iii) Restricted Assets

These comprise assets that cannot be disposed of because of legal or other restrictions and provide a benefit or service to the community. Restricted assets include art and cultural assets, buildings on restricted land, parks and reserves.

#### **Measurement**

Increases in the value of assets arising from revaluation are credited to the appropriate asset revaluation reserve. Decreases in the value of assets have been debited to the appropriate asset revaluation reserve. Where this would have resulted in a debit balance in the asset revaluation reserve, this balance has been expensed in the Prospective Statement of Comprehensive Income.

Land, Buildings, Reticulation Systems and Plant, and Roothing Assets are valued every three years by independent registered valuers or whenever the carrying amount differs materially to fair value. Additions since the last valuation are recorded at cost.

#### **Land and Buildings**

Land and buildings have been valued at fair value by CBRE Limited as at 30 June 2014. In the case of assets that are of a “tradable nature” fair value is assessed using sales and market evidence. Assets considered to be of a “non-tradable” or of a specialised nature are assessed having regard to the optimised depreciated replacement cost.

#### **Reticulation Systems and Plant**

Reticulation systems and plant are valued at optimised depreciated replacement cost by Opus International Consulting Ltd as at 30 June 2014.

#### **Roothing Assets**

Roothing formation and other rooothing assets have been valued at replacement cost by MWH New Zealand Limited as at 30 June 2013. Roothing land was valued by CBRE Limited as at 30 June 2013.

Additions since the last valuation are recorded at cost except vested assets which are recorded at the current market value at the time of being vested in the Council.

- Motor vehicles, mechanical plant and furniture and equipment are recorded at the cost less accumulated depreciation.
- Other property, plant and equipment including Library Collections, Museum Collections and other Heritage assets are recorded at the cost less accumulated depreciation.

## Depreciation

The following policies apply:

<b>Asset Type</b>	<b>Depreciation Policy</b>
Land	Land is not depreciated.
Buildings	Buildings are depreciated on a straight-line basis over the balance of their estimated useful life.
Water, sewerage and stormwater reticulation systems	These reticulation asset systems are depreciated on a straight-line basis over the balance of their estimated useful life.
Roading assets	Roading assets (except for road formation which is not depreciated) are depreciated on a straight-line basis over the balance of their estimated useful life.
Other property, plant and equipment	Other items of property, plant and equipment are depreciated at rates that will allocate their cost or the value of the economic benefits embodied in the asset, less any estimated final sales value, over their expected useful lives.

*Depreciation Basis and Rates – Straight Line Basis*

<b>Water Systems</b>	<b>Years</b>
Pipes	40 – 100
Valves, hydrants, meters, tobies	20 – 60
Pump stations	15 – 90
Reservoirs	60 – 90
<b>Sewerage Systems</b>	<b>Years</b>
Pipes	50 – 120
Manholes	100
Valves	40
Pump stations structure	90
Pump stations pumps	25
Pump stations components	45
Treatment plant	18 – 90
<b>Stormwater Systems</b>	<b>Years</b>
Pipes	50 – 125
Manholes	100
Sumps	75
<b>Roading Networks</b>	<b>Years</b>
Basecourse	40 – 100
Top surface (seal)	14 – 18
Footpaths	80
Kerb and channel	80
Signs	20
Street and traffic lights	15 – 30
Bridges	70 – 100
Bus shelters	30 – 80

### *Operational Assets*

<b>Straight Line Basis</b>	<b>Years</b>
Buildings	5 – 75
Plant, furniture and fittings	5 – 10
Motor vehicles and mechanical plant	2 – 5
Library collections	5 – 10
Tools & equipment	5
Bridges	60 - 100

### *Restricted Assets*

<b>Straight Line Basis</b>	<b>Years</b>
Museum collections and heritage assets	100

### *Impairment*

The carrying amounts of property, plant and equipment are reviewed at each reporting date to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Value in use shall be determined as the depreciated replacement cost where the future economic benefits are not dependent on the assets ability to generate cash flows. Losses resulting from impairment are reported in the Prospective Statement of Comprehensive Income, unless the asset is carried at a revalued amount in which case any impairment loss is treated first as a revaluation decrease and then as a charge to the Prospective Statement of Comprehensive Income to the extent that the impairment exceeds the amount in the revaluation reserve in respect of that asset.

### *Assets under Construction (Work in Progress)*

Assets under construction are not depreciated. The total cost of a project is transferred to the relevant asset class on its completion and then depreciated.

### *Landfill closure and post-closure costs*

The Council, as operator of the Spicer Valley Landfill, has a legal obligation under the landfill's resource consent to provide on-going maintenance and monitoring services at the landfill site after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure costs arises. The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill closure and post-closure. Amounts

provided for landfill closure and post-closure are capitalised to the landfill asset where they give rise to future economic benefits. Components of the capitalised closure and post-closure asset are depreciated over the expected life of the landfill. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### *Intangible Assets*

#### **Computer Software**

Acquired computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives on a straight line basis. Typically, the estimated useful lives of these assets are 2.5 to 10 years.

Costs associated with developing or maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives.

### *Indefinite Intangibles*

Intangible assets with indefinite useful lives are not amortised, but are reviewed annually for impairment.

### *Inventory*

Inventories are valued at the lower of cost or net realisable value. The method of determining cost is weighted average.

### *Employee Entitlements*

Provision is made in respect of the Council's liability for the following short-term employee entitlements.

#### *Short-term Entitlements*

Liabilities for annual leave and time off in lieu are accrued at the full amount owing at the pay period ending immediately prior to the Prospective Statement of Financial Position date.

Liabilities for accumulating short-term compensated absences (e.g. sick leave) are measured as the amount of unused entitlement accumulated at the pay period ending immediately prior to the Prospective Statement of Financial Position date, that the Council anticipates employees will use in future periods, in excess of the days that they will be entitled to in each of those periods.

### *Trade and other payables*

These amounts represent liabilities for goods and services provided to the Council prior to the end of each financial year which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition. They are initially recognised at fair value and then carried at amortised cost. Due to their short term nature they are not discounted.

### *Leases*

#### **Finance leases**

Lease of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset are transferred to the Council, are classified as finance leases. These are capitalised at the lower of the fair value of the asset or the present value of the minimum lease payments.

#### **Operating leases**

Leases where the lessor (Council) retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as the lease income.

Where the Council is lessee, operating lease payments are recognised as an expense in the Prospective Statement of Comprehensive Income on a straight-line basis over the lease term.

### *Provisions*

A provision is recognised in the Prospective Statement of Financial Position when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits, the amount of which can be reliably estimated, will be required to settle the obligation. Provisions are recorded at the best estimate of the expenditure required to settle the obligation. Provisions to be settled beyond 12 months from the reporting date are recorded at their discounted present value.

### *Equity*

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity within the Council. Components of equity are:

- Ratepayers equity: previously accumulated funds and current net surplus;
- Special Funds & Reserves: those reserves that are subject to specific conditions of use and may be legally restricted or created by the Council; and
- Asset Revaluation Reserves: this relates to the revaluation of property plant and equipment to fair value.



### *Budget figures*

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted in preparing the Prospective Financial Statements.

### *Related Parties*

A party is related to the Council if:

- Directly or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the Council;
  - has an interest in the Council that gives it significant influence over the Council;
  - has joint control over the Council;
- The party is an associate of the Council;
- The party is a joint venture in which the Council is a venture;
- The party is a member of key management personnel (including any elected members) of the Council;
- The party is a close member of the family of any individual referred to above;
- The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to above.

Councillors, including the Mayor, are considered directors as they occupy the position of a member of the governing body of the Council reporting entity. Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a director during the reporting period. Directors' remuneration does not include reimbursement of legitimate work expenses or the provision of work-related equipment such as cell phones and laptops.

### *Donated Services Recognition*

The Council receives the benefits of many services provided by volunteers. These services are greatly valued. However, due to the difficulty in determining the value of these donated services in monetary terms with sufficient reliability, donated services are not recognised in these Prospective Financial Statements.

### *Prospective Statement of Cash Flows*

The Prospective Statement of Cash Flows has been prepared using the direct approach subject to the netting of certain cash flows. Cash flows in respect of investments and borrowings that have been rolled-over under arranged finance facilities have been netted in order to provide more meaningful disclosures.

Operating activities include cash received from all income sources of the Council, it also records the cash payments made for the supply of goods and services and include cash flows from other activities that are neither investing nor financing activities. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to activities that change the equity and debt capital structure of the Council.

### *Cost of Service Statements*

The Cost of Service Statements report the net cost of service for significant activities of the Council, and are represented by the costs of providing the service less all revenue that can be allocated to these activities.

### *Overhead Allocation*

The costs of internal services not directly charged to activities are allocated on an appropriate basis as overheads. The basis included gross costs, rates contribution, personnel numbers, usage of information systems, purchasing transactions and loan usage.

### *Capital Management Policy*

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

The Local Government Act 2002 (LGA) requires the Council to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments, and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the LGA and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place Asset Management Plans for major classes 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.

## Prospective Statement of Comprehensive Income

For the year ended 30 June

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
<b>Income</b>											
General rates	37,732	40,597	43,183	45,583	48,678	51,606	55,506	59,529	62,728	64,852	66,510
Targeted rates - non water	7,345	7,975	8,319	8,938	9,282	9,625	10,331	10,870	11,485	11,987	12,656
Targeted rates - water	5,510	5,478	5,807	6,244	6,846	7,852	8,579	9,003	9,318	9,549	9,813
Fees and charges	14,739	14,751	15,158	15,260	14,952	15,401	15,510	15,965	16,284	16,389	16,691
Development and financial contributions	150	417	432	433	478	478	1,001	928	912	1,226	1,652
Subsidies and grants	6,440	5,053	4,494	13,780	8,697	4,610	4,073	4,116	4,788	4,955	5,253
Investment revenue	222	559	524	480	479	491	508	506	503	540	578
Income from vested assets	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,625	2,703	2,784
Investment property revaluations	520	536	552	569	586	603	621	640	659	679	699
Gain on sale of assets	64	584	4,816	34	35	37	38	39	40	41	42
<b>Total Income</b>	<b>74,794</b>	<b>78,084</b>	<b>85,483</b>	<b>93,585</b>	<b>92,365</b>	<b>93,105</b>	<b>98,641</b>	<b>104,144</b>	<b>109,342</b>	<b>112,921</b>	<b>116,678</b>
<b>Expenditure</b>											
Personnel costs	22,128	23,356	23,923	24,503	25,019	25,627	26,251	26,890	27,546	28,244	28,988
Interest expense	4,081	3,692	4,588	5,143	5,864	6,490	6,723	6,663	6,478	6,166	5,662
Depreciation and amortisation	19,629	17,338	18,755	19,503	20,571	22,277	22,574	24,448	24,956	26,226	27,358
Other expenses	29,114	33,332	32,510	33,253	35,150	36,805	39,001	40,501	43,071	44,484	46,157
<b>Total Expenditure</b>	<b>74,952</b>	<b>77,718</b>	<b>79,776</b>	<b>82,402</b>	<b>86,604</b>	<b>91,199</b>	<b>94,549</b>	<b>98,502</b>	<b>102,051</b>	<b>105,120</b>	<b>108,165</b>
<b>Net Surplus/(Deficit)</b>	<b>(158)</b>	<b>366</b>	<b>5,707</b>	<b>11,183</b>	<b>5,761</b>	<b>1,906</b>	<b>4,092</b>	<b>5,642</b>	<b>7,291</b>	<b>7,801</b>	<b>8,513</b>
<b>Other Comprehensive Income</b>											
Revaluation of Property, Plant and Equipment	45,697	32,767	7,187	24,344	3,350	31,022	5,751	30,333	12,456	34,970	7,503
<b>Total Comprehensive Income</b>	<b>45,539</b>	<b>33,133</b>	<b>12,894</b>	<b>35,527</b>	<b>9,111</b>	<b>32,928</b>	<b>9,843</b>	<b>35,975</b>	<b>19,747</b>	<b>42,771</b>	<b>16,016</b>

NB (a) The figures for 2014/15 are the budgeted figures from Council's 2014-15 Annual Plan  
(b) Actual performance in 2014/15 has been different than that forecast and the opening position for the LTP is based on expected actuals at 30 June 2015.

## Prospective Statement of Changes in Equity

For the year ended 30 June

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
<b>Equity at 1 July</b>	<b>1,143,844</b>	<b>1,178,966</b>	<b>1,212,099</b>	<b>1,224,993</b>	<b>1,260,520</b>	<b>1,269,631</b>	<b>1,302,559</b>	<b>1,312,402</b>	<b>1,348,377</b>	<b>1,368,124</b>	<b>1,410,895</b>
Net Surplus/(Deficit)	(158)	366	5,707	11,183	5,761	1,906	4,092	5,642	7,291	7,801	8,513
Other Comprehensive Income	45,697	32,767	7,187	24,344	3,350	31,022	5,751	30,333	12,456	34,970	7,503
	45,539	33,133	12,894	35,527	9,111	32,928	9,843	35,975	19,747	42,771	16,016
<b>Equity at 30 June</b>	<b>1,189,383</b>	<b>1,212,099</b>	<b>1,224,993</b>	<b>1,260,520</b>	<b>1,269,631</b>	<b>1,302,559</b>	<b>1,312,402</b>	<b>1,348,377</b>	<b>1,368,124</b>	<b>1,410,895</b>	<b>1,426,911</b>

NB (a) The figures for 2014/15 are the budgeted figures from Council's 2014-15 Annual Plan  
(b) Actual performance in 2014/15 has been different than that forecast and the opening position for the LTP is based on expected actuals at 30 June 2015.

## Prospective Statement of Financial Position (for the year ended 30 June)

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
<b>Assets</b>											
Cash and cash equivalents	8,029	8,921	8,892	8,657	8,786	8,714	8,680	8,451	8,627	8,814	8,763
Trade and other receivables	6,567	5,050	5,125	5,202	5,280	5,359	5,440	5,521	5,604	5,688	5,774
Inventories	857	872	885	898	912	925	939	953	968	982	997
Property intended for sale	0	2,413	0	0	0	0	0	0	0	0	0
Investments	4,046	4,046	4,046	4,046	4,046	4,046	4,046	4,046	4,046	4,046	4,046
<b>Total Current Assets</b>	<b>19,499</b>	<b>21,302</b>	<b>18,948</b>	<b>18,803</b>	<b>19,024</b>	<b>19,044</b>	<b>19,105</b>	<b>18,971</b>	<b>19,245</b>	<b>19,530</b>	<b>19,580</b>
<b>Non-Current Assets</b>											
Investments in council-controlled organisations	120	126	126	126	126	126	126	126	126	126	126
Term receivables	485	265	279	293	307	321	335	349	363	377	391
Property, plant and equipment	1,232,143	1,265,096	1,288,219	1,320,777	1,366,035	1,406,062	1,412,723	1,443,530	1,459,672	1,495,851	1,499,975
Investment properties	17,330	14,225	14,777	15,346	15,931	16,535	17,156	17,796	18,455	19,134	19,834
Work in progress	5,364	5,818	7,600	25,777	3,824	2,780	2,012	2,170	2,579	2,388	2,017
Intangible assets	2,050	2,369	2,566	2,786	4,009	5,366	12,757	12,209	11,783	11,412	11,088
<b>Total Non-Current Assets</b>	<b>1,257,492</b>	<b>1,287,899</b>	<b>1,313,567</b>	<b>1,365,105</b>	<b>1,390,232</b>	<b>1,431,190</b>	<b>1,445,109</b>	<b>1,476,180</b>	<b>1,492,978</b>	<b>1,529,288</b>	<b>1,533,431</b>
<b>Total Assets</b>	<b>1,276,991</b>	<b>1,309,201</b>	<b>1,332,515</b>	<b>1,383,908</b>	<b>1,409,256</b>	<b>1,450,234</b>	<b>1,464,214</b>	<b>1,495,151</b>	<b>1,512,223</b>	<b>1,548,818</b>	<b>1,553,011</b>
<b>Current Liabilities</b>											
Employee entitlements	1,111	1,056	1,084	1,113	1,139	1,170	1,201	1,233	1,265	1,300	1,338
Trade and other payables	10,941	9,978	10,052	10,126	10,202	10,277	10,356	10,434	10,512	10,591	10,670
Current portion of public debt	10,912	10,469	12,373	14,143	15,957	16,742	17,326	16,641	16,464	15,752	14,288
<b>Total Current Liabilities</b>	<b>22,964</b>	<b>21,503</b>	<b>23,509</b>	<b>25,382</b>	<b>27,298</b>	<b>28,189</b>	<b>28,883</b>	<b>28,308</b>	<b>28,241</b>	<b>27,643</b>	<b>26,296</b>
<b>Non-Current Liabilities</b>											
Public debt	57,700	66,676	74,220	87,372	100,804	107,054	109,062	103,217	100,743	93,995	81,948
Development contribution levies	1,190	1,019	1,451	1,884	2,363	2,842	3,842	4,769	5,682	6,908	8,560
Landfill aftercare provision	5,754	7,904	8,342	8,750	9,160	9,590	10,025	10,480	9,433	9,377	9,296
<b>Total Non-Current Liabilities</b>	<b>64,644</b>	<b>75,599</b>	<b>84,013</b>	<b>98,006</b>	<b>112,327</b>	<b>119,486</b>	<b>122,929</b>	<b>118,466</b>	<b>115,858</b>	<b>110,280</b>	<b>99,804</b>
<b>Total Liabilities</b>	<b>87,608</b>	<b>97,102</b>	<b>107,522</b>	<b>123,388</b>	<b>139,625</b>	<b>147,675</b>	<b>151,812</b>	<b>146,774</b>	<b>144,099</b>	<b>137,923</b>	<b>126,100</b>
<b>Net Assets</b>	<b>1,189,383</b>	<b>1,212,099</b>	<b>1,224,993</b>	<b>1,260,520</b>	<b>1,269,631</b>	<b>1,302,559</b>	<b>1,312,402</b>	<b>1,348,377</b>	<b>1,368,124</b>	<b>1,410,895</b>	<b>1,426,911</b>
<b>Equity</b>											
Ratepayers equity	328,187	354,676	363,847	375,436	383,791	387,819	389,327	391,314	398,613	404,492	407,678
Special funds and reserves	14,828	(1,523)	(4,987)	(5,393)	(7,987)	(10,109)	(7,525)	(3,870)	(3,878)	(1,956)	3,371
Asset revaluation reserves	846,368	858,946	866,133	890,477	893,827	924,849	930,600	960,933	973,389	1,008,359	1,015,862
<b>Total Equity</b>	<b>1,189,383</b>	<b>1,212,099</b>	<b>1,224,993</b>	<b>1,260,520</b>	<b>1,269,631</b>	<b>1,302,559</b>	<b>1,312,402</b>	<b>1,348,377</b>	<b>1,368,124</b>	<b>1,410,895</b>	<b>1,426,911</b>

NB (a) The figures for 2014/15 are the budgeted figures from Council's 2014-15 Annual Plan  
(b) Actual performance in 2014/15 has been different than that forecast and the opening position for the LTP is based on expected actuals at 30 June 2015.

\* This relates to the Council's investment in Capacity Infrastructure Limited

## Prospective Statement of Cashflows (for the year ended 30 June)

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
<b>Cash Flows from Operating Activities</b>											
<b>Cash will be provided from:</b>											
Rates	58,235	62,237	66,020	69,929	74,227	79,022	84,683	89,967	94,402	97,574	100,489
Operating revenue	21,062	20,730	24,825	29,430	24,085	20,446	20,542	20,966	21,942	22,527	23,553
Interest income	222	559	524	480	479	491	508	506	503	540	578
Investment income	0	0	0	0	0	0	0	0	0	0	0
	79,519	83,526	91,369	99,839	98,791	99,959	105,733	111,439	116,847	120,641	124,620
<b>Cash will be applied to</b>											
Suppliers and employees	51,517	55,741	58,785	55,166	59,273	61,090	62,675	64,028	67,509	69,223	71,576
Interest expense	3,822	3,458	4,339	4,881	5,588	6,200	6,417	6,341	6,140	5,861	5,360
Wellington Regional Council	7,648	8,187	8,711	9,164	9,421	9,939	10,267	10,565	10,871	11,186	11,510
Goods and Services Tax (net)	2,876	1,792	2,773	2,932	1,285	1,728	3,483	4,195	5,262	4,978	5,474
	65,863	69,178	74,608	72,143	75,567	78,957	82,842	85,129	89,782	91,248	93,920
<b>Net Cash from Operating Activities</b>	<b>13,656</b>	<b>14,348</b>	<b>16,761</b>	<b>27,696</b>	<b>23,224</b>	<b>21,002</b>	<b>22,891</b>	<b>26,310</b>	<b>27,065</b>	<b>29,393</b>	<b>30,700</b>
<b>Cash Flows from Investing Activities</b>											
<b>Cash will be provided from:</b>											
Sale of PPE	64	5,288	7,453	263	270	278	286	295	305	315	327
Repayment of term receivables	24	0	0	0	0	0	0	0	0	0	0
	88	5,288	7,453	263	270	278	286	295	305	315	327
<b>Cash will be applied to</b>											
Purchase of PPE	19,844	36,648	34,217	43,640	38,240	27,803	20,124	21,702	25,793	23,877	20,174
Capital projects carried over from prior year	7,800	0	0	0	0	0	0	0	0	0	0
Increase in term receivables	0	14	14	14	14	14	14	14	14	14	14
Acquisition of investments	0	0	0	0	0	0	0	0	0	0	0
Purchase of intangible assets	374	606	322	328	1,313	1,529	7,666	443	560	620	680
	28,018	37,268	34,553	43,982	39,567	29,346	27,804	22,159	26,367	24,511	20,868
<b>Net Cash from Investing Activities</b>	<b>(27,930)</b>	<b>(31,980)</b>	<b>(27,100)</b>	<b>(43,719)</b>	<b>(39,297)</b>	<b>(29,068)</b>	<b>(27,518)</b>	<b>(21,864)</b>	<b>(26,062)</b>	<b>(24,196)</b>	<b>(20,541)</b>
<b>Cash Flows from Financing Activities</b>											
<b>Cash will be provided from:</b>											
Development contribution levies	87	834	864	866	957	957	2,001	1,855	1,825	2,452	3,304
Loans raised	57,700	18,740	12,546	18,422	18,745	11,137	7,092	0	6,900	0	0
	57,787	19,574	13,410	19,288	19,702	12,094	9,093	1,855	8,725	2,452	3,304
<b>Cash will be applied to</b>											
Repayment of loans	41,500	2,500	3,100	3,500	3,500	4,100	4,500	6,530	9,552	7,462	13,514
	41,500	2,500	3,100	3,500	3,500	4,100	4,500	6,530	9,552	7,462	13,514
<b>Net Cash from Financing Activities</b>	<b>16,287</b>	<b>17,074</b>	<b>10,310</b>	<b>15,788</b>	<b>16,202</b>	<b>7,994</b>	<b>4,593</b>	<b>(4,675)</b>	<b>(827)</b>	<b>(5,010)</b>	<b>(10,210)</b>
<b>Net Increase / (Decrease) in cash</b>	<b>2,013</b>	<b>(558)</b>	<b>(29)</b>	<b>(235)</b>	<b>129</b>	<b>(72)</b>	<b>(34)</b>	<b>(229)</b>	<b>176</b>	<b>187</b>	<b>(51)</b>
Cash Resources at 1 July	6,016	9,479	8,921	8,892	8,657	8,786	8,714	8,680	8,451	8,627	8,814
<b>Cash Resources at 30 June</b>	<b>8,029</b>	<b>8,921</b>	<b>8,892</b>	<b>8,657</b>	<b>8,786</b>	<b>8,714</b>	<b>8,680</b>	<b>8,451</b>	<b>8,627</b>	<b>8,814</b>	<b>8,763</b>
<b>Comprising:</b>											
Bank	8,029	8,921	8,892	8,657	8,786	8,714	8,680	8,451	8,627	8,814	8,763
Term deposit maturities less than 3 months	0	0	0	0	0	0	0	0	0	0	0
	<b>8,029</b>	<b>8,921</b>	<b>8,892</b>	<b>8,657</b>	<b>8,786</b>	<b>8,714</b>	<b>8,680</b>	<b>8,451</b>	<b>8,627</b>	<b>8,814</b>	<b>8,763</b>

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NB

(a) The figures for 2014/15 are the budgeted figures from Council's 2014-15 Annual Plan

(b) Actual performance in 2014/15 has been different than that forecast and the opening position for the LTP is based on expected actuals at 30 June 2015.

## Notes to the Prospective Financial Statements – Depreciation (for the year ended 30 June)

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
Arts & Heritage	437	525	523	515	515	515	530	529	530	546	546
Library Services	317	308	305	314	328	339	354	377	383	412	413
Community Recreation Programmes	0	0	0	0	0	0	0	0	0	0	0
Indoor Recreation	1,106	992	981	992	993	989	1,022	1,025	1,030	1,060	1,060
City Landscape	581	886	1,011	1,229	1,377	1,391	1,451	1,503	1,610	1,574	1,630
Sports Fields & Outdoor Courts	662	622	638	675	665	663	718	727	744	750	746
Cemeteries & Crematoriums	78	98	96	98	99	99	103	101	108	109	109
<b>Community and Leisure Services</b>	<b>3,181</b>	<b>3,431</b>	<b>3,554</b>	<b>3,823</b>	<b>3,977</b>	<b>3,996</b>	<b>4,178</b>	<b>4,262</b>	<b>4,405</b>	<b>4,451</b>	<b>4,504</b>
Village Planning	0	0	54	109	165	223	282	343	406	470	536
<b>Community Partnerships</b>	<b>0</b>	<b>0</b>	<b>54</b>	<b>109</b>	<b>165</b>	<b>223</b>	<b>282</b>	<b>343</b>	<b>406</b>	<b>470</b>	<b>536</b>
Governance & City Leadership	5	35	35	35	35	5	0	0	0	0	0
Council Property	697	638	780	865	906	945	1,010	1,054	1,094	1,173	1,217
<b>Democratic Services</b>	<b>702</b>	<b>673</b>	<b>815</b>	<b>900</b>	<b>941</b>	<b>950</b>	<b>1,010</b>	<b>1,054</b>	<b>1,094</b>	<b>1,173</b>	<b>1,217</b>
City Centre Revitalisation	18	38	38	38	38	29	26	26	26	26	26
<b>Economic Development</b>	<b>18</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>29</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>
Emergency Management	120	135	87	75	80	99	115	121	131	152	174
<b>Emergency Management</b>	<b>120</b>	<b>135</b>	<b>87</b>	<b>75</b>	<b>80</b>	<b>99</b>	<b>115</b>	<b>121</b>	<b>131</b>	<b>152</b>	<b>174</b>

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Notes to the Prospective Financial Statements – Depreciation continued

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
Building Compliance	3	16	0	0	0	0	0	0	0	0	0
Animal Control	12	18	18	8	7	6	7	7	7	7	7
Environmental Standards	10	22	14	0	0	0	0	0	0	0	0
Harbour	0	42	42	41	18	16	16	15	11	7	7
<b>Environment and Regulatory</b>	<b>25</b>	<b>98</b>	<b>74</b>	<b>49</b>	<b>25</b>	<b>22</b>	<b>23</b>	<b>22</b>	<b>18</b>	<b>14</b>	<b>14</b>
Stormwater Management	2,363	1,610	1,778	1,788	1,921	1,946	2,096	2,106	2,271	2,282	2,475
<b>Stormwater</b>	<b>2,363</b>	<b>1,610</b>	<b>1,778</b>	<b>1,788</b>	<b>1,921</b>	<b>1,946</b>	<b>2,096</b>	<b>2,106</b>	<b>2,271</b>	<b>2,282</b>	<b>2,475</b>
Landfill Management	717	946	1,091	1,141	1,190	1,314	1,507	1,847	636	817	959
City Cleaning	4	4	4	4	4	2	1	1	1	0	0
<b>Solid Waste</b>	<b>721</b>	<b>950</b>	<b>1,095</b>	<b>1,145</b>	<b>1,194</b>	<b>1,316</b>	<b>1,508</b>	<b>1,848</b>	<b>637</b>	<b>817</b>	<b>959</b>
City Roading & Safety	3,038	3,134	3,313	3,522	3,650	4,419	3,096	3,257	3,332	3,616	3,681
Transport Facilities	1,379	1,330	1,209	1,372	1,354	1,398	1,401	1,484	1,476	1,573	1,111
<b>Transport</b>	<b>4,417</b>	<b>4,464</b>	<b>4,522</b>	<b>4,894</b>	<b>5,004</b>	<b>5,817</b>	<b>4,497</b>	<b>4,741</b>	<b>4,808</b>	<b>5,189</b>	<b>4,792</b>
Water & Demand Management	2,276	1,813	2,055	2,081	2,247	2,342	2,518	2,542	2,752	2,774	3,016
<b>Water Supply</b>	<b>2,276</b>	<b>1,813</b>	<b>2,055</b>	<b>2,081</b>	<b>2,247</b>	<b>2,342</b>	<b>2,518</b>	<b>2,542</b>	<b>2,752</b>	<b>2,774</b>	<b>3,016</b>
Wastewater Management	3,318	2,279	2,551	2,626	2,833	2,981	3,300	3,328	3,599	3,629	3,947
Wastewater Treatment Plant	1,565	1,188	1,441	1,530	1,709	1,823	2,038	2,145	2,559	2,764	3,058
<b>Wastewater</b>	<b>4,883</b>	<b>3,467</b>	<b>3,992</b>	<b>4,156</b>	<b>4,542</b>	<b>4,804</b>	<b>5,338</b>	<b>5,473</b>	<b>6,158</b>	<b>6,393</b>	<b>7,005</b>
<b>Group of Activities</b>	<b>18,706</b>	<b>16,679</b>	<b>18,064</b>	<b>19,058</b>	<b>20,134</b>	<b>21,544</b>	<b>21,591</b>	<b>22,538</b>	<b>22,706</b>	<b>23,741</b>	<b>24,718</b>
Management Group & Consolidation Adjustment	923	659	691	445	437	733	983	1,910	2,250	2,485	2,640
	<b>19,629</b>	<b>17,338</b>	<b>18,755</b>	<b>19,503</b>	<b>20,571</b>	<b>22,277</b>	<b>22,574</b>	<b>24,448</b>	<b>24,956</b>	<b>26,226</b>	<b>27,358</b>



## Income from targeted water meter supply

*For the year ended 30 June*

	Annual Plan 2014/15 \$'000	LTP 2015/16 \$'000	LTP 2016/17 \$'000	LTP 2017/18 \$'000	LTP 2018/19 \$'000	LTP 2019/20 \$'000	LTP 2020/21 \$'000	LTP 2021/22 \$'000	LTP 2022/23 \$'000	LTP 2023/24 \$'000	LTP 2024/25 \$'000
Income from targeted water meter supply	771	1,090	1,107	1,123	1,140	1,157	1,175	1,192	1,210	1,228	1,247

## Funding Impact Statement

### Overview

The Funding Impact Statement is developed to disclose the rating mechanisms the Council intends to use and the level of funds produced by each tool. The system of differential rating is also defined in the Funding Impact Statement.

### Statutory Requirements

Clause 20 of schedule 10 of the Local Government Act 2002 (LGA) and the Local Government (Rating) Act 2002 (Rating Act) require the Council to prepare a Funding Impact Statement disclosing the rating mechanisms it intends to use.

### Key Features of the Policy

A Funding Impact Statement must consider the following matters including the intended use of rating mechanisms in order to achieve compliance with this legislation:

Matters	Legislation Reference
The valuation system and basis of setting the general rate and the uniform annual general charge.	Sections 13 and 15 of the Rating Act and clauses 20(3)(a) and (b) of schedule 10 of the LGA
The categories that would be used for differentiating the general rate.	Section 14 of the Rating Act and clause 20(3)(c) of schedule 10 of the LGA

The activities or group of activities for which a targeted rate will be set.	Section 16 of the Rating Act and clause 20(4)(a) of schedule 10 of the LGA
The categories of land that will be used to set a targeted rate.	Section 17 of the Rating Act and clause 20(4)(b) of schedule 10 of the LGA
Any factor or factors that will be used to calculate liability for a targeted rate.	Section 18 of the Rating Act and clause 20(4)(c) of schedule 10 of the LGA
The Council's definition of separately used or inhabited part of a rating unit if a charge is to be calculated on that basis.	Clauses 20(3)(b)(ii) and 20(4)(c)(ii) of schedule 10 of the LGA

### Application of Policy

The Council will use a mixture of the following rating mechanisms to cover the estimated expense of the Council for the period of the plan:

- General Rates
- A Uniform Annual General Charge
- Targeted Rates for Water Supply, Wastewater, Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village, Kerbside Recycling Collection, City Centre Covered Walkways and City Centre Development
- Fees and Charges
- Subsidies and Grants

- Interest Income
- Development Contributions
- Reserves Funds
- Loan Funds
- Working Capital

### General Rates

A valuation system on which the general rates will be assessed, the Council will set a general rate based on the capital value of all rateable land in the city.

A Uniform Annual General Charge (UAGC) will be set and calculated as a fixed amount per separately used or inhabited part of a rating unit.

The general rate will be set on a differential basis based on land use, location or both land use and location.

### Objectives of the General Rate

The rate in the dollar of the general rate set on the capital value in respect of any specified category of property in Porirua City must vary from the rate in the dollar in respect of any other specified category of property according to the following categories and factors:

Categories and Groups	Factor	Rate revenue incl. GST
<b>Residential:</b>		
Group 01 – Residential and Other	1.00	\$26,459,000
<b>Business:</b>		
Group 13 – Business	3.50	\$10,494,000
Group 15 – Motels	1.72	\$119,000
Group 16 – Shopping Plazas	2.79	\$2,088,000
<b>Rural:</b>		
Group 18 – Rural	0.70	\$1,478,000

The general rate will be calculated as follows:

- The total capital value of each differential category is multiplied by the factor for that differential category. Differential category totals are summed to give a total “adjusted capital value” of all rating units in Porirua City.
- The total general rate requirement for the relevant year is divided by the total adjusted capital value to give the Base Rate.
- The Base Rate is then multiplied by each differential category factor to give the rate for that differential category.

- Each differential category rate is multiplied by the total capital value of that differential category to give the total rates to be paid by the differential category.

Refer to the section on Differential Matters and Categories for the matters and categories used to determine the differentials.

### Targeted Rates<sup>11</sup>

#### *Water Supply: Water Charged by Quantity Consumed*

The Council will set a targeted rate for water supply that is based on the volume of water supplied to all rating units in the city that are classed as receiving an extraordinary water supply as defined by the Council’s Water Bylaw. This charge will be set on a scheme basis. The schemes are:

Schemes	Explanation
1	Those rating units in the Judgeford area that are supplied water by meter directly from the Wellington Regional Council supply line. The rate is calculated as a fixed charge per cubic metre of water consumed.
2	Those rating units that are supplied water by meter indirectly from the Wellington Regional Council supply line via a Porirua City Council reservoir. The rate is calculated as a fixed charge per cubic metre of water consumed.

<sup>11</sup> The Council does not accept lump sum contributions in respect of any targeted rate.

3	All rating units other than those included in Scheme 1 or 2 above, that are supplied water by meter through Porirua City Council’s water supply system. The rate is calculated as a fixed charge per cubic metre of water consumed.
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### Water Supply - Water Charged by Fixed Charges

For properties that are not charged for water by meter, the Council will set a targeted rate for water supply on the basis of a targeted rate per separately used or inhabited part of a rating unit in the city which are either connected to the water supply system or for which connection is available. This charge will be set on a differential basis based on use and based on the availability of service (the categories are “connected” and “serviceable” where “serviceable” will be charged a half charge). The charge is calculated as a fixed amount per separately used or inhabited part of a rating unit.

“Connected” separately used or inhabited parts of a rating unit will be charged a full charge (rate revenue, including GST, \$6,158,000) and “serviceable” separately used or inhabited parts of a rating unit will be charged a half charge (rate revenue, including GST, \$141,000).

Rating units which are not connected to the water supply system and are not serviceable will not be liable for this rate.

Refer to the section on Differential Matters and Categories below, for the matters and categories used to determine the differentials.

### Wastewater

The Council will set a targeted rate for wastewater on the basis of a targeted rate per each water closet or urinal connected directly or

through a private drain to a public sewerage drain. This charge will be set based on the availability of service (the category is “connected”). The Council does not differentiate the rate. The charge is calculated as a fixed amount for each water closet or urinal connected directly or through a private drain to a public sewerage drain.

All rating units used exclusively or principally as a residence of not more than one household shall be deemed to have not more than one water closet or urinal. Rating units which do not have any water closets or urinals connected directly or through a private drain to a public sewerage drain are not serviceable and will not be liable for this rate.

### **Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village**

A targeted rate for Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village, set under section 16(3)(b) and (4)(b) of the Local Government (Rating) Act 2002, which equates to a 50% share of the total capital costs that relate to the construction of the Pauatahanui Water Supply and Sewerage Schemes. It will apply to those properties that are defined by Drawing PCC#1078116-v1 dated 25/09/2014, held by the Council and are connected to the scheme. The scheme is defined as the “pumped pressure systems” for Pauatahanui village connecting to the public sewer system at Joseph Banks Drive and connecting to the existing public water supply system in Pauatahanui.

The Council does not differentiate the rate. The charge is calculated based on 50% of the total capital cost that relates to the construction of the Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village and will be a fixed charge of \$780.28 (GST inclusive) per annum for 25 years for every unit able to be connected or serviced by the scheme.

Rating units which have any water closets or urinals connected directly or through a private drain to the scheme will be liable for sewage disposal targeted rates.

Rating units that are connected or serviceable to the water supply, and not charged for by meter, will be liable for water supply targeted rates.

The Council’s share of the capital cost of the scheme will form part of the Pumped Pressure Sewerage and Water Reticulation for Pauatahanui Village Scheme for the targeted rate calculation that is applied to all applicable rating units.

### **Kerbside Recycling**

The Council will set a targeted rate for the kerbside recycling collection service on the basis of a targeted rate per separately used or inhabited part of a rating unit in the city to which the kerbside recycling collection service is provided. This charge will be set based on the availability of service (the category is “serviceable”). The Council will not differentiate the rate. The charge is calculated as a fixed amount per separately used or inhabited part of a rating unit.

Rating units which are not provided with a kerbside recycling collection service are not serviceable and will not be liable for this rate.

### **City Centre Covered Walkways**

The Council is not setting a targeted rate for the City Centre Covered Walkways for the 2015/16 year but depending on the Council decision on whether or not to replace the canopies this rate may be set again in the 2017/18 year on a certain category of property within the central business district of the city. This rate was levied on the “central business district” rating units in Group 13 in the Inner Pedestrian Area of the

District Plan (more particularly defined by reference to Drawing PCC#1091306-v1 dated 24 March 2015, held by the Council) other than:

- Rating units in Group 16; and
- Rating units located at 1-7 Hartham Place.

This rate is based on the land value of the rating unit. The Council has not differentiated this rate.

### **City Centre Development**

The Council will set a targeted rate for city centre development and marketing activity on all properties which fall within the central business district of the city. For the purposes of this rate the Council will define the “central business district” as all rating units in Group 13 in the Inner Pedestrian Area of the District Plan other than:

- Rating units in Group 16; and
- Rating units located at 1-7 Hartham Place.

The Council will set this rate based on the capital value of the rating unit. The Council will not differentiate the rate.

### **Differential Matters and Categories**

Where councils assess rates on a differential basis they must use one or more matters specified in Schedule Two of the Rating Act to define the categories of rateable land. The Council is required to state which matters will be used for defining the categories of rateable land for each targeted rate.

### **Differentials Based on Land Use and/or Location**

The Council will use the matters of land use and/or location to differentiate the general rate. The differential categories for the purposes of the general rate are as follows and all property in Porirua City must be allocated to one of the following categories:

Categories	Explanation	
Group 01 - Residential and other	All rating units not otherwise included in Groups 13, 15, 16 or 18. For the avoidance of doubt, this category includes Porirua City Council owned utility networks such as water and drainage systems and all retirement villages and rest homes unless the retirement village or rest home is included in Group 18.	
	Sub- Categories	Explanation
Group 13 - Business	1. All rating units located in the following areas as defined in the District Plan: <ul style="list-style-type: none"> <li>• in the City Centre Zone;</li> <li>• the Industrial Zone;</li> <li>• the Business Park Zone; but excluding rating units:               <ul style="list-style-type: none"> <li>○ included in Groups 15 or 16;</li> <li>○ located at 9 Kapuni Grove;</li> <li>○ used as retirement villages or rest homes.</li> </ul> </li> </ul>	For the avoidance of doubt, “used principally for commercial and/or industrial purposes” does not include rating units: <ul style="list-style-type: none"> <li>(a) which Council defines as farmland;</li> <li>(b) used principally for residential accommodation;</li> <li>(c) used as a boarding house, motor camp or camping ground.</li> </ul>
	2. All other rating units in the city used principally for commercial and/or industrial purposes: but excluding rating units: <ul style="list-style-type: none"> <li>• included in Groups 15 or 16;</li> <li>• used as retirement villages or rest homes</li> </ul>	For the purposes of this definition “farmland” is property that is separately rated, and is used exclusively or principally for agricultural, horticultural, or pastoral purposes, or for the keeping of bees or poultry or other livestock.
	3. All rating units that comprise network utility systems such as water, gas or petroleum energy distribution systems, electricity distribution systems, postal distributions systems and telecommunications or radio communications systems but not including Porirua City Council owned utilities (which are included in Group 01).	

Categories	Explanation
Group 15 - Motels	<p>All rating units used principally for short-term motel, hotel, motor hotel, or backpacker accommodation, but not including a boarding house, motor camp or camping ground.</p> <p>For the purpose of this definition “accommodation” includes residential accommodation and garaging facilities and may include facilities, including restaurant facilities, reasonably ancillary to the short-term accommodation.</p>
Group 16 - Shopping Plazas	<p>All rating units:</p> <ul style="list-style-type: none"> <li data-bbox="568 555 2058 671">i. Used as a self-contained shopping plaza, in particular those rating units known collectively as the North City Shopping Centre (more particularly defined by reference to Drawing PCC#1078172-v2 dated 24 March 2015, held by the Council); and</li> <li data-bbox="568 671 2058 751">ii. Comprising a bulk retailing centre and adjacent rating units (more particularly defined by reference to Drawing PCC#1078172-v2 dated 24 March 2015, held by the Council).</li> </ul>
Group 18 (Rural)	<p>All rating units in any rural zone, other than rating units included in any of Groups 13, 15 or 16, but including land at Hongoeka Bay zoned suburban as shown on Drawing PCC#1078155-v2 dated 24 March 2015, held by the Council.</p>

Notes:

- i. All references in the definitions to zones are references to zones defined in the Porirua City District Plan.
- ii. Subject to the right of objection to the rating information database set out in section 29 of the Rating Act 2002 the Council is the sole determiner of the categories.
- iii. “retirement village” has the same meaning as in the Retirement Villages Act 2003.
- iv. “rest home” has the same meaning as in the Health and Disability Services (Safety) Act 2001.



## Availability of Service

The differential categories for the water supply rate are:

Categories	Explanation
Connected	Any rating unit that is connected to Council operated water supply networks.
Serviceable	Any rating unit that is not connected to Council operated water supply networks but is within 100 metres of such networks.
Definition of “Separately Used or Inhabited Part” of a Rating Unit	<p>“Separately used or inhabited part” of a rating unit includes any part of a rating unit separately used or inhabited by the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.</p> <p>At a minimum, the land or premises intended to form the separately used or inhabited part of the rating must be capable of actual habitation or actual use by persons for the purposes of conducting a business.</p> <p>For the avoidance of doubt, a rating unit that has only one use (i.e. it does not have separate parts or is vacant land) is treated as being one separately used or inhabited part.</p>

# Prospective Funding Impact Statement

For the year ended 30 June

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	37,732	40,597	43,183	45,583	48,678	51,606	55,506	59,529	62,728	64,852	66,510
Targeted rates - non water	7,345	7,975	8,319	8,938	9,282	9,625	10,331	10,870	11,485	11,987	12,656
Targeted rates - water	5,510	5,478	5,807	6,244	6,846	7,852	8,579	9,003	9,318	9,549	9,813
Subsidies for operating purposes	1,483	1,463	1,682	1,786	1,829	1,956	2,132	2,277	2,818	3,006	3,144
Fees and charges	10,791	11,208	11,615	11,717	11,356	11,751	11,806	12,205	12,467	12,515	12,759
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	207	522	507	436	411	451	526	508	492	660	804
Other operating	397	874	5,111	333	339	344	350	356	362	368	374
<b>Total Operating Funding (A)</b>	<b>63,465</b>	<b>68,116</b>	<b>76,224</b>	<b>75,037</b>	<b>78,741</b>	<b>83,585</b>	<b>89,230</b>	<b>94,748</b>	<b>99,669</b>	<b>102,937</b>	<b>106,059</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	48,344	53,422	53,016	54,241	56,549	58,691	61,424	63,445	66,535	68,471	70,673
Finance costs	3,805	3,458	4,339	4,881	5,588	6,200	6,417	6,341	6,140	5,861	5,360
Internal charges applied	0	0	0	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding (B)</b>	<b>52,149</b>	<b>56,880</b>	<b>57,355</b>	<b>59,122</b>	<b>62,137</b>	<b>64,891</b>	<b>67,841</b>	<b>69,786</b>	<b>72,675</b>	<b>74,332</b>	<b>76,033</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>11,316</b>	<b>11,236</b>	<b>18,869</b>	<b>15,915</b>	<b>16,604</b>	<b>18,694</b>	<b>21,389</b>	<b>24,962</b>	<b>26,994</b>	<b>28,605</b>	<b>30,026</b>

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Prospective Impact Statement continued...

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	4,604	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
Development and financial contributions	150	417	432	433	478	478	1,001	928	912	1,226	1,652
Increase / (decrease) in borrowing	4,185	5,010	4,225	10,232	8,670	(1,899)	1,717	(7,998)	(9,071)	(9,619)	(10,185)
<b>Total Sources of Capital Funding (C)</b>	<b>8,939</b>	<b>8,727</b>	<b>7,175</b>	<b>22,360</b>	<b>15,713</b>	<b>925</b>	<b>4,347</b>	<b>(5,549)</b>	<b>(6,510)</b>	<b>(6,771)</b>	<b>(6,755)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	4,965	6,376	8,394	22,364	17,266	3,213	2,956	3,080	3,150	3,317	3,380
- to improve the level of Service	4,332	7,510	11,165	7,330	3,857	4,972	3,421	3,522	3,607	3,718	3,740
- to replace existing assets	8,811	10,871	10,774	9,732	12,941	11,780	17,254	9,539	9,725	9,599	10,873
Movement in reserves	2,147	(4,794)	(4,288)	(1,151)	(1,747)	(345)	2,106	3,272	4,002	5,200	5,278
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding (D)</b>	<b>20,255</b>	<b>19,963</b>	<b>26,044</b>	<b>38,275</b>	<b>32,317</b>	<b>19,619</b>	<b>25,736</b>	<b>19,413</b>	<b>20,484</b>	<b>21,834</b>	<b>23,271</b>
<b>Surplus / (Deficit) of Capital Funding (C- D)</b>	<b>(11,316)</b>	<b>(11,236)</b>	<b>(18,869)</b>	<b>(15,915)</b>	<b>(16,604)</b>	<b>(18,694)</b>	<b>(21,389)</b>	<b>(24,962)</b>	<b>(26,994)</b>	<b>(28,605)</b>	<b>(30,026)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Reconciliation of Funding Impact Statement with Prospective Statement of Comprehensive Income

For the year ended 30 June

	Annual Plan	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
For the Year ended 30 June	2014/15	2012 / 2013	2013 / 2014	2014 / 2015	2015 / 2016	2016 / 2017	2017 / 2018	2018 / 2019	2019 / 2020	2020 / 2021	2021 / 2022
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
<b>Reconciliation of Revenue</b>											
<b>Sources of Operating Funding</b>											
<b>Total operating funding (A) as per Funding Impact Statement</b>	63,465	68,116	76,224	75,037	78,741	83,585	89,230	94,748	99,669	102,937	106,059
<b>Add Sources of capital funding</b>											
Share of Revenue from Joint Ventures	3,983	3,581	3,559	3,587	3,663	3,691	3,686	3,758	3,828	3,754	3,706
Subsidies and grants for capital expenditure	4,604	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
Development and financial contributions	150	417	432	433	478	478	1,001	928	912	1,226	1,652
	8,737	7,298	6,509	15,715	10,706	6,515	6,316	6,208	6,389	6,602	7,136
<b>Add Sources of Non Cash Revenue Transactions</b>											
Vested Assets	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,625	2,703	2,784
Investment Property Revaluations	520	536	552	569	586	603	621	640	659	679	699
	2,592	2,670	2,750	2,833	2,918	3,005	3,095	3,188	3,284	3,382	3,483
<b>as per Prospective Statement of Comprehensive Income - Total Operating Income</b>	<b>74,794</b>	<b>78,084</b>	<b>85,483</b>	<b>93,585</b>	<b>92,365</b>	<b>93,105</b>	<b>98,641</b>	<b>104,144</b>	<b>109,342</b>	<b>112,921</b>	<b>116,678</b>

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Reconciliation of Funding Impact Statement with Prospective Statement of Comprehensive Income continued...

**Reconciliation of Expenditure**

**Applications of Operating Funding**

**Total applications of operating funding (B) as per Funding Impact Statement**

	52,149	56,880	57,355	59,122	62,137	64,891	67,841	69,786	72,675	74,332	76,033
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**Add applications of operating funding**

Share of Expenditure from Joint Ventures

	3,174	3,500	3,666	3,777	3,896	4,031	4,134	4,268	4,420	4,562	4,774
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**Add Applications of Non Cash Transactions**

Depreciation & Amortisation expense

	19,629	17,338	18,755	19,503	20,571	22,277	22,574	24,448	24,956	26,226	27,358
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**as per Prospective Statement of Comprehensive Income - Total Operating Expenditure**

	<b>74,952</b>	<b>77,718</b>	<b>79,776</b>	<b>82,402</b>	<b>86,604</b>	<b>91,199</b>	<b>94,549</b>	<b>98,502</b>	<b>102,051</b>	<b>105,120</b>	<b>108,165</b>
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**Reconciliation of Total Comprehensive Income**

**Surplus / (Deficit) of operating funding (A-B)**

	11,316	11,236	18,869	15,915	16,604	18,694	21,389	24,962	26,994	28,605	30,026
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Add Subsidies and grants for capital expenditure

	4,604	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
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Add Development and Financial contributions

	150	417	432	433	478	478	1,001	928	912	1,226	1,652
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Add Vested Assets

	2,072	2,134	2,198	2,264	2,332	2,402	2,474	2,548	2,625	2,703	2,784
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Add Investment Property Revaluations

	520	536	552	569	586	603	621	640	659	679	699
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Less Depreciation and amortisation expense

	(19,629)	(17,338)	(18,755)	(19,503)	(20,571)	(22,277)	(22,574)	(24,448)	(24,956)	(26,226)	(27,358)
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Add Share of Joint Ventures Net Surplus

	809	81	(107)	(190)	(233)	(340)	(448)	(510)	(592)	(808)	(1,068)
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Add Revaluation of Property, Plant & Equipment

	45,697	32,767	7,187	24,344	3,350	31,022	5,751	30,333	12,456	34,970	7,503
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**as per Prospective Statement of Comprehensive Income - Total Comprehensive Income**

	<b>45,539</b>	<b>33,133</b>	<b>12,894</b>	<b>35,527</b>	<b>9,111</b>	<b>32,928</b>	<b>9,843</b>	<b>35,975</b>	<b>19,747</b>	<b>42,771</b>	<b>16,016</b>
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**Full Prospective Funding Impact Statements for each Activity**

## Arts and Heritage

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,497	2,606	2,604	2,662	3,246	3,342	2,882	3,020	3,108	3,207	3,295
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	52	53	54	54	55	56	57	58	59	59	60
Fees and charges	239	228	231	235	238	242	245	249	253	256	260
Internal charges recovered	0	110	113	116	118	121	124	128	131	134	138
Other operating	57	58	59	60	61	62	63	64	65	66	67
<b>Total Operating Funding</b>	<b>2,846</b>	<b>3,055</b>	<b>3,061</b>	<b>3,127</b>	<b>3,719</b>	<b>3,823</b>	<b>3,371</b>	<b>3,518</b>	<b>3,615</b>	<b>3,723</b>	<b>3,820</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,037	1,913	1,959	2,006	2,605	2,673	2,164	2,222	2,283	2,348	2,418
Finance costs	5	9	7	6	5	4	4	4	3	3	2
Internal charges applied	767	712	685	696	715	751	788	878	909	939	969
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>2,809</b>	<b>2,634</b>	<b>2,651</b>	<b>2,708</b>	<b>3,324</b>	<b>3,428</b>	<b>2,956</b>	<b>3,104</b>	<b>3,195</b>	<b>3,290</b>	<b>3,389</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>37</b>	<b>421</b>	<b>410</b>	<b>419</b>	<b>395</b>	<b>395</b>	<b>415</b>	<b>414</b>	<b>420</b>	<b>433</b>	<b>431</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(17)	(23)	(24)	(25)	(5)	(5)	(6)	(6)	(6)	(7)	(7)
<b>Total Sources of Capital Funding</b>	<b>(17)</b>	<b>(23)</b>	<b>(24)</b>	<b>(25)</b>	<b>(5)</b>	<b>(5)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(7)</b>	<b>(7)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	10	11	11	11	11	0	0	0	0	0
- to replace existing assets	20	21	22	23	23	24	24	25	26	27	28
Movement in reserves	0	367	353	361	356	355	385	383	388	399	396
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>20</b>	<b>398</b>	<b>386</b>	<b>394</b>	<b>390</b>	<b>390</b>	<b>409</b>	<b>408</b>	<b>414</b>	<b>426</b>	<b>424</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(37)</b>	<b>(421)</b>	<b>(410)</b>	<b>(419)</b>	<b>(395)</b>	<b>(395)</b>	<b>(415)</b>	<b>(414)</b>	<b>(420)</b>	<b>(433)</b>	<b>(431)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Libraries

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,857	2,501	2,488	2,551	2,618	2,712	2,794	2,981	3,070	3,175	3,260
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	131	134	137	140	142	145	148	151	155	158	161
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,988</b>	<b>2,635</b>	<b>2,625</b>	<b>2,691</b>	<b>2,760</b>	<b>2,857</b>	<b>2,942</b>	<b>3,132</b>	<b>3,225</b>	<b>3,333</b>	<b>3,421</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,625	1,540	1,577	1,615	1,655	1,696	1,738	1,782	1,827	1,876	1,927
Finance costs	8	6	5	4	3	1	0	0	0	0	0
Internal charges applied	965	839	798	812	833	881	930	1,059	1,098	1,136	1,173
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>2,598</b>	<b>2,384</b>	<b>2,380</b>	<b>2,430</b>	<b>2,490</b>	<b>2,578</b>	<b>2,668</b>	<b>2,841</b>	<b>2,925</b>	<b>3,011</b>	<b>3,100</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>390</b>	<b>251</b>	<b>245</b>	<b>261</b>	<b>270</b>	<b>279</b>	<b>274</b>	<b>291</b>	<b>300</b>	<b>322</b>	<b>321</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(16)	(18)	(19)	(20)	(21)	(22)	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(16)</b>	<b>(18)</b>	<b>(19)</b>	<b>(20)</b>	<b>(21)</b>	<b>(22)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	374	346	354	362	373	383	394	406	419	433	448
Movement in reserves	0	(113)	(128)	(121)	(124)	(126)	(121)	(116)	(119)	(111)	(127)
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>374</b>	<b>233</b>	<b>226</b>	<b>241</b>	<b>249</b>	<b>257</b>	<b>274</b>	<b>291</b>	<b>300</b>	<b>322</b>	<b>321</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(390)</b>	<b>(251)</b>	<b>(245)</b>	<b>(261)</b>	<b>(270)</b>	<b>(279)</b>	<b>(274)</b>	<b>(291)</b>	<b>(300)</b>	<b>(322)</b>	<b>(321)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



*Community Recreation*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	68	53	53	54	56	59	62	68	71	74	77
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	3	18	19	19	19	19	20	20	20	21	21
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	92	25	26	26	27	27	27	28	28	29	29
<b>Total Operating Funding</b>	<b>163</b>	<b>97</b>	<b>97</b>	<b>99</b>	<b>102</b>	<b>105</b>	<b>109</b>	<b>116</b>	<b>119</b>	<b>123</b>	<b>127</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	124	53	54	55	56	58	59	61	63	65	67
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	39	44	43	44	45	47	49	55	57	58	60
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>163</b>	<b>97</b>	<b>97</b>	<b>99</b>	<b>102</b>	<b>105</b>	<b>109</b>	<b>116</b>	<b>119</b>	<b>123</b>	<b>127</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Indoor Recreation

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	3,696	4,208	4,177	4,256	4,352	4,384	4,568	4,812	4,974	5,149	5,308
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	2,563	2,464	2,501	2,538	2,576	2,615	2,654	2,694	2,735	2,776	2,817
Internal charges recovered	604	630	646	662	678	695	713	731	750	769	790
Other operating	20	30	31	31	32	32	33	33	34	34	35
<b>Total Operating Funding</b>	<b>6,883</b>	<b>7,332</b>	<b>7,354</b>	<b>7,488</b>	<b>7,639</b>	<b>7,727</b>	<b>7,968</b>	<b>8,271</b>	<b>8,492</b>	<b>8,728</b>	<b>8,950</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,487	4,038	4,134	4,234	4,339	4,449	4,565	4,686	4,812	4,948	5,093
Finance costs	301	253	240	227	213	198	189	179	168	157	145
Internal charges applied	1,744	2,025	1,997	2,035	2,088	2,172	2,259	2,440	2,519	2,597	2,677
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>6,532</b>	<b>6,316</b>	<b>6,370</b>	<b>6,496</b>	<b>6,640</b>	<b>6,820</b>	<b>7,012</b>	<b>7,304</b>	<b>7,499</b>	<b>7,701</b>	<b>7,915</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>351</b>	<b>1,016</b>	<b>984</b>	<b>992</b>	<b>999</b>	<b>907</b>	<b>956</b>	<b>967</b>	<b>993</b>	<b>1,027</b>	<b>1,035</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(261)	(265)	(259)	(232)	(246)	(158)	(167)	(177)	(188)	(199)	(211)
<b>Total Sources of Capital Funding</b>	<b>(261)</b>	<b>(265)</b>	<b>(259)</b>	<b>(232)</b>	<b>(246)</b>	<b>(158)</b>	<b>(167)</b>	<b>(177)</b>	<b>(188)</b>	<b>(199)</b>	<b>(211)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	90	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	751	725	760	753	749	789	790	805	828	824
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>90</b>	<b>751</b>	<b>725</b>	<b>760</b>	<b>753</b>	<b>749</b>	<b>789</b>	<b>790</b>	<b>805</b>	<b>828</b>	<b>824</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(351)</b>	<b>(1,016)</b>	<b>(984)</b>	<b>(992)</b>	<b>(999)</b>	<b>(907)</b>	<b>(956)</b>	<b>(967)</b>	<b>(993)</b>	<b>(1,027)</b>	<b>(1,035)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

City Landscape

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	3,900	5,045	5,191	5,541	6,045	6,020	6,310	6,661	6,997	7,217	7,488
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	172	192	195	198	201	204	207	210	213	217	220
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>4,072</b>	<b>5,237</b>	<b>5,386</b>	<b>5,739</b>	<b>6,246</b>	<b>6,224</b>	<b>6,517</b>	<b>6,871</b>	<b>7,210</b>	<b>7,434</b>	<b>7,708</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	934	1,559	1,621	1,770	2,083	1,959	2,070	2,189	2,317	2,460	2,615
Finance costs	94	105	98	120	143	136	131	124	117	110	104
Internal charges applied	2,874	2,784	2,798	2,799	2,850	2,978	3,111	3,307	3,435	3,571	3,691
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>3,903</b>	<b>4,448</b>	<b>4,517</b>	<b>4,688</b>	<b>5,076</b>	<b>5,073</b>	<b>5,311</b>	<b>5,619</b>	<b>5,870</b>	<b>6,141</b>	<b>6,410</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>169</b>	<b>789</b>	<b>869</b>	<b>1,051</b>	<b>1,170</b>	<b>1,151</b>	<b>1,206</b>	<b>1,252</b>	<b>1,340</b>	<b>1,293</b>	<b>1,298</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	13	13	332	309	309	590	879
Increase / (decrease) in borrowing	(94)	(113)	359	397	(123)	(87)	(111)	(118)	(114)	(100)	(73)
<b>Total Sources of Capital Funding</b>	<b>(94)</b>	<b>(113)</b>	<b>359</b>	<b>397</b>	<b>(110)</b>	<b>(74)</b>	<b>220</b>	<b>191</b>	<b>195</b>	<b>490</b>	<b>806</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	197	626	479	521	32	43	28	60	32	90	35
- to improve the level of Service	0	569	1,441	486	359	355	271	252	208	201	94
- to replace existing assets	452	493	392	340	414	452	623	635	531	663	894
Movement in reserves	(574)	(1,012)	(1,084)	102	256	227	505	495	763	828	1,082
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>75</b>	<b>676</b>	<b>1,228</b>	<b>1,448</b>	<b>1,060</b>	<b>1,077</b>	<b>1,426</b>	<b>1,443</b>	<b>1,535</b>	<b>1,783</b>	<b>2,104</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(169)</b>	<b>(789)</b>	<b>(869)</b>	<b>(1,051)</b>	<b>(1,170)</b>	<b>(1,151)</b>	<b>(1,206)</b>	<b>(1,252)</b>	<b>(1,340)</b>	<b>(1,293)</b>	<b>(1,298)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Sports Fields and Outdoor Courts

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,770	2,113	2,123	2,182	2,203	2,263	2,408	2,399	2,510	2,571	2,652
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	172	188	194	197	194	197	200	203	206	206	204
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,942</b>	<b>2,301</b>	<b>2,317</b>	<b>2,379</b>	<b>2,397</b>	<b>2,460</b>	<b>2,608</b>	<b>2,602</b>	<b>2,716</b>	<b>2,777</b>	<b>2,856</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	700	704	723	745	767	779	820	831	870	892	929
Finance costs	56	41	36	29	23	16	9	2	1	0	0
Internal charges applied	1,073	1,043	1,038	1,035	1,054	1,107	1,162	1,253	1,305	1,359	1,406
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,829</b>	<b>1,789</b>	<b>1,797</b>	<b>1,809</b>	<b>1,843</b>	<b>1,902</b>	<b>1,991</b>	<b>2,086</b>	<b>2,176</b>	<b>2,250</b>	<b>2,335</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>113</b>	<b>512</b>	<b>520</b>	<b>570</b>	<b>554</b>	<b>558</b>	<b>617</b>	<b>516</b>	<b>540</b>	<b>527</b>	<b>521</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	3	3	6	6	6	9	13
Increase / (decrease) in borrowing	(102)	(98)	(104)	(110)	(109)	(115)	(121)	(16)	(17)	0	0
<b>Total Sources of Capital Funding</b>	<b>(102)</b>	<b>(98)</b>	<b>(104)</b>	<b>(110)</b>	<b>(107)</b>	<b>(112)</b>	<b>(115)</b>	<b>(10)</b>	<b>(11)</b>	<b>9</b>	<b>13</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	341	0	0	0	0	0
- to replace existing assets	11	434	441	717	516	365	204	274	302	447	417
Movement in reserves	(0)	(20)	(25)	(257)	(68)	(261)	299	232	227	89	116
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>11</b>	<b>414</b>	<b>416</b>	<b>460</b>	<b>447</b>	<b>446</b>	<b>502</b>	<b>506</b>	<b>529</b>	<b>536</b>	<b>534</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(113)</b>	<b>(512)</b>	<b>(520)</b>	<b>(570)</b>	<b>(554)</b>	<b>(558)</b>	<b>(617)</b>	<b>(516)</b>	<b>(540)</b>	<b>(527)</b>	<b>(521)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Cemeteries and Crematorium

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	348	286	237	236	242	262	286	324	337	357	375
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	504	511	518	526	534	542	550	558	567	575	584
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	1	1	1	1	1	1	1	1	1	1
<b>Total Operating Funding</b>	<b>852</b>	<b>798</b>	<b>756</b>	<b>763</b>	<b>777</b>	<b>805</b>	<b>837</b>	<b>883</b>	<b>905</b>	<b>933</b>	<b>960</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	163	115	118	121	124	127	131	135	139	143	148
Finance costs	35	25	21	20	18	16	14	12	10	9	7
Internal charges applied	548	519	518	521	532	556	580	623	646	670	691
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>746</b>	<b>659</b>	<b>657</b>	<b>661</b>	<b>673</b>	<b>699</b>	<b>725</b>	<b>770</b>	<b>795</b>	<b>822</b>	<b>847</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>106</b>	<b>139</b>	<b>99</b>	<b>102</b>	<b>104</b>	<b>106</b>	<b>112</b>	<b>113</b>	<b>110</b>	<b>111</b>	<b>113</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(73)	(65)	(28)	(27)	(29)	(31)	(33)	(35)	(25)	(26)	(28)
<b>Total Sources of Capital Funding</b>	<b>(73)</b>	<b>(65)</b>	<b>(28)</b>	<b>(27)</b>	<b>(29)</b>	<b>(31)</b>	<b>(33)</b>	<b>(35)</b>	<b>(25)</b>	<b>(26)</b>	<b>(28)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	33	0	0	46	0	65	59	362	0	0	0
Movement in reserves	0	74	71	29	75	10	21	(285)	85	85	85
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>33</b>	<b>74</b>	<b>71</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>79</b>	<b>78</b>	<b>85</b>	<b>85</b>	<b>85</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(106)</b>	<b>(139)</b>	<b>(99)</b>	<b>(102)</b>	<b>(104)</b>	<b>(106)</b>	<b>(112)</b>	<b>(113)</b>	<b>(110)</b>	<b>(111)</b>	<b>(113)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Community Development*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,237	1,314	1,293	1,359	1,354	1,397	1,482	1,513	1,561	1,649	1,653
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,237</b>	<b>1,314</b>	<b>1,293</b>	<b>1,359</b>	<b>1,354</b>	<b>1,397</b>	<b>1,482</b>	<b>1,513</b>	<b>1,561</b>	<b>1,649</b>	<b>1,653</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	874	619	602	617	632	649	666	685	704	725	748
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	363	695	691	742	721	748	816	828	856	924	905
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,237</b>	<b>1,314</b>	<b>1,293</b>	<b>1,359</b>	<b>1,354</b>	<b>1,397</b>	<b>1,482</b>	<b>1,513</b>	<b>1,561</b>	<b>1,649</b>	<b>1,653</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Youth Engagement and Participation

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	87	89	92	94	96	99	102	105	108	111
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>87</b>	<b>89</b>	<b>92</b>	<b>94</b>	<b>96</b>	<b>99</b>	<b>102</b>	<b>105</b>	<b>108</b>	<b>111</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	87	89	92	94	96	99	102	105	108	111
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	0	0	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>87</b>	<b>89</b>	<b>92</b>	<b>94</b>	<b>96</b>	<b>99</b>	<b>102</b>	<b>105</b>	<b>108</b>	<b>111</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Village Planning

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	801	1,022	1,091	1,168	1,245	1,326	1,412	1,502	1,586	1,678	1,781
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>801</b>	<b>1,022</b>	<b>1,091</b>	<b>1,168</b>	<b>1,245</b>	<b>1,326</b>	<b>1,412</b>	<b>1,502</b>	<b>1,586</b>	<b>1,678</b>	<b>1,781</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	207	176	180	185	189	194	199	204	210	216	222
Finance costs	284	236	252	266	280	293	305	315	325	336	356
Internal charges applied	63	72	69	70	72	76	80	92	95	98	101
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>554</b>	<b>485</b>	<b>501</b>	<b>521</b>	<b>541</b>	<b>563</b>	<b>584</b>	<b>611</b>	<b>630</b>	<b>650</b>	<b>680</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>247</b>	<b>537</b>	<b>590</b>	<b>647</b>	<b>704</b>	<b>763</b>	<b>828</b>	<b>891</b>	<b>956</b>	<b>1,028</b>	<b>1,101</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	265	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>265</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	512	537	550	564	579	594	610	626	639	661	685
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	40	83	125	169	218	265	317	367	416
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>512</b>	<b>537</b>	<b>590</b>	<b>647</b>	<b>704</b>	<b>763</b>	<b>828</b>	<b>891</b>	<b>956</b>	<b>1,028</b>	<b>1,101</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(247)</b>	<b>(537)</b>	<b>(590)</b>	<b>(647)</b>	<b>(704)</b>	<b>(763)</b>	<b>(828)</b>	<b>(891)</b>	<b>(956)</b>	<b>(1,028)</b>	<b>(1,101)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



*Governance & City Leadership*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	957	985	1,075	1,022	1,047	1,154	1,082	1,124	1,285	1,189	1,223
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	33	17	172	18	18	190	18	19	210	19	20
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>990</b>	<b>1,002</b>	<b>1,247</b>	<b>1,040</b>	<b>1,065</b>	<b>1,344</b>	<b>1,100</b>	<b>1,143</b>	<b>1,495</b>	<b>1,208</b>	<b>1,243</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	862	832	1,083	873	895	1,188	940	965	1,310	1,017	1,045
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	128	143	138	141	145	152	160	179	185	191	198
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>990</b>	<b>976</b>	<b>1,221</b>	<b>1,014</b>	<b>1,039</b>	<b>1,340</b>	<b>1,100</b>	<b>1,143</b>	<b>1,495</b>	<b>1,208</b>	<b>1,243</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	26	26	26	26	4	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>26</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Property

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	3,231	3,837	4,212	4,677	5,055	5,502	5,973	6,466	6,631	7,149	7,683
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,714	1,952	1,981	2,011	2,041	2,071	2,102	2,134	2,166	2,198	2,231
Internal charges recovered	0	192	197	202	207	212	217	223	228	234	240
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>4,945</b>	<b>5,981</b>	<b>6,390</b>	<b>6,889</b>	<b>7,303</b>	<b>7,785</b>	<b>8,293</b>	<b>8,823</b>	<b>9,025</b>	<b>9,582</b>	<b>10,155</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,106	3,250	3,429	3,615	3,810	4,014	4,229	4,454	4,692	4,942	5,205
Finance costs	1,055	648	779	896	1,013	1,130	1,246	1,362	1,478	1,613	1,750
Internal charges applied	680	944	941	963	981	1,013	1,053	1,100	1,134	1,176	1,205
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>3,841</b>	<b>4,842</b>	<b>5,148</b>	<b>5,473</b>	<b>5,803</b>	<b>6,156</b>	<b>6,527</b>	<b>6,916</b>	<b>7,303</b>	<b>7,730</b>	<b>8,161</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,104</b>	<b>1,139</b>	<b>1,242</b>	<b>1,416</b>	<b>1,500</b>	<b>1,629</b>	<b>1,766</b>	<b>1,907</b>	<b>1,722</b>	<b>1,852</b>	<b>1,994</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(75)	2,182	1,960	1,942	1,953	1,931	1,941	1,926	2,251	2,291	2,297
<b>Total Sources of Capital Funding</b>	<b>(75)</b>	<b>2,182</b>	<b>1,960</b>	<b>1,942</b>	<b>1,953</b>	<b>1,931</b>	<b>1,941</b>	<b>1,926</b>	<b>2,251</b>	<b>2,291</b>	<b>2,297</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	2,559	2,625	2,695	2,767	2,844	2,928	3,019	3,118	3,226	3,345
- to improve the level of Service	0	235	0	0	0	0	0	0	0	0	0
- to replace existing assets	1,029	1,676	2,590	1,438	1,216	565	1,030	477	544	249	583
Movement in reserves	0	(1,149)	(2,014)	(775)	(529)	150	(251)	337	311	667	363
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,029</b>	<b>3,321</b>	<b>3,202</b>	<b>3,358</b>	<b>3,453</b>	<b>3,560</b>	<b>3,707</b>	<b>3,833</b>	<b>3,973</b>	<b>4,143</b>	<b>4,291</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,104)</b>	<b>(1,139)</b>	<b>(1,242)</b>	<b>(1,416)</b>	<b>(1,500)</b>	<b>(1,629)</b>	<b>(1,766)</b>	<b>(1,907)</b>	<b>(1,722)</b>	<b>(1,852)</b>	<b>(1,994)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Partnership with Māori

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	56	57	59	60	62	63	65	67	69	71
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>56</b>	<b>57</b>	<b>59</b>	<b>60</b>	<b>62</b>	<b>63</b>	<b>65</b>	<b>67</b>	<b>69</b>	<b>71</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	56	57	59	60	62	63	65	67	69	71
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	0	0	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>56</b>	<b>57</b>	<b>59</b>	<b>60</b>	<b>62</b>	<b>63</b>	<b>65</b>	<b>67</b>	<b>69</b>	<b>71</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## City Centre Revitalisation

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	707	1,257	1,428	1,779	2,140	2,241	2,356	2,488	2,611	2,748	2,894
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>707</b>	<b>1,257</b>	<b>1,428</b>	<b>1,779</b>	<b>2,140</b>	<b>2,241</b>	<b>2,356</b>	<b>2,488</b>	<b>2,611</b>	<b>2,748</b>	<b>2,894</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	512	680	696	713	731	751	772	795	820	847	876
Finance costs	102	318	434	681	926	969	1,015	1,060	1,104	1,155	1,208
Internal charges applied	93	143	139	141	145	152	159	176	182	187	193
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>707</b>	<b>1,141</b>	<b>1,269</b>	<b>1,534</b>	<b>1,802</b>	<b>1,872</b>	<b>1,946</b>	<b>2,032</b>	<b>2,106</b>	<b>2,189</b>	<b>2,277</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>116</b>	<b>159</b>	<b>245</b>	<b>338</b>	<b>369</b>	<b>410</b>	<b>456</b>	<b>505</b>	<b>559</b>	<b>617</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	2,921	1,993	4,168	4,152	796	841	830	815	888	881	875
<b>Total Sources of Capital Funding</b>	<b>2,921</b>	<b>1,993</b>	<b>4,168</b>	<b>4,152</b>	<b>796</b>	<b>841</b>	<b>830</b>	<b>815</b>	<b>888</b>	<b>881</b>	<b>875</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	2,921	2,853	4,298	4,368	1,105	1,188	1,220	1,251	1,372	1,420	1,472
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	(744)	28	29	29	22	20	20	21	21	20
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>2,921</b>	<b>2,109</b>	<b>4,327</b>	<b>4,397</b>	<b>1,134</b>	<b>1,210</b>	<b>1,240</b>	<b>1,271</b>	<b>1,393</b>	<b>1,440</b>	<b>1,492</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>(116)</b>	<b>(159)</b>	<b>(245)</b>	<b>(338)</b>	<b>(369)</b>	<b>(410)</b>	<b>(456)</b>	<b>(505)</b>	<b>(559)</b>	<b>(617)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Visitor Information Services*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	251	254	260	267	276	285	299	308	318	328
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	57	58	59	60	61	62	62	63	64	65
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>308</b>	<b>312</b>	<b>319</b>	<b>327</b>	<b>337</b>	<b>347</b>	<b>361</b>	<b>371</b>	<b>382</b>	<b>393</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	264	270	276	283	290	298	306	314	323	332
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	45	42	43	44	47	49	55	57	59	61
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>308</b>	<b>312</b>	<b>319</b>	<b>327</b>	<b>337</b>	<b>347</b>	<b>361</b>	<b>371</b>	<b>382</b>	<b>393</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Sister Cities

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	87	86	88	90	94	98	106	109	113	116
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	3	3	3	3	3	3	3	3	3	4
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>90</b>	<b>89</b>	<b>91</b>	<b>93</b>	<b>97</b>	<b>101</b>	<b>109</b>	<b>112</b>	<b>116</b>	<b>120</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	50	52	53	54	56	57	59	61	63	65
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	40	37	38	39	41	43	50	51	53	55
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>90</b>	<b>89</b>	<b>91</b>	<b>93</b>	<b>97</b>	<b>101</b>	<b>109</b>	<b>112</b>	<b>116</b>	<b>120</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*City Promotion*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	351	353	360	370	382	395	417	430	443	458
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>351</b>	<b>353</b>	<b>360</b>	<b>370</b>	<b>382</b>	<b>395</b>	<b>417</b>	<b>430</b>	<b>443</b>	<b>458</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	266	273	279	286	294	302	310	319	329	339
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	84	80	81	84	88	93	107	111	114	119
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>351</b>	<b>353</b>	<b>360</b>	<b>370</b>	<b>382</b>	<b>395</b>	<b>417</b>	<b>430</b>	<b>443</b>	<b>458</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Economic Development

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,777	720	708	723	747	784	818	902	934	967	1,006
Targeted rates	150	150	150	150	150	150	150	150	150	150	150
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	261	143	148	152	157	161	166	171	176	182	187
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,188</b>	<b>1,013</b>	<b>1,006</b>	<b>1,025</b>	<b>1,054</b>	<b>1,095</b>	<b>1,134</b>	<b>1,223</b>	<b>1,260</b>	<b>1,299</b>	<b>1,343</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,609	665	681	697	715	733	753	775	797	821	847
Finance costs	42	0	0	0	0	0	0	0	0	0	0
Internal charges applied	483	348	325	328	339	362	381	448	463	478	496
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>2,134</b>	<b>1,013</b>	<b>1,006</b>	<b>1,025</b>	<b>1,054</b>	<b>1,095</b>	<b>1,134</b>	<b>1,223</b>	<b>1,260</b>	<b>1,299</b>	<b>1,343</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>54</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(54)	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>(54)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(54)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Emergency Management Operations

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	498	545	512	518	530	559	589	615	641	679	710
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1	1	1	1	1	1	2	2	2	2	2
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>499</b>	<b>546</b>	<b>513</b>	<b>519</b>	<b>531</b>	<b>560</b>	<b>591</b>	<b>617</b>	<b>643</b>	<b>681</b>	<b>712</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	328	345	353	362	371	381	392	403	416	429	444
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	82	98	95	99	99	104	112	121	125	132	133
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>411</b>	<b>443</b>	<b>448</b>	<b>461</b>	<b>470</b>	<b>485</b>	<b>503</b>	<b>524</b>	<b>541</b>	<b>562</b>	<b>577</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>88</b>	<b>103</b>	<b>65</b>	<b>58</b>	<b>61</b>	<b>75</b>	<b>88</b>	<b>93</b>	<b>102</b>	<b>119</b>	<b>135</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	88	173	178	182	187	192	197	202	211	218	226
Movement in reserves	0	(70)	(113)	(124)	(126)	(117)	(109)	(109)	(108)	(99)	(91)
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>88</b>	<b>103</b>	<b>65</b>	<b>58</b>	<b>61</b>	<b>75</b>	<b>88</b>	<b>93</b>	<b>102</b>	<b>119</b>	<b>135</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(88)</b>	<b>(103)</b>	<b>(65)</b>	<b>(58)</b>	<b>(61)</b>	<b>(75)</b>	<b>(88)</b>	<b>(93)</b>	<b>(102)</b>	<b>(119)</b>	<b>(135)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*District Plan Administration & Monitoring*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	750	870	862	877	895	924	953	1,016	1,043	1,070	1,100
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	500	432	446	461	476	491	508	524	541	559	577
Internal charges recovered	0	138	142	145	149	153	157	161	165	169	173
Other operating	1	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,251</b>	<b>1,440</b>	<b>1,450</b>	<b>1,483</b>	<b>1,520</b>	<b>1,568</b>	<b>1,617</b>	<b>1,701</b>	<b>1,749</b>	<b>1,798</b>	<b>1,850</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	730	766	785	804	824	844	865	887	909	933	959
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	520	673	665	679	697	724	752	814	840	865	891
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,251</b>	<b>1,440</b>	<b>1,450</b>	<b>1,483</b>	<b>1,520</b>	<b>1,568</b>	<b>1,617</b>	<b>1,701</b>	<b>1,749</b>	<b>1,798</b>	<b>1,850</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Building Compliance

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	199	389	310	337	842	904	901	1,015	1,005	1,070	1,059
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,722	1,671	1,721	1,773	1,207	1,243	1,280	1,319	1,358	1,399	1,441
Internal charges recovered	0	663	680	697	714	732	750	769	788	809	830
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,921</b>	<b>2,723</b>	<b>2,711</b>	<b>2,806</b>	<b>2,763</b>	<b>2,879</b>	<b>2,932</b>	<b>3,103</b>	<b>3,152</b>	<b>3,278</b>	<b>3,331</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,144	1,182	1,180	1,240	1,157	1,220	1,215	1,282	1,278	1,350	1,348
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	777	1,529	1,531	1,566	1,605	1,660	1,716	1,821	1,874	1,928	1,984
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,921</b>	<b>2,711</b>	<b>2,711</b>	<b>2,806</b>	<b>2,763</b>	<b>2,879</b>	<b>2,932</b>	<b>3,103</b>	<b>3,152</b>	<b>3,278</b>	<b>3,331</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	12	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>(12)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Animal Control

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	149	229	216	210	212	220	229	258	265	272	280
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	468	482	496	511	526	542	558	575	592	610	629
Internal charges recovered	0	114	117	120	123	126	129	132	136	139	143
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>617</b>	<b>825</b>	<b>829</b>	<b>841</b>	<b>861</b>	<b>888</b>	<b>916</b>	<b>965</b>	<b>993</b>	<b>1,021</b>	<b>1,051</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	261	326	334	342	351	359	369	378	388	399	411
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	348	485	482	493	505	523	543	582	599	617	635
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>609</b>	<b>811</b>	<b>816</b>	<b>835</b>	<b>856</b>	<b>883</b>	<b>911</b>	<b>960</b>	<b>988</b>	<b>1,016</b>	<b>1,046</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>8</b>	<b>14</b>	<b>13</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	8	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	14	13	6	5	5	5	5	5	5	5
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>8</b>	<b>14</b>	<b>13</b>	<b>6</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(8)</b>	<b>(14)</b>	<b>(13)</b>	<b>(6)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Environmental Standards

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	621	773	732	707	693	717	742	798	821	845	869
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	410	602	647	694	743	765	788	812	836	861	887
Internal charges recovered	0	243	249	255	261	268	274	281	288	296	304
Other operating	2	2	2	2	2	2	2	2	2	2	2
<b>Total Operating Funding</b>	<b>1,033</b>	<b>1,620</b>	<b>1,630</b>	<b>1,658</b>	<b>1,699</b>	<b>1,752</b>	<b>1,806</b>	<b>1,893</b>	<b>1,947</b>	<b>2,004</b>	<b>2,062</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	621	851	871	892	915	938	962	987	1,014	1,042	1,073
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	428	753	749	765	785	814	844	906	933	961	990
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,049</b>	<b>1,604</b>	<b>1,620</b>	<b>1,658</b>	<b>1,699</b>	<b>1,752</b>	<b>1,806</b>	<b>1,893</b>	<b>1,947</b>	<b>2,004</b>	<b>2,062</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>(16)</b>	<b>16</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	(16)	16	10	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>(16)</b>	<b>16</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>16</b>	<b>(16)</b>	<b>(10)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Liquor Licensing

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	59	61	62	63	64	66	68	69	71	72
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	56	57	59	61	63	64	66	68	70	73
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>0</b>	<b>115</b>	<b>118</b>	<b>121</b>	<b>124</b>	<b>127</b>	<b>130</b>	<b>134</b>	<b>137</b>	<b>141</b>	<b>145</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	0	115	118	121	124	127	130	134	137	141	145
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	0	0	0	0	0	0	0	0	0	0	0
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>0</b>	<b>115</b>	<b>118</b>	<b>121</b>	<b>124</b>	<b>127</b>	<b>130</b>	<b>134</b>	<b>137</b>	<b>141</b>	<b>145</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Environment & City Planning*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,208	1,287	1,309	1,349	1,373	1,412	1,464	1,509	1,552	1,608	1,646
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	2	3	3	3	3	3	3	3	3	3	3
Internal charges recovered	0	26	27	27	28	29	29	30	31	32	33
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,210</b>	<b>1,316</b>	<b>1,338</b>	<b>1,379</b>	<b>1,404</b>	<b>1,444</b>	<b>1,496</b>	<b>1,542</b>	<b>1,586</b>	<b>1,643</b>	<b>1,682</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,037	1,064	1,089	1,115	1,143	1,173	1,204	1,237	1,271	1,308	1,348
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	173	252	249	263	261	271	292	305	315	335	334
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,210</b>	<b>1,316</b>	<b>1,338</b>	<b>1,379</b>	<b>1,404</b>	<b>1,444</b>	<b>1,496</b>	<b>1,542</b>	<b>1,586</b>	<b>1,643</b>	<b>1,682</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*Te Awarua-o-Porirua Harbour*

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	369	509	516	529	524	535	550	571	584	598	616
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	6	6	6	6	7	7	7	7	7	8
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>369</b>	<b>515</b>	<b>522</b>	<b>535</b>	<b>530</b>	<b>542</b>	<b>557</b>	<b>578</b>	<b>591</b>	<b>605</b>	<b>624</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	333	341	349	357	366	376	386	397	408	421	434
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	36	142	143	146	149	155	160	169	174	179	184
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>369</b>	<b>483</b>	<b>491</b>	<b>503</b>	<b>516</b>	<b>530</b>	<b>545</b>	<b>566</b>	<b>582</b>	<b>599</b>	<b>618</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>32</b>	<b>31</b>	<b>32</b>	<b>14</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>9</b>	<b>6</b>	<b>6</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	32	31	32	14	12	12	12	9	6	6
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>32</b>	<b>31</b>	<b>32</b>	<b>14</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>9</b>	<b>6</b>	<b>6</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>(32)</b>	<b>(31)</b>	<b>(32)</b>	<b>(14)</b>	<b>(12)</b>	<b>(12)</b>	<b>(12)</b>	<b>(9)</b>	<b>(6)</b>	<b>(6)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Wastewater Treatment Plant

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	14	14	14	14	14	15	15	15	15	16	16
Internal charges recovered	80	41	42	43	44	45	46	48	49	51	53
Other operating	6,792	6,119	6,349	6,737	6,901	7,169	7,800	8,409	9,025	9,612	10,187
<b>Total Operating Funding</b>	<b>6,886</b>	<b>6,174</b>	<b>6,405</b>	<b>6,794</b>	<b>6,959</b>	<b>7,229</b>	<b>7,862</b>	<b>8,472</b>	<b>9,090</b>	<b>9,679</b>	<b>10,256</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,883	2,389	2,521	2,661	2,813	2,976	3,153	3,344	3,549	3,772	4,014
Finance costs	1,019	761	804	983	1,178	1,331	1,663	1,848	2,136	2,344	2,490
Internal charges applied	2,004	2,023	2,005	2,019	2,058	2,114	2,171	2,281	2,330	2,386	2,439
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>5,906</b>	<b>5,172</b>	<b>5,330</b>	<b>5,663</b>	<b>6,048</b>	<b>6,421</b>	<b>6,987</b>	<b>7,473</b>	<b>8,016</b>	<b>8,503</b>	<b>8,943</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>980</b>	<b>1,002</b>	<b>1,075</b>	<b>1,131</b>	<b>911</b>	<b>808</b>	<b>875</b>	<b>999</b>	<b>1,074</b>	<b>1,176</b>	<b>1,313</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	3,291	693	2,976	3,250	2,552	5,540	3,085	4,798	3,466	2,426	1,444
<b>Total Sources of Capital Funding</b>	<b>3,291</b>	<b>693</b>	<b>2,976</b>	<b>3,250</b>	<b>2,552</b>	<b>5,540</b>	<b>3,085</b>	<b>4,798</b>	<b>3,466</b>	<b>2,426</b>	<b>1,444</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	830	3,358	4,079	3,042	5,347	3,281	0	0	2,582	0
- to improve the level of Service	3,726	102	210	0	0	0	0	0	0	0	0
- to replace existing assets	540	762	483	302	421	1,001	679	5,797	4,540	1,020	2,757
Movement in reserves	4	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>4,271</b>	<b>1,695</b>	<b>4,051</b>	<b>4,381</b>	<b>3,463</b>	<b>6,348</b>	<b>3,960</b>	<b>5,797</b>	<b>4,540</b>	<b>3,602</b>	<b>2,757</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(980)</b>	<b>(1,002)</b>	<b>(1,075)</b>	<b>(1,131)</b>	<b>(911)</b>	<b>(808)</b>	<b>(875)</b>	<b>(999)</b>	<b>(1,074)</b>	<b>(1,176)</b>	<b>(1,313)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Landfill Management

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	5,040	4,500	4,500	4,500	4,568	4,636	4,706	4,776	4,848	4,921	4,995
Internal charges recovered	1,360	1,370	1,370	1,370	1,390	1,411	1,432	1,454	1,476	1,498	1,520
Other operating	15	43	18	52	83	47	(26)	(7)	9	(157)	(293)
<b>Total Operating Funding</b>	<b>6,415</b>	<b>5,913</b>	<b>5,887</b>	<b>5,921</b>	<b>6,040</b>	<b>6,094</b>	<b>6,111</b>	<b>6,223</b>	<b>6,332</b>	<b>6,261</b>	<b>6,221</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	3,584	3,724	3,825	3,920	4,023	4,134	4,252	4,379	4,516	4,664	4,823
Finance costs	355	301	319	336	354	372	391	411	430	388	385
Internal charges applied	538	646	631	643	659	690	721	792	819	845	872
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>4,476</b>	<b>4,671</b>	<b>4,775</b>	<b>4,899</b>	<b>5,036</b>	<b>5,195</b>	<b>5,364</b>	<b>5,582</b>	<b>5,766</b>	<b>5,897</b>	<b>6,080</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,939</b>	<b>1,242</b>	<b>1,112</b>	<b>1,022</b>	<b>1,004</b>	<b>899</b>	<b>747</b>	<b>641</b>	<b>566</b>	<b>364</b>	<b>141</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(4)	(5)	(5)	(5)	(5)	(6)	(6)	(6)	(7)	0	0
<b>Total Sources of Capital Funding</b>	<b>(4)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(5)</b>	<b>(6)</b>	<b>(6)</b>	<b>(6)</b>	<b>(7)</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	372	1,987	155	160	2,025	3,020	201	208	5,332	4,263	104
- to improve the level of Service	423	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	1,139	(750)	952	857	(1,026)	(2,127)	540	427	(4,773)	(3,899)	37
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,935</b>	<b>1,237</b>	<b>1,107</b>	<b>1,017</b>	<b>999</b>	<b>893</b>	<b>741</b>	<b>635</b>	<b>559</b>	<b>364</b>	<b>141</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,939)</b>	<b>(1,242)</b>	<b>(1,112)</b>	<b>(1,022)</b>	<b>(1,004)</b>	<b>(899)</b>	<b>(747)</b>	<b>(641)</b>	<b>(566)</b>	<b>(364)</b>	<b>(141)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Stormwater Management

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	2,356	3,032	2,987	2,868	3,135	3,198	3,390	3,488	3,699	3,750	3,952
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1	1	1	1	1	1	2	2	2	2	2
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>2,357</b>	<b>3,033</b>	<b>2,988</b>	<b>2,869</b>	<b>3,136</b>	<b>3,199</b>	<b>3,392</b>	<b>3,490</b>	<b>3,701</b>	<b>3,752</b>	<b>3,954</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	390	500	438	453	616	637	660	684	711	739	770
Finance costs	251	220	198	179	171	162	154	145	136	126	117
Internal charges applied	679	729	721	733	751	783	817	884	915	946	977
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,320</b>	<b>1,449</b>	<b>1,357</b>	<b>1,365</b>	<b>1,538</b>	<b>1,583</b>	<b>1,631</b>	<b>1,714</b>	<b>1,762</b>	<b>1,812</b>	<b>1,864</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,037</b>	<b>1,584</b>	<b>1,631</b>	<b>1,504</b>	<b>1,598</b>	<b>1,616</b>	<b>1,761</b>	<b>1,776</b>	<b>1,939</b>	<b>1,940</b>	<b>2,090</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	48	133	138	139	71	71	114	103	100	134	175
Increase / (decrease) in borrowing	203	(364)	(318)	(134)	(142)	(143)	(145)	(154)	(163)	(159)	(168)
<b>Total Sources of Capital Funding</b>	<b>251</b>	<b>(231)</b>	<b>(179)</b>	<b>4</b>	<b>(71)</b>	<b>(72)</b>	<b>(31)</b>	<b>(50)</b>	<b>(63)</b>	<b>(24)</b>	<b>7</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	579	276	717	716	697	717	738	761	786	813	843
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	709	1,076	735	792	830	828	993	966	1,090	1,103	1,254
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>1,288</b>	<b>1,353</b>	<b>1,452</b>	<b>1,508</b>	<b>1,527</b>	<b>1,544</b>	<b>1,730</b>	<b>1,726</b>	<b>1,876</b>	<b>1,916</b>	<b>2,097</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,037)</b>	<b>(1,584)</b>	<b>(1,631)</b>	<b>(1,504)</b>	<b>(1,598)</b>	<b>(1,616)</b>	<b>(1,761)</b>	<b>(1,776)</b>	<b>(1,939)</b>	<b>(1,940)</b>	<b>(2,090)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Rubbish Collection

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	480	233	237	240	244	247	251	255	259	263	267
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	1	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>480</b>	<b>233</b>	<b>237</b>	<b>241</b>	<b>244</b>	<b>247</b>	<b>251</b>	<b>255</b>	<b>259</b>	<b>263</b>	<b>267</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	483	493	505	517	530	544	560	577	595	614	635
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	213	179	180	184	188	195	202	214	221	228	234
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>696</b>	<b>672</b>	<b>685</b>	<b>701</b>	<b>718</b>	<b>739</b>	<b>762</b>	<b>791</b>	<b>815</b>	<b>842</b>	<b>869</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>(216)</b>	<b>(439)</b>	<b>(448)</b>	<b>(460)</b>	<b>(474)</b>	<b>(492)</b>	<b>(511)</b>	<b>(536)</b>	<b>(556)</b>	<b>(579)</b>	<b>(602)</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	(216)	(439)	(448)	(460)	(474)	(492)	(511)	(536)	(556)	(579)	(602)
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>(216)</b>	<b>(439)</b>	<b>(448)</b>	<b>(460)</b>	<b>(474)</b>	<b>(492)</b>	<b>(511)</b>	<b>(536)</b>	<b>(556)</b>	<b>(579)</b>	<b>(602)</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>216</b>	<b>439</b>	<b>448</b>	<b>460</b>	<b>474</b>	<b>492</b>	<b>511</b>	<b>536</b>	<b>556</b>	<b>579</b>	<b>602</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Waste Minimisation & Recycling

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	432	354	363	373	384	398	412	428	444	462	481
Targeted rates	258	398	404	414	424	437	451	469	483	498	514
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	6	6	6	6	6	6	6	6	6	6	7
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	145	173	176	178	181	184	186	189	192	195	198
<b>Total Operating Funding</b>	<b>841</b>	<b>930</b>	<b>949</b>	<b>971</b>	<b>995</b>	<b>1,024</b>	<b>1,055</b>	<b>1,092</b>	<b>1,125</b>	<b>1,162</b>	<b>1,199</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	582	697	713	731	749	770	792	815	841	868	898
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	259	233	236	241	246	254	263	277	285	293	301
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>841</b>	<b>930</b>	<b>949</b>	<b>971</b>	<b>995</b>	<b>1,024</b>	<b>1,055</b>	<b>1,092</b>	<b>1,125</b>	<b>1,162</b>	<b>1,199</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	0	0	0	0	0	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

City Cleaning

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,585	1,443	1,473	1,482	1,509	1,564	1,621	1,684	1,743	1,809	1,866
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,585</b>	<b>1,443</b>	<b>1,473</b>	<b>1,482</b>	<b>1,509</b>	<b>1,564</b>	<b>1,621</b>	<b>1,684</b>	<b>1,743</b>	<b>1,809</b>	<b>1,866</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	266	367	375	385	394	405	416	428	441	454	469
Finance costs	0	0	0	0	0	0	0	0	0	0	0
Internal charges applied	1,319	1,073	1,094	1,095	1,112	1,157	1,205	1,256	1,302	1,354	1,397
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,585</b>	<b>1,440</b>	<b>1,470</b>	<b>1,479</b>	<b>1,506</b>	<b>1,562</b>	<b>1,621</b>	<b>1,684</b>	<b>1,743</b>	<b>1,809</b>	<b>1,866</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	0	0	0	0	0	0	0	0	0	0	0
<b>Total Sources of Capital Funding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	3	3	3	3	2	0	0	0	0	0
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>0</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>	<b>(3)</b>	<b>(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

City Roading & Safety

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	3,741	3,698	4,398	4,435	4,506	4,350	5,361	5,461	5,798	5,911	5,981
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies for operating purposes	1,216	1,192	1,407	1,507	1,546	1,669	1,840	1,981	2,517	2,701	2,834
Fees and charges	64	66	67	68	69	70	71	72	73	74	75
Internal charges recovered	0	124	127	130	133	136	140	143	147	151	155
Other operating	124	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>5,145</b>	<b>5,080</b>	<b>5,999</b>	<b>6,140</b>	<b>6,254</b>	<b>6,225</b>	<b>7,412</b>	<b>7,657</b>	<b>8,535</b>	<b>8,837</b>	<b>9,045</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	2,590	2,776	2,867	2,883	2,269	2,191	3,446	3,564	4,390	4,553	4,729
Finance costs	356	347	389	427	936	1,096	1,061	1,025	987	948	906
Internal charges applied	384	740	738	754	772	800	829	885	912	939	966
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>3,630</b>	<b>3,864</b>	<b>3,994</b>	<b>4,064</b>	<b>3,978</b>	<b>4,086</b>	<b>5,336</b>	<b>5,474</b>	<b>6,288</b>	<b>6,439</b>	<b>6,601</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,515</b>	<b>1,216</b>	<b>2,005</b>	<b>2,076</b>	<b>2,276</b>	<b>2,139</b>	<b>2,076</b>	<b>2,183</b>	<b>2,247</b>	<b>2,398</b>	<b>2,444</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	4,604	3,300	2,518	11,695	6,565	2,346	1,629	1,522	1,649	1,622	1,778
Development and financial contributions	0	0	0	0	192	192	246	233	228	224	294
Increase / (decrease) in borrowing	486	703	641	8,485	2,651	(578)	(597)	(633)	(658)	(698)	(739)
<b>Total Sources of Capital Funding</b>	<b>5,090</b>	<b>4,003</b>	<b>3,159</b>	<b>20,180</b>	<b>9,408</b>	<b>1,961</b>	<b>1,278</b>	<b>1,121</b>	<b>1,219</b>	<b>1,148</b>	<b>1,332</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	4,572	2,392	2,250	19,149	7,275	325	0	0	0	0	0
- to improve the level of Service	0	246	252	259	266	273	293	302	312	323	335
- to replace existing assets	2,049	2,510	2,408	2,449	4,902	3,777	2,754	2,516	2,686	2,573	2,841
Movement in reserves	(15)	71	254	399	(759)	(276)	307	486	468	651	600
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>6,605</b>	<b>5,219</b>	<b>5,164</b>	<b>22,256</b>	<b>11,684</b>	<b>4,100</b>	<b>3,354</b>	<b>3,304</b>	<b>3,466</b>	<b>3,546</b>	<b>3,776</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,515)</b>	<b>(1,216)</b>	<b>(2,005)</b>	<b>(2,076)</b>	<b>(2,276)</b>	<b>(2,139)</b>	<b>(2,076)</b>	<b>(2,183)</b>	<b>(2,247)</b>	<b>(2,398)</b>	<b>(2,444)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Transport Facilities

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,518	1,939	1,909	2,244	2,237	2,285	2,342	2,477	2,517	2,607	2,260
Targeted rates	143	0	0	64	68	72	77	82	87	93	99
Subsidies for operating purposes	0	218	221	225	228	231	235	238	242	246	249
Fees and charges	26	209	212	215	218	222	225	228	232	235	239
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>1,687</b>	<b>2,366</b>	<b>2,342</b>	<b>2,748</b>	<b>2,751</b>	<b>2,810</b>	<b>2,879</b>	<b>3,026</b>	<b>3,078</b>	<b>3,181</b>	<b>2,847</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	547	427	437	448	459	471	485	499	515	532	550
Finance costs	87	59	157	320	310	299	289	279	268	256	245
Internal charges applied	683	758	744	759	778	811	846	923	953	983	1,013
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>1,317</b>	<b>1,244</b>	<b>1,338</b>	<b>1,526</b>	<b>1,547</b>	<b>1,582</b>	<b>1,620</b>	<b>1,701</b>	<b>1,736</b>	<b>1,771</b>	<b>1,808</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>370</b>	<b>1,122</b>	<b>1,004</b>	<b>1,222</b>	<b>1,204</b>	<b>1,228</b>	<b>1,259</b>	<b>1,325</b>	<b>1,342</b>	<b>1,410</b>	<b>1,039</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase / (decrease) in borrowing	(50)	1,625	2,724	(171)	(177)	856	(178)	(182)	(188)	(183)	(175)
<b>Total Sources of Capital Funding</b>	<b>(50)</b>	<b>1,625</b>	<b>2,724</b>	<b>(171)</b>	<b>(177)</b>	<b>856</b>	<b>(178)</b>	<b>(182)</b>	<b>(188)</b>	<b>(183)</b>	<b>(175)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of Service	320	2,221	3,329	507	520	1,163	125	161	166	172	178
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Movement in reserves	0	526	399	544	506	921	956	983	988	1,056	686
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>320</b>	<b>2,747</b>	<b>3,728</b>	<b>1,051</b>	<b>1,027</b>	<b>2,084</b>	<b>1,081</b>	<b>1,143</b>	<b>1,154</b>	<b>1,227</b>	<b>864</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(370)</b>	<b>(1,122)</b>	<b>(1,004)</b>	<b>(1,222)</b>	<b>(1,204)</b>	<b>(1,228)</b>	<b>(1,259)</b>	<b>(1,325)</b>	<b>(1,342)</b>	<b>(1,410)</b>	<b>(1,039)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Water & Demand Management

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	972	1,826	1,936	2,082	2,282	2,618	2,860	3,000	3,105	3,183	3,271
Targeted rates	5,510	5,477	5,806	6,244	6,846	7,852	8,579	9,003	9,318	9,549	9,813
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	850	1,112	1,129	1,146	1,163	1,180	1,198	1,216	1,234	1,253	1,272
Internal charges recovered	167	171	175	179	184	189	194	200	206	213	220
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>7,499</b>	<b>8,586</b>	<b>9,045</b>	<b>9,651</b>	<b>10,474</b>	<b>11,839</b>	<b>12,831</b>	<b>13,419</b>	<b>13,863</b>	<b>14,197</b>	<b>14,576</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	4,129	4,425	4,793	5,299	6,010	6,664	7,399	7,788	7,959	8,198	8,447
Finance costs	541	486	456	427	396	796	756	714	669	621	571
Internal charges applied	1,656	1,813	1,787	1,809	1,850	1,937	2,027	2,209	2,290	2,370	2,448
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>6,325</b>	<b>6,723</b>	<b>7,036</b>	<b>7,535</b>	<b>8,256</b>	<b>9,398</b>	<b>10,182</b>	<b>10,711</b>	<b>10,917</b>	<b>11,190</b>	<b>11,466</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,174</b>	<b>1,863</b>	<b>2,009</b>	<b>2,116</b>	<b>2,218</b>	<b>2,441</b>	<b>2,649</b>	<b>2,708</b>	<b>2,946</b>	<b>3,007</b>	<b>3,110</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	14	40	41	42	45	45	98	85	84	94	102
Increase / (decrease) in borrowing	852	(490)	(491)	(520)	6,677	(667)	(707)	(749)	(794)	(842)	(766)
<b>Total Sources of Capital Funding</b>	<b>866</b>	<b>(450)</b>	<b>(449)</b>	<b>(479)</b>	<b>6,723</b>	<b>(622)</b>	<b>(609)</b>	<b>(664)</b>	<b>(710)</b>	<b>(748)</b>	<b>(665)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	145	0	0	0	7,193	0	0	0	0	0	0
- to improve the level of Service	0	154	147	151	44	46	47	48	0	0	0
- to replace existing assets	1,244	2,021	1,601	1,536	1,577	1,735	1,552	1,600	1,528	1,581	1,639
Movement in reserves	651	(762)	(188)	(50)	127	39	441	396	708	678	806
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>2,040</b>	<b>1,413</b>	<b>1,560</b>	<b>1,637</b>	<b>8,941</b>	<b>1,819</b>	<b>2,040</b>	<b>2,044</b>	<b>2,236</b>	<b>2,259</b>	<b>2,445</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,174)</b>	<b>(1,863)</b>	<b>(2,009)</b>	<b>(2,116)</b>	<b>(2,218)</b>	<b>(2,441)</b>	<b>(2,649)</b>	<b>(2,708)</b>	<b>(2,946)</b>	<b>(3,007)</b>	<b>(3,110)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Wastewater Management

	Annual Plan 2014 / 2015 \$000's	Year 1 2015 / 2016 \$000's	Year 2 2016 / 2017 \$000's	Year 3 2017 / 2018 \$000's	Year 4 2018 / 2019 \$000's	Year 5 2019 / 2020 \$000's	Year 6 2020 / 2021 \$000's	Year 7 2021 / 2022 \$000's	Year 8 2022 / 2023 \$000's	Year 9 2023 / 2024 \$000's	Year 10 2024 / 2025 \$000's
<b>Source of Operating Funding:</b>											
General rates	1,697	2,475	2,588	2,770	2,881	2,991	3,218	3,391	3,588	3,750	3,965
Targeted rates	6,795	7,427	7,765	8,311	8,640	8,963	9,653	10,170	10,765	11,246	11,893
Subsidies for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	66	67	68	69	70	71	72	73	74	75	76
Internal charges recovered	0	0	0	0	0	0	0	0	0	0	0
Other operating	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating Funding</b>	<b>8,558</b>	<b>9,968</b>	<b>10,421</b>	<b>11,149</b>	<b>11,591</b>	<b>12,025</b>	<b>12,943</b>	<b>13,633</b>	<b>14,427</b>	<b>15,071</b>	<b>15,934</b>
<b>Application of Operating Funding:</b>											
Payments to staff and suppliers	1,195	1,357	1,447	1,542	1,790	1,903	2,023	2,153	2,292	2,442	2,604
Finance costs	617	597	601	737	702	670	639	605	570	538	505
Internal charges applied	5,657	5,803	5,964	6,273	6,425	6,670	7,181	7,725	8,222	8,698	9,168
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
<b>Total Applications Of Operating Funding</b>	<b>7,469</b>	<b>7,757</b>	<b>8,012</b>	<b>8,551</b>	<b>8,917</b>	<b>9,243</b>	<b>9,843</b>	<b>10,484</b>	<b>11,084</b>	<b>11,679</b>	<b>12,277</b>
<b>Surplus/(Deficit) of Operating Funding</b>	<b>1,089</b>	<b>2,211</b>	<b>2,409</b>	<b>2,598</b>	<b>2,674</b>	<b>2,782</b>	<b>3,100</b>	<b>3,149</b>	<b>3,343</b>	<b>3,392</b>	<b>3,657</b>
<b>Sources Of Capital Funding</b>											
Subsidies for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	88	243	252	253	154	154	204	192	185	175	190
Increase / (decrease) in borrowing	1,568	70	2,262	(587)	(527)	(524)	(555)	(583)	(529)	(558)	(591)
<b>Total Sources of Capital Funding</b>	<b>1,657</b>	<b>314</b>	<b>2,514</b>	<b>(334)</b>	<b>(373)</b>	<b>(370)</b>	<b>(351)</b>	<b>(391)</b>	<b>(343)</b>	<b>(383)</b>	<b>(401)</b>
<b>Application Of Capital Funding</b>											
Capital expenditure											
- to meet additional demand	52	799	3,039	0	0	0	0	0	0	0	0
- to improve the level of Service	0	307	315	162	166	171	0	0	0	0	0
- to replace existing assets	1,946	1,523	1,569	1,622	1,643	1,689	1,739	1,793	1,852	1,917	1,987
Movement in reserves	748	(104)	0	481	491	552	1,009	964	1,148	1,092	1,269
Movement in investments	0	0	0	0	0	0	0	0	0	0	0
<b>Total Application of Capital Funding</b>	<b>2,746</b>	<b>2,525</b>	<b>4,923</b>	<b>2,264</b>	<b>2,301</b>	<b>2,412</b>	<b>2,749</b>	<b>2,758</b>	<b>3,000</b>	<b>3,009</b>	<b>3,256</b>
<b>Surplus / (Deficit) of Capital Funding</b>	<b>(1,089)</b>	<b>(2,211)</b>	<b>(2,409)</b>	<b>(2,598)</b>	<b>(2,674)</b>	<b>(2,782)</b>	<b>(3,100)</b>	<b>(3,149)</b>	<b>(3,343)</b>	<b>(3,392)</b>	<b>(3,657)</b>
<b>Funding Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Statement of Reserve Funds

Reserve	Purpose	Activity	2015/16 Opening Balance \$'000	Transfer In \$'000	Interest Allocated \$'000	Transfer Out \$'000	2024/25 Closing Balance \$'000
Development of Reserves	This fund collects fees related to recreation and community amenities and is used for the acquisition and development of assets that will largely benefit the area in which the contributions are collected. These fees are released from the fund as playgrounds, walkways and reserves are established.	City Landscape Sports Fields & Outdoor Courts	905	0	32	937	0
Share Responsibility Scheme	This reserve funds capital projects that provide, develop or renovate cultural, social, recreational and sports facilities on Council-owned land within Porirua.	City Landscape	935	750	427	500	1,612
JV Sewerage Reserve	This fund relates to the Joint Venture for the WWTP	Wastewater Treatment Plant	103	0	42	0	145
JV Landfill Operating Reserve	This fund relates to the Joint Venture for the Spicer Landfill	Landfill Management	1,238	8,123	-232	17,455	-8,326
City Centre Revitalisation	This fund contains contributions to be used for this revitalisation.	City Centre	747	0	26	773	0
Refuse Collection Operating Reserve	This fund relates to the Council's refuse collection	Rubbish Collection	166	0	-753	5,097	-5,683
Depreciation Reserve	This fund relates to funding of the Council's capital programme from depreciation	Whole of Council	0	169,455	-1,088	154,009	14,358
Gross Special Funds and Reserves			4,094	178,328	-1,546	178,771	2,106
Joint Venture Partner share of reserves			210	1,259	-29	2,706	-1,265
Total Special Funds and Reserves			3,884	177,069	-1,517	176,065	3,371

**Section 5: Financial Policies**

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## Revenue & Financing Policy

### Introduction

The Revenue and Financing policy is required under the Local Government Act (2002) to provide predictability and certainty about the council's sources and levels of funding for operating and capital expenditure. The policy describes:

- The principles for funding (why we fund the way we do)
- The statutory requirements for the policy (what the law requires)
- The general approach to funding operational (day-to-day costs) and capital expenditure (funding required for the physical structures like piping networks and roads etc)
- The different mechanisms or sources for funding (where the money comes from)
- The Council's activities, services and facilities (what we do and why we do it) and who uses, benefits and pays for the Council's activities and services

The Revenue and Finance Policy is aligned and directly related to the following:

- Long Term Financial Strategy
- Funding Impact Statement
- Activity statements

### Principles

The Council recognises that there are some basic principles to follow when it considers the appropriate funding sources and proportions for operating and capital expenditure. Depending on the issue, there may sometimes need to be trade-offs between the principles.

Accessibility	The Council's facilities and services should be accessible to as many people as possible
Affordability	The Council's rates should be affordable to ratepayers, and the facilities and services affordable to users. All fees and charges should be fair and reasonable
Benefit	Those who benefit from a Council facility or service should contribute to the costs. A person using the Aquatic Centre is charged a fee because the service is giving a private benefit. Where there is wider public benefit like street lighting, the cost will be sourced from general rates – the widest possible group should contribute. A balance will also be sought between business rates adequately covering the costs of Council services but also being competitive with those of adjoining cities to ensure Porirua is attractive to new business investment
Best value	The Council will use the type of service delivery that will deliver the best

	value for money (benefits minus full costs) to ratepayers
Community wellbeing	The Council will fund services, facilities and activities that are important for the community and contribute to community wellbeing. Part of the purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities, in the present and for the future
Consultation	Proposed change in levels of services or significant increase in fees and charges will be discussed with affected parties prior to adoption and significant changes will be consulted on in accordance with the law
Exacerbators/modifiers	The effects of individuals or groups action or inaction and the costs to the community of controlling any negative effects. Those who contribute to the need for a Council facility or service should contribute, where possible, to the costs of that facility or service – this includes the "polluter pays" principle (eg animal control, clearing illegal dumping, cleaning up a chemical spill, littering and parking fines).
Flexibility	The Council will continue to ensure flexibility in resource allocation to maximise opportunities for sustainable growth across the Council's priorities in the Long Term Plan. This means that if money needs to be moved to help with a relevant need, then that will be done in a transparent manner
Intergenerational equity	The Council must consider the period of time over which the benefits of an activity are expected to occur (see also "community wellbeing" above). The aim is to ensure that costs are shared fairly between today's beneficiaries (current residents) and future beneficiaries (following generations). This means the costs are spread out because it is not necessarily good practice for costs to be pushed into the future when today's residents already enjoy the benefits
Legislation	The funding of operating and capital expenditure will comply with the law
Participation	The funding of operating and capital expenditure should encourage public participation in activities and use of services and facilities provided by the Council
Practicality	The funding of operating and capital expenditure should take into account how practical and efficient the different funding methods are
Reasonable change	The Council will only change service delivery or asset ownership if there is a good business case for improvement of efficiency of delivery of services while maintaining acceptable levels of service quality. Any change in the distribution of funding needs of the Council will be

	gradual so that the impact is managed carefully and fairly
Revenue diversity	The Council will continue to search for opportunities to increase its sources of non-rating revenue to reduce the proportion of rates required from residents and businesses
Transparency	Any cross-subsidy of services for economic, social, cultural or environmental community wellbeing and benefit, will be done transparently and not as a charge on operational costs
Sustainability	The financing mechanisms used to fund the Council's present activity should leave the Council well placed to meet future funding needs

## Definitions

There are a number of financial terms used in the policy and throughout the LTP. A few definitions are included below but more can be found in the Glossary and other parts of the LTP such as in the Statement of Accounting Policies.

Revenue	Income from various sources such as rates, grants, subsidies, fees and charges
Operating Expenditure	Spending on day-to-day planned and unplanned routine expenses required for the operation of Council facilities, services and activities
Capital Expenditure	Spending on the works required for a new asset; and the works which upgrade and enhance a significant part of an asset, beyond its original design capacity and estimated life
Renewal Expenditure	Spending on works which restore a significant component of an existing asset to its original size, capacity and condition
Rates	Rates are a property tax to fund local government activities
Depreciation	Assets lose value over time through use, wear and tear, age, obsolescence and must be replaced. Depreciation is an accounting method to spread the replacement cost of an asset over its working life as an operating expense so that funding is available when required

## Statutory requirements

A Revenue and Financing Policy is required under *s102(1)* and *s102(2)(a)* of the Local Government Act (2002). The required contents of the policy are set out in *s101(3)* of the Act, including a description of the way in which operating and capital expenditure will be funded.

Analysis of the 101(3) is a two-step process. The first step is to provide an indication of the funding sources that might be appropriate for all of the activities. The second step is to

consider the impact of the liability created from the funding sources selected on the community.

## **The General Approach to Funding Operating and Capital Expenditure**

### **Operating Expenditure**

The Council sets operating revenue to meet its projected annual operating expenditure<sup>12</sup>. In 2009, the Council introduced a phased approach to rate funding depreciation focusing initially on the "three waters" – water supply; waste water and stormwater and for the 2015 LTP the Council is phasing in the funding depreciation on all assets so that by Year 8 the Council has a Balanced Budget. The Council fully funds operating cash requirements (payments to staff, suppliers, and interest on debt) from operating revenue.

The Council may choose to not fully fund operating expenditure in any year if the deficit can be funded from operating surpluses in the year before or in subsequent years. An operating deficit will only be budgeted when beneficial to avoid significant fluctuation in rates, fees and charges and impact on residents and ratepayers. A description of the approximate proportions of the intended sources for total operational funding over the period 2015-25 is provided later in this policy.

### **Capital Expenditure**

Capital expenditure is classified into three main categories:

#### **1. Asset Renewal**

For regular asset renewal such as library book renewal and asset renewal less than \$100K these items are to be funded from rates/depreciation reserves.

For the renewal of major assets these are funded from a combination of rates, depreciation reserves and the balance from loans.

#### **2. New Assets/Asset Improvements resulting in an increase in level of services/capacity**

Where there are new assets created or purchased or asset improvements which leads to an improved level of service and/or capacity, this category of capital expenditure is generally funded from any reserves, grants and subsidies that are available and the balance is funded from loans.

#### **3. New Assets/Asset Improvements – Growth Related**

New Asset/Asset Improvement expenditure related to household growth (increase in rateable properties) will be funded from Development Contributions which will be charged to developers at the time of subdivision.

## **Overview of the Council's Funding Mechanisms**

As required and permitted in s103(2) of the Local Government Act 2002, the Council uses a range of funding tools, mechanisms and sources for operating and capital expenditure.

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<sup>12</sup> For all activities, operating costs are directly related to providing benefits in the year of expenditure and are appropriately funded on an annual basis from annual revenue



These tools help to allocate liability (i.e. who should be contributing to the costs) across different sectors of the community.

## General Rate

<b>General Rate</b>	<p>A General Rate helps to fund many activities and recognises that there is a wider public benefit in the service or activity.</p> <p>The General Rate is charged differentially under categories based on land use and location (residential, rural, commercial, motels, and shopping plazas) and is assessed on the capital value (land value plus improvements) of the property or rating unit. They are charged at a specific rate in the dollar on the capital value of the rating unit, according to the category in which the property lies. Because of the substantial range of property values in the City, a Uniform Annual General Charge ("targeted rate") is used to modify the extremes that would arise.</p> <p>In the rates on individual properties, the capital value rating generates fewer extremes than land value rating. Differential General rates are also used to modify the rates throughout the City. For example, rural properties receive a lower rates differential than residential properties because the Council considers that they receive a lower level of direct services proportionate to their property values than other properties. For more information on types of rates and rating differentials, see the Funding Impact Statement.</p>
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## Targeted Rates

<b>Funding Mechanism</b>	<b>Explanation</b>
<b>Water Supply Rate</b>	Charged a fixed charge per separately used or inhabited part of a property connected to the Council's water supply, unless the property has a water meter (eg businesses). Properties that are not connected but are within 100 metres of the Council's water main are charged 50% of the full charge.
<b>Sewage Disposal Rate</b>	Charged to each property that is connected to the sewage disposal system and is a fixed charge per pan.
<b>Pump Pressure Sewerage and Water Reticulation for Pauatahanui Village</b>	Charged a fixed charge per property for those properties that are in Pauatahanui Village and are connected to the public sewer and public water supply systems.
<b>Kerbside Recycling Rate</b>	Charged a fixed charge per separately used or inhabited part of a rating unit in the city and rural areas to which the kerbside recycling collection services provided
<b>City Centre Development Rate</b>	Charged for the City Centre Development and Marketing for properties within the central business district of the City. The rate is set on an undifferentiated capital value basis.
<b>City Centre Covered Walkways Rate<sup>13</sup></b>	Charged on central city properties in the vicinity of the covered walkways ("the canopies") in and around Cobham Court. The rate is set on an undifferentiated land value basis.

<sup>13</sup> In 2015/16 there will be no City Centre Covered Walkways rate because the original loan for the Canopies will be fully repaid.

## Grants and Subsidies

<b>Grants and Subsidies</b>	<p>The Council's main source of government subsidy (funding assistance) is for the maintenance of roads, provided by the New Zealand Transport Agency. A baseline level of funding is received for the maintenance of the existing road system. There may also be funding for individual new projects depending on the costs and benefits of the proposal.</p> <p>The Council also receives smaller subsidies for a wide range of other activities: for example the New Zealand Transport Agency for road safety programmes; Greater Wellington Regional Council for provision and maintenance of public transport infrastructure; and from Creative New Zealand for community arts programmes.</p> <p>The Council occasionally obtains one-off sponsorship towards provision of facilities or events.</p>
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## Interest and Dividends

<b>Interest and Dividends</b>	<p>The Council has very little invested and so it does not receive any dividend income of consequence. Of that investment the Council has, interest is received in two groups:</p> <p><i>Special funds</i> – these are set aside for specific purposes and often involve contributions from land developers for specific Council infrastructure to help support those developed areas. The funds are held (and earn interest) until that infrastructure can be provided. The interest earned on each fund is added to the fund.</p> <p><i>Working capital</i> – this is revenue earned on Council's working capital and is used to reduce the rates that would otherwise have to be levied to fund Council's activities.</p>
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## User Fees and Charges

<b>Fees and Charges</b>	<p>The Council receives fees and charges from a wide range of activities. Fees and charges help with a more direct way of ensuring that those using the service or facility pay their fair share (sometimes known as "user pays" or more of a private than a public benefit). Fees and charges include:</p> <ul style="list-style-type: none"> <li>• Landfill fees and fees for the collection and disposal of rubbish</li> <li>• Fees for indoor recreation (eg the Aquatic Centre)</li> <li>• Fees for metered water supply (generally businesses)</li> <li>• Property rentals</li> <li>• Fees for regulatory services (eg building and resource consent fees)</li> </ul> <p>Among the considerations taken into account by the Council when setting fees are:</p> <ul style="list-style-type: none"> <li>• The cost of the service provided and the private benefits received</li> <li>• The ability of users to pay and the possible exclusionary effects on people with low incomes by the fees</li> <li>• Comparative fee levels with providers of similar or competing services</li> <li>• The risks of people ignoring charges for services because they are thought by some people as too high</li> <li>• In appropriate cases, whether the user lives inside or outside Porirua City</li> </ul>
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## Borrowing

<b>Borrowing</b>	<p>The Council borrows money to fund capital works and may also enter into short term borrowing arrangements for the management of cash flows. More detail about Council's borrowing is set out in the Treasury Risk Management Policy.</p>
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## Proceeds from Asset Sales

<b>Proceeds</b>	<p>Proceeds from asset sales will be used for the repayment of debt or to fund new assets.</p>
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from Asset Sales	
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## Contributions

Funding Mechanism	Explanation
Development	Under the LGA 2002, the Council is entitled to apply development contributions to new development. These contributions are for the provision and development of water supply, waste water (Sanitary Drainage and Trade Waste Disposal) and storm water (storm water drainage). In 2015 Rooding and Community Infrastructure (Reserves) activities were added to the development contributions.

## Reserve Funds

Reserve Funds	Most of the Council reserve funds are associated with development contributions, discussed above. The Council may establish other reserve funds for specific purposes from time to time.
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## Regional rates

Rates set and levied by the Greater Wellington Regional Council (Greater Wellington) are also collected by Porirua City Council on behalf of Greater Wellington (transport, water supply, safety and flood protection, resource and land management, sustainable development – home insulation and Wellington Regional Strategy, parks and forest and community aspects). This combined rate collection arrangement is more cost efficient and convenient for ratepayers.

## How the Revenue & Financing Policy is Used

The Funding Impact Statement shows how the Council intends to implement the Revenue and Financing Policy by describing the specific amounts of money to be collected from each available source, how various rates are used, and the system of differential rating. This section of the Policy shows why and how the Council's activities are funded.

## Services, activities & facilities provided by the Council

Like most territorial local authorities, Porirua City Council provides a wide range of services, activities and facilities. There is no detailed list of the things that local government provides but a comparison of councils shows some very common themes. Porirua City Council provides a broad description of the services, facilities and activities across the city.

## Core services

Some of the services of local authorities are given greater status by law. Under s11A of the Act, in performing its role, a local authority must have particular regard to the contribution that the following core services make to its communities:

- Network infrastructure
- Public transport services
- Solid waste collection and disposal
- The avoidance or mitigation of natural hazards

- Libraries, museums, reserves, and other recreational facilities, and other community amenities

In the Wellington region, the Greater Wellington Regional Council has a significant role in both public transport services and natural hazards.

The intent of the core services provision is that these are priority and the public expects councils to ensure satisfactory provision of these types of service before undertaking other services. Local authority costs tend to be driven by this list of core services in any case. However, it should also be recognised that the core services list does not include other important parts of a council's contribution including economic and community development<sup>14</sup>.

### Community outcomes

As required by the Act, the Council has identified the community outcomes it *“aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions”*. The Revenue and Financing Policy must show how the Council (in relation to funding sources) identified the community outcomes to which each activity primarily contributes. The Council has four community outcomes that are closely aligned to the strategic priorities.

### Council's Strategic Priorities

The Council has identified four strategic priorities for the city which set the direction for all the Council's decisions and help guide how the budget is allocated in the long-term plan. The Council's four strategic priorities are:

- Children and young people at the centre of city decisions;
- A healthy and protected harbour and catchment;
- A growing, prosperous and regionally connected city; and
- A great village and city experience.

### Summary of Benefit and Source of Operational Funding by Activity

The following table is a summary of the general public/private benefit for each of the Council's activities and the approximate proportions of the intended sources for **total operational funding**<sup>15</sup> over the period 2015-25. Funding sources and proportions can vary over time due to availability of grants/subsidies, changes in service and inflationary adjustments (expenses and revenue have different inflationary drivers). As the proportion of funding from each source for each activity may vary, the percentage figures are

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<sup>14</sup> Society of Local Government Managers. 2009. Transparency, Accountability and Financial Management Review (TAFM) Announcements. SOLGM SPECIAL MEMBER UPDATE, November 2009  
[http://www.solgm.org.nz/site/Policy\\_Work/TAFM/TAFM.aspx](http://www.solgm.org.nz/site/Policy_Work/TAFM/TAFM.aspx)

approximate and in some cases presented as a band to acknowledge the variation that will occur over the 10 year period. Further information for each activity is provided later in this section.

Activity Group	Activity	Benefit		Funding Source (%) <sup>16</sup>			
		Private	Public	Fees & Charges	Targeted Rates	General Rates	Grants & Subsidy
<b>Community Partnerships</b>	Community Development	Less	More	0	0	100	0
	Youth Engagement and Participation	Less	More	0	0	100	0
	Village Planning	Less	More	0	0	100	0
<b>Emergency Management</b>	Emergency Management	Less	More	0	0	100	0
<b>Economic Development</b>	City Promotion	Less	More	0	0	100	0
	City Centre Revitalisation	Less	More	0	0	100	0
	Visitor Information Services	Less	More	0-5	5-10	80-85	0
	Sister Cities	Less	More	0	0	100	0

<sup>15</sup> Capital funding source information is found in the section Projects Funded – 10 Year Budget.

<sup>16</sup> These are overall targets and may vary - for example through availability of grants/ subsidies and changes in fees and charges

Activity Group	Activity	Benefit		Funding Source (%) <sup>16</sup>			
		Private	Public	Fees & Charges	Targeted Rates	General Rates	Grants & Subsidy
<b>Stormwater</b>	Stormwater Management	Less	More	0	0	100	0
<b>Wastewater</b>	Wastewater Management	More	Less	0-5	70-100	0-25	0-5
	Wastewater Treatment Plant <sup>17</sup>	More	Less	Costs are split between Wellington City Council and Porirua City Council in proportion to their respective use of the infrastructure – further details see activity description			
<b>Water Supply</b>	Water & Demand Management	More	Less	10-20	60-85	0-25	0-5
<b>Transport</b>	City Roading & Safety	Less	More	0	0	65-80	20-35 <sup>18</sup>
	Transport Facilities	Less	More	0	0-10	90-100	0
<b>Solid Waste</b>	Waste Minimisation & Recycling	More	Less	0-5	45-55	0-20	20-25
	Landfill Management	More	Less	100	0	0	0
	Rubbish Collection	More	Less	100	0	0	0
	City Cleaning	Less	More	0	0	100	0
<b>Community &amp; Leisure</b>	Arts & Heritage	Less	More	5-10	0	90-95	0
	Libraries	Less	More	5-10	0	90-95	0
	Community Recreation Programmes	More	Less	0	0	20-40	60-80
	Indoor Recreation	Less	More	30-40	0	55-65	5-15
	City Landscape	Less	More	0-5	0	95-100	0
	Sports Fields & Outdoor Courts	Less	More	5-10	0	90-95	0
	Cemeteries & Crematorium	More	Less	50-75	0	25-50	0
<b>Environment &amp; Regulatory</b>	City Planning	Less	More	0	0	100	0
	Harbour and Catchments	Less	More	0	0	100	0
	District Plan Administration & Monitoring	More	Less	45-55	0	45-60	0

<sup>17</sup> Porirua's contribution to the WWTP, pump stations and pipelines is met through the Wastewater Management activity. Wellington City Council contributes to its share of the costs based on its proportionate use of the infrastructure

<sup>18</sup> NZ Transport Authority subsidy

Activity Group	Activity	Benefit		Funding Source (%) <sup>16</sup>			
		Private	Public	Fees & Charges	Targeted Rates	General Rates	Grants & Subsidy
	Building Compliance	More	Less	60-85	0	15-40	0
	Environmental Standards	Less	More	35-50	0	50-65	0
	Animal Control	More	Less	70-95	0	5-30	0
	Liquor Licensing	More	Less	50-75	0	25-50	0
<b>Property</b>	Governance and City Leadership	Less	More	0-10	0	90-100	0
<b>Democratic Process</b>	Partnership with Maori	Less	More	0	0	100	0

### How to read the tables

<b>Activity Group:</b>	This is the broad grouping of activities eg "Community & Leisure"			
<b>Community Outcomes</b>	These are the higher level shared outcomes for the city that this group of activities helps toward			
	Children and Young People	A Harbour that is the centre-piece of the community culturally, recreationally and environmentally	A city at the centre of the Wellington region	A city that provides a wide range of recreational, social, cultural opportunities for all ages

<b>Activity Function:</b>	This is the set of activity functions under the broader Activity Group eg "Arts & Heritage"			
<b>Description</b>	A brief description of what happens in the activity eg "Pataka (Council's art gallery and museum)"; "heritage trails" etc			
<b>Council Priorities</b>	These are the Council's four strategic priority that this activity helps toward			
	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience
	✓			✓
<b>Benefit &amp; Funding Rationale</b>	<p>This briefly describes:</p> <ul style="list-style-type: none"> <li>• who benefits from the activity (eg individuals/ groups - "private"; or wider community - "public")</li> <li>• the timeframe of activity benefit (eg one-off or event-based, on-going, intergenerational)</li> <li>• any contribution toward the need for the activity by people or activities (eg "polluter pays")</li> <li>• the funding source (eg "General Rates", "Fees &amp; Charges" etc) and why it was chosen</li> <li>• if there are any costs or benefits of distinct funding</li> </ul>			
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>	<b>Funding Source (%) 2015-25<sup>19</sup></b>		
	A general indication of where the benefit lies eg:	A general indication of the source of operational funding over 2015-25 (which can vary year to year) and the relative ratio between sources for the activity eg:		

<sup>19</sup> The use of a range of percentage in funding bands is considered appropriate as it needs to cover the full 10 years of the LTP

	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	5-10	0	90-95	0



## Community Partnerships

<b>Activity Function:</b>	<b>Community Development</b>					
<b>Description</b>	This activity provides includes: providing information, advice and financial grants for community organisations; and; developing improved communications with non-government agencies to enable greater coordination and better grass roots information to support Council's advocacy role in key social policy areas; education, health, and employment.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<b>Benefit</b> The activity provides benefits to distinct groups and the wider community such as through capacity building and financial grants.					
	<b>Funding</b> The funding is sourced from general rates given the wider application of the activity.					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity Function:</b>	<b>Youth Engagement &amp; Participation</b>					
<b>Description</b>	This activity includes: developing strategies, making Council more relevant for young people and finding new and improved ways to engage with young people; and; providing support and coordination of the Youth Advisory Group.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<b>Benefit</b> This activity provides benefits to distinct groups and the wider community through increased civic and democratic involvement, education participation, health and employment opportunities.					
	<b>Funding</b> The funding is sourced from general rates given the wider application of the activity.					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity:</b>	<b>Village Planning</b>					
<b>Description</b>	This activity includes: working with communities to identify local needs, setting strategic priorities for the Council's involvement; fostering constructive working relationships that benefit the community; and; contributing funding for implementation of village plans.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Village Planning provides a wide range of benefits to individuals (local residents), defined communities (the villages) and the wider community. The process brings together residents and organisations with a local interest, to identify local needs, set strategic priorities for Council's (and other organisations) involvement in each area, fostering constructive working relationships that benefit the community and contributing funding for implementation of Village Plans. Individuals and communities gain a sense of involvement, cooperation and achievement. The timeframe of benefits is both short term (preparation of the plan) and long-term and intergenerational particularly contributing to local identity and an engaged community is a more sustainable community, from economic, environmental, community health and safety aspects.</p> <p><b>Funding</b></p> <p>The Village Planning activity is most appropriately funded from the general rate as there are wider community benefits.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## Economic Development

<b>Activity function:</b>	<b>City Promotion</b>					
<b>Description</b>	This activity includes marketing to attract business investment, improved employment and skill opportunities, increased resident population, and more visitors.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit individuals, defined groups (eg businesses) and the wider community through the promotion and attraction of people and new business investment, improved employment and skill development opportunities, an increased resident population and more visitors. The marketing and relationship-building work complements the efforts of businesses and local organisations. The timeframes of benefits under this activity are essentially on-going.</p> <p><b>Funding</b></p> <p>The Council's aim is to attract industries and businesses to Porirua so part of the cost of this activity is met mainly from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity:</b>	<b>City Centre Revitalisation</b>					
<b>Description</b>	The Council works in partnership with businesses, investors and the community to encourage the private sector to invest in the city centre to improve business and visitor growth in the city.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The benefit of this activity is shared amongst individuals, businesses and the wider community. A prosperous retail and business sector with a distinctive and well-connected street environment linking to the harbour, will offer a range of benefits. The timeframe of benefits will be both short term (individual visits) and on-going and intergenerational with investment and assets. A revitalised City Centre will enable residents, businesses and visitors to make the most of their city experience.</p> <p><b>Funding</b></p> <p>The Council's aim is to attract industries and businesses to Porirua, so the cost of this activity is met from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity function:</b>	<b>Visitor Information Services</b>					
<b>Description</b>	This activity includes providing visibility and effectiveness for visitors to find information and spend more time and money in Porirua.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b> The visitor information services benefit individuals by way of visitors to Porirua and those shopping, visiting attractions and staying in Porirua.</p> <p><b>Funding</b> The Council's aim is to attract visitors to the City so part of the cost of this activity is met mainly from a targeted rate but mainly from the general rate. The targeted rate portion of this activity relates to the City Centre Development Rate. Fees and charges through the i-Site (ticketing etc) also contribute toward the costs for this activity.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0-5	10-15	80-85	0

<b>Activity function:</b>	<b>Sister Cities</b>					
<b>Description</b>	This activity includes fostering cultural and business relationships with sister cities (China, Japan, United Kingdom, Australia and Afghanistan).					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b> The Sister Cities relationships strengthen international connections and increase opportunities for cultural, educational and economic interaction.</p> <p><b>Funding</b> The Sister Cities programme and activity is most appropriately funded from the general rate as there are wider community benefits.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## Emergency Management

<b>Activity Function:</b>	<b>Emergency Management Operations</b>					
<b>Description</b>	This activity includes: declaring and managing all civil defence emergencies in Porirua City where a co-ordinated community response is required; and; provision of public education for reduction, readiness, response and recovery.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>All residents and businesses benefit from preparation to manage with emergency events. The Porirua City Council Emergency Management Office helps with this process and links with wider emergency services, community groups and government organisations. The timeframe of benefit is both short-term (information and advice) and on-going (a key local government function).</p> <p><b>Funding</b></p> <p>The benefits to the whole community from this activity mean that it is appropriately funded from the general rate. Since 1 July 2012, Emergency Management moved into a regional shared service.</p>					
	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
<b>Summary of Benefit &amp; Funding Source</b>	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## Stormwater

<b>Activity Function:</b>	<b>Stormwater Management</b>					
<b>Description</b>	This activity includes: control and removal of stormwater; stormwater drainage network (pipes, roadways, open waterways and watercourses); and; 24 hour response system.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓			
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Stormwater management protects private property from flooding and erosion. There is also a public benefit with regard to health, safety and reducing inconvenience by maintaining access to properties during periods of high rainfall and flooding. The stormwater infrastructure asset also has an intergenerational benefit.</p> <p><b>Funding</b></p> <p>Stormwater management is largely a public benefit and therefore the general rate is the most appropriate funding source.</p>					
	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
<b>Summary of Benefit &amp; Funding Source</b>	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## Wastewater

<b>Activity Function:</b>	<b>Wastewater Management</b>					
<b>Description</b>	This activity includes management and operation of: wastewater collection and management; and; underground pipe network, pump stations, and a 24 hour response system.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓			
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The wastewater (sewage) system benefits both individuals and the wider community. The primary importance of the waste water system is to protect public health and the environment. The immediate benefit is to individuals in their properties with the safe, sanitary removal of sewage from homes and businesses and ensuring that it is treated and disposed of in ways that do not harm the environment. Though the benefits of the wastewater system are private, they are not exclusive as most homes and businesses in the city (apart from those with septic tanks) use the system. The timeframes of benefit are both short (eg each time the system is used) and on-going with intergenerational benefits as an asset and in its protection of health and the environment. The waste water network is an essential part of the city's infrastructure.</p> <p><b>Funding</b></p> <p>There is wide public benefit from the careful management of wastewater and this is recognised through funding up to 25% of the total net wastewater costs from the general rates. The benefit of safe and efficient removal falls directly to individuals, the general public and to properties connected. For this reason, the balance of the costs after the general rate funding is recovered through a targeted rate funding per pan for properties connected to the wastewater network.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	0-5	70-100	0-25	0-5

<b>Activity Function:</b>	<b>Wastewater Treatment Plant</b>			
<b>Description</b>	This activity includes the management and operation of the Wastewater Treatment Plant, jointly run with Wellington City Council.			
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience
	✓	✓	✓	
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The Waste Water Treatment Plant in Titahi Bay benefits both individuals and the wider community (including the northern suburbs of Wellington City Council, whose waste water naturally flows into the Porirua catchment). The primary importance of the waste water system is to protect public health and the environment. The immediate benefit is to individuals in their properties with the safe, sanitary removal of sewage from homes and businesses and ensuring that it is treated and disposed of in ways that do not harm the environment. The benefits of the waste water system are private but not exclusive as most homes and businesses in the city (apart from those with septic tanks) use the system. The timeframes of benefit are both short (eg each time the system is used) and on-going with intergenerational benefits as an asset and in its protection of health and the environment. The waste water network is an essential part of the city's infrastructure.</p> <p><b>Funding</b></p> <p>Costs of running the joint venture are shared between Porirua City Council and Wellington City Council in proportion to their respective use of the infrastructure (treatment plant, major reticulation and pump station network). The apportionment of capital and the allocation of sewage drainage capacity are approximately two thirds Porirua and one third Wellington. Porirua's contribution is met through the Wastewater Management activity described above. The benefit attributable to Wellington City Council is funded through a charge to Wellington City Council. The split between the Councils is reviewed annually based on the previous year's wastewater flow volume and is not expected to move more than 5% per annum.</p>			

## Water Supply

<b>Activity:</b>	<b>Water &amp; Demand Management</b>					
<b>Description</b>	This activity includes the management and operation of: storage, management and distribution of high quality drinking water to urban areas; water supply for urban fire fighting; water reservoirs, pump stations, water supply pipe network; and; water conservation through awareness programmes and demand management.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Clean water is essential for life and good health. There are individual, defined group and wider community benefits with access to the public water supply. Clean water is required by everyone for drinking, cooking and washing, but it is also required by business and manufacturing for the production and processing of food and goods. An adequate supply of water for fire fighting is also important, although there could be benefits in using other sources of water. As clean water is an essential resource, there is a substantial investment in its management, storage and supply and a need to ensure it is not wasted. Water conservation assists in identifying and fixing water leaks in the home. The timeframe of benefits is short (direct use) and long term and intergenerational (water network assets).</p> <p><b>Funding</b></p> <p>There is wide public benefit from the provision of clean potable water and this is recognised through funding up to 25% of the total net water supply costs from general rates. The benefit of clean potable water is directly to individuals, the general public and to properties connected to or are capable of connection. For this reason, the balance of the costs after the general rate funding is mainly recovered through a targeted rate funding for properties and separately occupied parts of properties connected or are capable of connection to the water supply network. Big consumers of water (eg businesses) are metered and charged for the actual amount used. In areas of new subdivision development, development contributions are also used.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	10-20	60-85	0-25	0-5



## Transport

<b>Activity:</b>	<b>City Rooding &amp; Safety</b>					
<b>Description</b>	This activity includes the management of: public roads (except State Highway 1 and 58); non-recreational footpaths and cycleways; parking, footbridges, underpasses; traffic and street lighting; and; community road safety education activities.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>There are considerable individual and wider community benefits from this activity, primarily assisting people and goods to travel safely and efficiently throughout the city for many different purposes (eg business, employment, recreation, education). There are also public health benefits in the provision of these services and facilities such as for walking and cycling. Other personal and public safety aspects are the provision of streetlights which help to prevent crime and prevent injury, and the road safety education initiatives. The timeframes of benefit are both short (eg individual events and trips) and on-going with intergenerational benefits if the roading asset network is managed sustainably.</p> <p>Operates and manages the roading network that predominantly relates to vehicle transport including managing all expenditure on road carriageways.</p> <p><b>Funding</b></p> <p>As the benefit from this activity is generally shared between individuals and the wider community, both general rates and a central government subsidy from the New Zealand Transport Agency contribute toward the cost of the activity.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	65-80	20-35

<b>Activity:</b>	<b>Transport Facilities</b>					
<b>Description</b>	<p>This activity includes the management and operation of: transport facilities (city car parks, walkways and footpaths, footbridges, underpasses); street furniture; cycleways (outside the roading network); support for active lifestyles and the use of non-vehicular modes of transport; and; enforcement</p> <p>Note - bus shelter maintenance is carried out for the Greater Wellington Regional Council's public transport service</p>					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Provides those transport services that generally are not eligible for funding from the New Zealand Transport Agency. They include the provision of infrastructure to support public transport activity such as bus shelters and commuter car parks, and the provision of facilities for pedestrian movement within the city including footpath and access-way work. They also include the costs of managing parking throughout the city. Parking control is predominantly an enforcement function caused by people who do not observe parking restrictions established for the efficient use of the available parking within the city. These costs are recovered to the extent possible through parking fines</p> <p><b>Funding</b></p> <p>Where possible, costs related to public transport infrastructure are recovered through subsidies from the Wellington Regional Council. The costs related to pedestrian facilities are recovered through the general rate and any costs related to other activities not recovered as outlined above are also recovered through the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/Grant
	Less	More	0	0-10	90-100	0

## Solid Waste

<b>Activity:</b>	<b>Waste Minimisation &amp; Recycling</b>					
<b>Description</b>	This activity includes the management and operation of: kerbside collection of recyclable and reusable material; bulk recycling and recycling at the landfill; Trash Palace and Poly Palace; green waste diversion; and; public education and awareness programmes and support.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b> Individual service users benefit from this activity and there is a benefit to the wider public through maintaining a good quality environment and reduced material in the landfill. The timeframes of benefit are both short (eg specific events of disposing or recycling) and on-going with intergenerational benefits if sustainable and well-managed for the built and natural environment, including the landfill.</p> <p><b>Funding</b> A careful balance is needed to ensure that costs do not reach a level that could be a disincentive for using the service and avoiding the good practice of waste minimisation and recycling. The outcome could be to encourage illegal dumping and the mixing of recycling in the material destined for the landfill. There are several funding sources for this activity. The private benefit of the kerbside recycling service can be made transparent through a targeted rate to those properties to which the service is provided. A waste levy grant from the Ministry for the Environment contributes to a quarter of the costs for this activity. There is a small contribution from fees and charges and the rest of the cost is covered from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	0-5	45-55	0-20	20-25

<b>Activity:</b>	<b>Landfill Management</b>					
<b>Description</b>	This activity includes the management and operation of: Spicer Landfill; and; promoting waste minimisation.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Individual service users benefit from this activity with the ability to dispose of waste in a safe and efficient way and minimises the impact on the environment. There is a benefit to the wider public through public health, cleanliness and maintaining a good quality environment. The timeframes of benefit are both short (eg specific visits to dispose of rubbish) and on-going with intergenerational benefits if sustainable and well-managed for the built and natural environment, including the landfill as an asset.</p> <p><b>Funding</b></p> <p>Individuals receive the immediate benefit from this activity, so the Council considers that the cost should be met wholly from fees and charges. It is recognised that a balance needs to be struck between discouraging waste, recycling and waste minimisation and the appropriate use of the landfill. A significant increase in landfill fees and charges could increase the risk of price being a disincentive to use the service and therefore encourage illegal dumping. There are then related costs to the Council and ratepayers of having to clear up this rubbish, given that it is often difficult to identify, and recover costs from, those who dumped the rubbish. The operational costs are met through fees and charges.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	100	0	0	0

<b>Activity:</b>	<b>Rubbish Collection</b>					
<b>Description</b>	This activity includes regular weekly kerbside collection of household rubbish from urban and some rural residential properties.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Individual service users benefit from this activity and there is a benefit to the wider public through maintaining a good quality environment and the safe and efficient disposal of rubbish in the landfill. The timeframes of benefit are both short (eg specific events of disposing or recycling) and on-going with intergenerational benefits if sustainable and well-managed for the built and natural environment, including the landfill.</p> <p><b>Funding</b></p> <p>Individuals receive the direct benefit of rubbish being removed from their property and so the cost is met wholly from fees and charges.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	100	0	0	0

<b>Activity:</b>	<b>City Cleaning</b>					
<b>Description</b>	This activity includes the management and operation of: city-wide street cleaning; clearing rubbish from roads, footpaths, roadside gardens, parking areas and gutters; and; removal of graffiti and graffiti minimisation (eg education programmes).					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>There are individual, defined group and wider community benefits of this activity – for example residents, businesses and those visiting for events and shopping who will enjoy clean streets and the absence of graffiti. In terms of rubbish removal, there is a public health-related component, for example around prevention of smell, rats and other pests. Those contributing to the need for this activity include people who drop litter or larger amounts of rubbish in the city and suburban centres, and those who commit graffiti vandalism on public and private property. In most cases, people who behave in this way are not considering the effect of this action on other people, property or the environment. The timeframe of benefits is essentially short-term but this needs to be an ongoing service.</p> <p><b>Funding</b></p> <p>It is often not possible to identify and then subsequently charge the costs of littering and graffiti vandalism to the people who caused it. As this work of this Council activity is largely of a wider community benefit, the Council considers that it is appropriate for the cost to be met from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## Community & Leisure

<b>Activity:</b>	<b>Arts &amp; Heritage</b>					
<b>Description</b>	This activity includes the management and operation of: Pataka (Council's art gallery and museum); heritage trail; and; community events and festivals.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>This activity benefits individuals, defined groups and the wider community. The timeframes of benefit are both short (eg single visit and event-related) and on-going. There are intergenerational benefits, particularly with Pataka which is an important city asset. Pataka is a major part of Porirua's national and international profile and visitor industry. It is a meeting place where residents and visitors view and interact with local, national, and international exhibitions, artists and speakers on many subjects. Pataka and the heritage trails preserve and promote our history and cultures that give residents a sense of wellbeing and community. Pataka is a repository of local and national historical documents and items available for public research and is also a place to purchase local arts and crafts. The Council, with other community partners, contributes funding and support to major festivals and events such as the Festival of the Elements and Creekfest. Benefactors for festivals and events are the private stall holders, local performing groups, residents, and visitors. The Arts &amp; Heritage activity also contributes to the local economy, as people may choose to shop and use local services during their visit. This set of functions helps to make the city vibrant, they preserve and promote heritage, and give us a sense of place and pride.</p> <p><b>Funding</b></p> <p>The major source of Council funding for the Arts &amp; Heritage activity is from the General Rate because, on balance, the benefits of the functions in this activity benefit the whole community. However, non-rates sources are an important part of the total funding for Pataka. The Council's operating funds are used to initiate partnerships and sponsorship from national and international sources. In addition, some costs are recovered through sales, workshops, performances, and leasing spaces in the gallery.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	5-10	0	90-95	0

<b>Activity:</b>	<b>Libraries</b>					
<b>Description</b>	This activity includes management and operation of: Central Porirua Library and branch libraries (Cannons Creek, Pukerua Bay, Titahi Bay, Whitby, Plimmerton).					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Libraries benefit individuals, defined groups and the wider community. The libraries directly benefit individual users with immediate access to a wide range of items and information for entertainment or building knowledge for personal and community gain. There is considerable community benefit in the libraries as they build skills and knowledge and an overall sense of wellbeing and they act as social hubs for people to meet and access community information. There is also an on-going intergenerational benefit as the libraries are an asset for the future, particularly as centres of learning and knowledge. Those attending the Central Library might also visit other Council facilities (eg Pataka) and use local businesses. The same applies to facilities and businesses near the branch libraries.</p> <p><b>Funding</b></p> <p>Individuals get the immediate and direct benefit from the use of the libraries, and so fees and charges cover private benefits such as for high demand items and where an individual has overdue or damaged items. However, the Council believes that, on balance, funding should largely be from the general rate, as libraries are of considerable public benefit and wide accessibility is important. It would not be practical to charge an entry fee to libraries, or to set fees and charges too high as this may discourage some residents, particularly those on a low income, from using the service.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	5-10	0	90-95	0

<b>Activity:</b>	<b>Community Recreation Programmes</b>					
<b>Description</b>	This activity includes provision of: healthy eating and healthy action advice and focused programmes; holiday programmes, after school care, senior citizens programmes; and; capacity building in local sports clubs.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>This activity benefits individuals who choose to use them by providing access to recreation and leisure opportunities. The programmes promote health and wellbeing. Benefits extend to the wider community by encouraging recreation and healthy lifestyles and acting as community events and bringing people together. The timeframes of benefit are both short (eg event or visit-related, access to information and advice).</p> <p><b>Funding</b></p> <p>While fees and charges and subsidies/grants contribute to the funding of this activity, they cannot cover the full costs and it is appropriate for the balance to be funded from the general rate. The benefits to the wider community justify ratepayer funding and it would not be desirable to have fees at a level that might prevent participation by posing a barrier to people on low incomes.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	0	0	20-40	60-80

<b>Activity:</b>	<b>Indoor Recreation</b>					
<b>Description</b>	This activity includes management and operation of: indoor recreation facilities and programmes; Arena Aquatic Centre; Cannons Creek Pool; Arena Fitness; and; Te Rauparaha Arena (including multipurpose spaces, meeting rooms, dance studio and theatre).					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>This activity benefits individuals who choose to use the facilities by providing access to recreation and leisure opportunities. The facilities and services contribute to health and wellbeing. Benefits extend to the wider community by encouraging recreation and healthy lifestyles and acting as community events and bringing people together. The timeframes of benefit are both short (eg event or visit-related, access to information and advice) and on-going and have intergenerational benefits.</p> <p><b>Funding</b></p> <p>While fees and charges contribute to the funding of this activity, they cannot cover the full costs and it is appropriate for the balance to be funded from the general rate. The benefits to the wider community justify ratepayer funding and it would not be desirable to have fees at a level that might prevent participation by posing a barrier to people on low incomes.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	30-40	0	55-65	5-15



<b>Activity:</b>	<b>City Landscape</b>					
<b>Description</b>	This activity includes the management and operation of: playgrounds; scenic reserves (such as Aotea Lagoon, Colonial Knob Walkway, Whitby Lakes, Spicer Botanical Park); recreational cycle and walkways; landscaped areas adjoining beaches and harbours; and; re-vegetation and pest control programmes					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓		✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>These activities provide attractive, functional and pleasing physical areas of space. Safe playgrounds offer children, parents and caregivers a site to have fun and socialise in a family setting. The benefits are private but not exclusive and the Council considers that it is preferable to ensure their open access. Playgrounds are public facilities and contrast with those where there may be conditions of access such as part of a commercial enterprise or in schools. Cycle and walkways provide individuals and the wider community with opportunities for recreation, leisure and exercise, promoting health and wellbeing. The functions of this activity benefit individuals, defined groups and the wider community and contribute to a sense of pride in the city. The timeframes of benefit are both short (eg single visit/use) and on-going with intergenerational benefits as long-term assets.</p> <p><b>Funding</b></p> <p>With all of the functions in this activity, it is not possible to easily identify and exclude or charge all individuals. Most people recognise that these activities have a wide benefit and are prepared to contribute to the costs through their rates. Apart from minor fees and charges and recreation and civic contributions, the cost of this activity is largely met from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0-5	0	95-100	0

<b>Activity:</b>	<b>Sports Fields &amp; Outdoor Courts</b>					
<b>Description</b>	This activity includes the management and operation of: sports fields and outdoor courts; and; Trust Porirua Park.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit individuals, defined groups and the wider community. The timeframe of benefit are both short (eg event-related) and on-going with intergenerational benefits, including land purchased for reserves and sports grounds. There are also wider social and economic benefits, for example linked with events hosted at Trust Porirua Park.</p> <p><b>Funding</b></p> <p>It is not practical to identify individual users of sports fields and courts. Clubs are charged a fee for booking the facilities, but many people also use them informally outside planned events. Fees and charges need to be set at a level that does not discourage the use of the facilities. Apart from the charges generated from the use of the fields and courts (which are relatively small compared to the cost of the activity), the cost of this activity is appropriately met from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	5-10	0	90-95	0

<b>Activity:</b>	<b>Cemeteries &amp; Crematorium</b>					
<b>Description</b>	This activity includes the management and operation of: Whenua Tapu Cemetery & Crematorium; and; the Porirua Cemetery.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓			✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit individuals, defined groups and the wider community, with access to burial and cremation facilities and sites to allow farewells and memories with dignity. There is a fundamental public health benefit in ensuring burials and cremations are carried out appropriately. The facilities are also an important part of the work of funeral businesses operating in the city. The timeframe of benefits is both short (eg event-related, visiting) and on-going with intergenerational benefits, particularly for historic heritage and asset aspects.</p> <p><b>Funding</b></p> <p>A substantial portion of the cost of this activity is met through fees and charges for the provision of burial and cremation services. Where the costs are not fully met from that source, and given the on-going maintenance demands of cemeteries, full cost recovery is not practical, and the balance of funding required is appropriately met from the general rate. As closed cemeteries are treated as parks and heritage sites, it is also appropriate for the maintenance of these to be funded from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	50-75	0	25-50	0

## Environment & Regulatory

<b>Activity:</b>	<b>City Planning</b>					
<b>Description</b>	This activity includes: monitoring and reviewing the District Plan; developing and monitoring land-use policy frameworks; and; policy and planning advice on heritage, landscape and urban design.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit the wider community through ensuring that the long-term city growth and management planning (including the City's District Plan) is sound, sustainable and promotes community cohesion. The timeframes of benefits under this activity are on-going with the intergenerational benefits of a carefully planned and sustainable city and preservation of the city's heritage.</p> <p><b>Funding</b></p> <p>Apart from any minor fees and charges recovery possible, the cost of this activity is met primarily from the general rate because there is a wider public benefit.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity:</b>	<b>Harbour</b>					
<b>Description</b>	This activity includes: implementation and monitoring of the Porirua Harbour and Catchment Strategy and Action Plan 2012; and; liaison with and working alongside, the community, Greater Wellington Regional Council, Ngati Toa Rangatira and a range of other local and national agencies.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓		✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit individuals, defined groups and the wider community. The Harbour is an environmental, economic and cultural resource with multiple direct physical users (eg leisure, sport, fishing, environmental and conservation groups) and indirect users (eg harbour view from home, spiritual and aesthetic connections). The timeframes of benefits are both immediate with event or activity-based use and on-going and is an intergenerational asset.</p> <p><b>Funding</b></p> <p>It is impractical to prevent people from using the harbour for many activities. However, there are controls and requirements around other activities such as stormwater management, runoff and discharges that help to focus the prevention and management of effects on the Harbour. On balance, the cost of this activity is appropriately met from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

<b>Activity:</b>	<b>District Plan Administration &amp; Monitoring</b>					
<b>Description</b>	This activity includes: timely processing and monitoring of resource consent applications; administrating the District Plan; initiating enforcement proceedings under the Resource Management Act; and; processing Land Information Memoranda and providing expert advice related to resource consent matters to the public, developers, the Council and the Courts.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The direct beneficiaries of this work are the individuals (eg home owners and businesses) that want to undertake development work in the city and suburban centres. The wider community benefits if the developments are carefully planned and managed in line with the District Plan and for example if they are a commercial venture offering a local service. Enforcement may be required where the actions of individuals and organisations contravene the District Plan or the resource consents they hold. The timeframes of benefit are both short (eg individual applications for consents) and on-going with intergenerational benefits if sustainable and well-managed for the built and natural environment.</p> <p><b>Funding</b></p> <p>While individuals receive most of the immediate benefit, Council's ability to recover costs from those individuals is limited. User charges for some activities are set by law or regulation. In addition, where individuals who cause damage to the environment should bear the cost, it is not always possible to identify or charge them. To cover all costs through this service would mean having to raise them to a level that could be a disincentive for growth and development with an impact on the economy. In the area of resource consent applications, the actual revenue collected in a particular financial year may vary due to hearings, consultation, and complaints against the granted consents, and monitoring of consents. While fees and charges can contribute up to half of the costs, the rest of the cost is covered from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	40-55	0	45-60	0

<b>Activity:</b>	<b>Building Compliance</b>					
<b>Description</b>	This activity includes: building consents and building inspections (including Project Information Memoranda; and; Code of Compliance Certificates and Building Warrants of Fitness).					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b> The main beneficiaries of the Building Compliance activity (and those contributing to the need for the activity) are those who make applications for building consents. The benefits apply mainly to buildings that are for private use. Other indirect beneficiaries are those who benefit from the correct application of the building rules (eg neighbours). Enforcement may be required where people carry out building activity without consents or it does not comply with building codes, possibly leading to safety issues.</p> <p><b>Funding</b> While individuals receive the benefits of the building control work, there are constraints in the Council's ability to recover costs. User charges for some activities are set by law or regulation and in some cases, no charges are possible. To cover all costs through this service would mean having to raise them to a level that could be a disincentive for growth and development with an impact on the economy. In the area of building consent applications, the actual revenue collected in a particular financial year may be difficult to forecast accurately. While fees and charges cover the majority of the costs, the rest of the cost is covered from the general rate.</p> <p>The proposed funding allocation for fees and charges is based on the revenue generated as a proportion of the total operating costs (less any leaky home provisions). The fees and charges are based on the revenue generated from Porirua City only.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	60-85	0	15-40	

<b>Activity:</b>	<b>Environmental Standards</b>					
<b>Description</b>	This activity includes: promotion and monitoring of public health standards and local bylaws; encouraging compliance with legislation; and; registration, inspection, monitoring, response and enforcement of standards for rural fire, litter control, water quality, food safety, water contamination, hazardous substances, excessive smoke and noise, parking and abandoned vehicles.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The beneficiaries of this activity are residents and businesses who operate or use premises that sell food; have a gambling function; seek protection under the Council's bylaws. Other beneficiaries are the wider community through protection from hazards such as dangerous chemicals, unsafe food, excessive noise and infectious and other diseases. Those contributing to the need for this activity include operators of premises that require licensing and monitoring excluding alcohol licensing and those who breach – or complain about the breach – of the Council's bylaws. Where people dump rubbish illegally, light unauthorised fires, play loud music for long periods or park illegally, in most cases the individual is not considering the effect of this action on other people or the environment. Enforcement may be required where people contravene bylaws and regulations.</p> <p><b>Funding</b></p> <p>As this work largely protects the community from harm, it is appropriate that the people or businesses causing the harm should pay. For some services, it is not appropriate or possible to charge users – for example those making the complaint, and it is also difficult to identify the person or business responsible for the hazard. Costs related to parking and enforcement are recovered where possible through the application of parking fines. However, the level of fines is set by national regulation and the recovery of fines is ultimately through the Ministry of Justice, which is unable to fully recover all fines applied. Fees and charges contribute to the cost of this activity but as the benefits to the community are significant, the Council considers that it is appropriate for the majority of the cost to come from the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	35-50	0	50-65	

<b>Activity:</b>	<b>Animal Control</b>					
<b>Description</b>	This activity includes: animal ownership practices and compliance; dog registration, enforcement, control of stray animals, managing impounded, dangerous and menacing animals; managing complaints; and; implementing public education initiatives.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>Principal beneficiaries of the Animal Control activity are the owners of animals - mainly dogs. Secondary beneficiaries are the wider community who benefit from the service in making the city safer from dangerous animals and reducing any public nuisance caused by animals. Those contributing to the need for the activity include all dog owners and owners of dangerous dogs and dogs that are a public nuisance.</p> <p><b>Funding</b></p> <p>As this service is to assist with the management animals that people choose to own, it is appropriate, that as far as reasonably possible, those people should contribute toward the cost of the service. A substantial portion of the cost of this activity is recovered through dog registration fees and to a lesser extent from infringement fees for the ownership of unregistered dogs and impoundment fees for the recovery of impounded dogs and stock. In some cases it is not possible to recover all costs. Given the wider public benefit also received from the service, it is appropriate that the balance of the cost of the activity is funded through the general rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	70-95	0	5-30	0

<b>Activity:</b>	<b>Liquor Licensing</b>					
<b>Description</b>	This activity includes: monitoring and enforcement of alcohol licence conditions; determining managers certificate applications; determining licence applications for events and premises; and; promoting effective host responsibility practices for licensed premises.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓		✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The beneficiaries of this activity are primarily residents and businesses who operate or use premises with licences to sell and supply alcohol under the Sale and Supply of Alcohol Act 2012. This activity includes monitoring and enforcement of licences in Porirua as well as the decision making process for the grant of licences to premises, events and managers certificates. The Council is developing a Local Alcohol policy to guide the District Licensing Committee and the Alcohol and regulatory Licensing Authority when determining licence applications in Porirua.</p> <p><b>Funding</b></p> <p>The funding regime was established under the Sale and Supply of Alcohol Act 2012 and regulations made under that Act. The Council currently applies the default fees and charges regime established by the Ministry of Justice.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	More	Less	50-75	0	25-50	0

## Democratic Processes

<b>Activity:</b>	<b>Governance &amp; City Leadership</b>					
<b>Description</b>	This activity includes: administration and management services for Councillors; and; provision of information for the public on Council meetings and documents.					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b></p> <p>The functions of this activity benefit the wider community. They enable elected members to set policies and manage resources to benefit the whole community. Including the elections, the function enables the community to influence and reach elected members. The decision-making and accountability processes improve the quality of Council decisions. The timeframes of benefit are both short (eg individual meetings and access to documents) and on-going.</p> <p><b>Funding</b></p> <p>This function is largely funded through the general rate. Every three years, 10% of the costs of this activity will be contributed through Fees &amp; Charges for election expense recovery. Occasionally it may be cost effective for elections for various community governance bodies to be conducted together. Where the Council conducts elections on behalf of others, it will recover an appropriate share of the cost of those elections from the agencies concerned.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2012-22</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0-10	0	90-100	0



<b>Activity:</b>	<b>Partnership with Maori</b>					
<b>Description</b>	This activity includes: ensuring that actions and decisions that the Council takes are appropriately considered and in line with the principles of the Treaty of Waitangi; and; maintaining and improving opportunities for Māori to contribute to local government decision-making processes (through partnership agreement with Ngati Toa through Te Runanga o Toa Rangatira)					
<b>Council Priorities</b>	Children and young people at the centre of our decisions	A healthy and protected harbour and catchment	A growing, prosperous and regionally connected city	A great village and city experience		
	✓	✓	✓	✓		
<b>Benefit &amp; Funding Rationale</b>	<p><b>Benefit</b> This activity provides benefits to Māori, the Council and the wider community. The timeframes of benefits are both short and long term with intergenerational benefits.</p> <p><b>Funding</b> This activity is considered to be of public benefit and so is primarily funded from the General Rate.</p>					
<b>Summary of Benefit &amp; Funding Source</b>	<b>Benefit</b>		<b>Funding Source (%) 2015-25</b>			
	Private	Public	Fees & Charges	Targeted Rate	General Rate	Subsidy/ Grant
	Less	More	0	0	100	0

## RATES REMISSION & POSTPONEMENT POLICY



### Introduction

In order to provide rates relief where it is considered fair and reasonable to do so, the Council is required to adopt policies specifying the circumstances under which rates can be considered for remission or postponement.

There are various types and circumstances under which a remission or postponement can be considered. The conditions and criteria relating to each type of remission or postponement are set out below, together with the objectives of the policy. This Policy is made up of the following seven parts:

- Part 1 Rates Remission on Māori Freehold Land
- Part 2 Rates Remission or Postponement for Business & Economic Development
- Part 3 Rates Postponement for Farm Land
- Part 4 Rates Remission for Land Subject to Natural Calamity
- Part 5 Rates Remission for Community, Sporting and Recreational Non-Commercial Use
- Part 6 Rates Remission for Penalties on Unpaid Rates
- Part 7 Rates Remission for Properties Affected by Weather Tightness Claims

### Statutory Requirements

This Policy is prepared in accordance with section 102(3), 109 and 110 of the Local Government Act 2002.

This Policy is also prepared in accordance with the Local Government (Rating) Act 2002, where all land is rateable unless specified in this Act or another Act states that land is non-rateable. Non-rateable land is still liable to pay targeted rate for water supply, sewage disposal, or refuse collection.

### Application Process

In order for an application to be considered, all applications must be in writing and must include the relevant supporting information as outlined in each type of remission or postponement.

Applications must be received prior to the commencement of the rating year (1 July – 30 June), unless stated. Successful applications received during a rating year will be applicable from the commencement of the following year. No applications will be backdated.

Remissions or postponements are only applicable to ratepayers identified in the Council's rating information database not the occupant of the property.

Remissions or postponements are limited to rates set and assessed by the Council. The Council collects rates on behalf of the Wellington Regional Council and therefore the Council has no authority to remit or postpone such rates other than by specific approval of that Council.

The approval of any remission or postponement is at the absolute discretion of the Council or its delegated officer.

## **Part 1 – Remission on Maori Freehold Land**

### **Policy Objectives**

Objectives of this policy are to:

- support the use of the land by the owners for traditional purposes;
- recognise and support the relationship of Māori and their culture and traditions with their ancestral lands;
- avoid further alienation of Māori freehold land;
- facilitate the wish of the owners to develop the land for economic use
- recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes;
- recognise and take account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere);
- recognise and take account of the importance of the land for community goals relating to: the preservation of the natural character of the coastal environment; the protection of outstanding natural features; and; the protection of significant indigenous vegetation and significant habitants of indigenous fauna;
- recognise the level of community services provided to the land and its occupiers;
- recognise matters related to the physical accessibility of the land.

### **Conditions and Criteria**

Under the Local Government (Rating) Act 2002 Māori freehold land is defined as land whose beneficial ownership has been determined by the Māori Land Court by freehold order. Only land that is the subject of such an order may qualify for remission under this policy. The Council may remit rates where the application meets the following conditions and criteria:

- a. the land is unoccupied and no income is derived from the use or occupation of that land; or
- b. the land is better set aside for non-use because of its natural features, or is unoccupied; or
- c. the land is inaccessible and/or is unoccupied;
- d. only a portion of the land is occupied;
- e. the land has limited use and/or economic value from its actual use.

## **Council's Consideration**

The Council may give remission of up to 100% of all rates where the application meets the relevant policy objectives and conditions/criteria outlined in this policy.

Application for this remission should be made prior to commencement of the rating year.

The owners who have applications approved by the Council for remission should make contact with the Council immediately if the circumstance or a status of the land changes. All approved remissions will be subject to annual review or at least every 3 years to validate the remissions approved.

Applications made after the commencement of the rating year may be accepted at the discretion of the Council.

The Policy shall apply to owners of Māori freehold land who meet the relevant criteria as approved by the Chair of the Council Committee with responsibility for managing Council finances (at the time of adopting this Policy this is the Chair of the Finance Committee), and the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.

## **Part 2 – Remission or Postponement for Business and Economic Development**

### **Policy Objective**

To promote economic development and new business investment within the City by offering rates remission to:

- encourage developments that assist new businesses to become established in the city, or
- encourage developments that assist existing businesses in the city to expand and grow.

### **Conditions and Criteria**

To be eligible for remissions or postponement for business and economic development purposes, applications must meet all of the criteria in Part 1 (A) and Part 1 (B):

- Part 1 (A)
  - New commercial and/or industrial developments that involve the construction of any new building or buildings intended to be used for industrial, commercial or administrative purposes; or
  - Existing commercial and/or industrial developments that involve substantial alterations or renovations to the existing building or buildings intended to be used for industrial, commercial or administrative purposes.
- Part 1 (B)
  - The new investment must increase the rateable value of the rating unit (or units) on which the development takes place by not less than \$1 million per rateable unit.

### **Council's Considerations**

Any rates remission or postponement to any individual development granted is subject to:

- A maximum period of three financial years.
- The Council's final determination of the size and length of any remission or postponement. Generally it will not be of a size that results in an absolute reduction of the rates derived by the Council from the rating unit.
- Meeting the agreed conditions which the Council considers appropriate in relation to the approval of a remission or postponement. Failure to comply with such conditions may lead either to the suspension of the remission or postponement for a period to be determined by the Council, or termination of the remission or postponement, at the Council's discretion.

All applications will be submitted to the Council Finance Committee for consideration and a decision on the level of remission/postponement.

### **Part 3 – Rates Postponement for Farm Land**

#### **Policy Objective**

To preserve the City's rural landscapes by providing rates postponement for rateable units (or part of) that are principally used for farming purposes.

#### **Conditions and Criteria**

A rates postponement of the base general rate may be granted to rating units that are classified as rural under the District Plan and principally used for farming purpose. Under this policy "principally used for farming purposes" is defined as where:

- The rating unit is classified as rural under the District Plan and/or falls within the "Rural" differential rating classification; and;
- Principally used for farming purposes where land that is used exclusively or principally for agricultural, horticultural or pastoral purposes, or for the keeping of bees, poultry or other livestock excluding forestry, commercial dog kennels or catteries ; and;
- Has a land area of not less than 40 hectares.

#### **Council's Considerations**

Any rates postponement provided is subject to:

- The applicant paying the additional valuation fees the Council incurs in assessing the rates postponement value of the rating unit.
- The rating units meeting the above conditions and criteria.
- A maximum of 50% of the base general rate may be remitted.
- If at any time before the rates are postponed, subdivision for non-farming purposes occurs, or the land use is changed to a non-farming use, the postponement shall be nullified, and the rates assessed shall become due and payable.

The postponed rates shall be registered against the title of the rating unit by whatever legal instrument Council chooses and all costs of registration, subsequent de-registration and any other dealing with the title shall be entirely at the expense of the owner.

In each year the sum postponed shall be calculated as the difference between the rates that were assessed and the rates that would have been assessed had the rating unit not had some part of its value attributable to the potential use of the land for residential, industrial, commercial or other non-farming use.

Farmland rates are postponed after five years if a property is not subdivided, sold or changed to a non-farming use. Postponed farmland rates may be registered as a charge against the land so that in the event that the property is sold the Council has first call against the proceeds of that sale.

The Policy shall apply to owners of farm land who meet the relevant criteria as approved by the Chair of the Council Committee with responsibility for managing Council finances (at the time of adopting this Policy this is the Chair of the Finance Committee), and the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.

## **Part 4 – Remission for Land Subject to Natural Calamity**

### **Policy Objective**

To assist property owners with rates relief where the use of the rating unit has been detrimentally affected by erosion, subsidence, submersion, fire or other natural calamity.

### **Conditions and Criteria**

A rates remission of the base general rate may be granted to rating units that are:

- Used principally for residential purposes and are subject to one of the following: erosion; subsidence; submersion; fire; or other natural calamity that had the effect of rendering the residence uninhabitable or unusable, such as earthquake related.
- Uninhabitable or unusable for a period of greater than one month.

### **Council's Considerations**

To be considered for rates remission:

- Application must be made within 12 months of the event.
- Application must include the following supporting information: details of the property; the description of the natural calamity; steps taken or will be taking to return the rating unit to inhabitable or usable state; and; an estimate of the time the rating unit is expected to be affected.
- Up to 100% of all rates and charges including charges made for water and wastewater services may be remitted for the period during which the buildings are uninhabitable or unusable.

The Policy shall apply to owners of the property who meet the relevant criteria as approved by the Chair of the Council Committee with responsibility for managing Council finances (at the time of adopting this Policy this is the Chair of the Finance Committee), and the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.



## **Part 5 – Remission for Community, Sporting and Recreational Non-Commercial Use**

### **Policy Objective**

To provide remission to:

- Facilitate the ongoing provision of non-commercial community services that meet the needs of the residents of the city;
- Support ongoing provision of non-commercial sporting and recreational opportunities for the residents of the city;
- Assist the organisations' survival
- Encourage membership of the organisations making them more accessible to the general public, particularly disadvantaged groups, such as children, youth, young families, aged people, and economically disadvantaged people.

### **Conditions and Criteria**

To be eligible for rates remission for a proportion for the General rates, the rating unit must be:

- Used for educational purposes as defined in clause 6 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002; or
- Used for religious purposes as defined in clause 9 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002; or
- Land used as a marae or meeting house as defined in clauses 12 (a) and 13 of Part 1 of Schedule 1 of the Local Government (Rating) Act 2002; or
- Land owned or used for games or sports as defined in clause 2 of Part 2 of Schedule 1 of the Local Government (Rating) Act 2002, whether or not the land has a club licence under the Sale of Liquor Act 1989; or
- Land owned or used for the purpose of any branch of the arts as defined in clause 3 of Part 2 of the Local Government (Rating) Act 2002; or
- Land used primarily or exclusively for community health or public health purposes and occupied by a registered charitable trust or incorporated society; or
- Land used primarily or exclusively for youth work, support, education or development and occupied by a registered charitable trust or incorporated society; or
- Land occupied by a registered charitable trust or incorporated society and used primarily or exclusively for the gathering and assembly of people to promote community well-being. Examples include RSA clubs and associations that encourage people to recognise and retain ethnic, cultural or religious affiliations; or
- Land that, while not used primarily for any of the purposes above, is used primarily or exclusively for a combination of those purposes

To be eligible for rates remission for a proportion of the sewerage pan charges to the rating unit must:

- Be land used exclusively or principally for community, sporting and recreational non-commercial purposes
- Have a water meter connected to the property for a rating year prior to the year in which a remission is granted

### **Council's Considerations**

- The Council may remit up to 50% of General rates for rating units that are used principally for community, sporting and recreational non-commercial purposes.
- Remissions for community or other non-commercial purposes will be assessed using the formula:

Actual Charge – Calculated Charge; where

Actual Charge = The actual charge for sewage disposal assessed against the rating unit, and

Calculated Charge = The annual water consumption for the rating unit (measured in cubic metres) for the previous financial year divided by 220m<sup>3</sup>, multiplied by the charge per pan set by the Council for the financial year in which rates assessed.

The Policy shall apply to organisations who meet the relevant criteria as approved by the Chair of the Council Committee with responsibility for managing Council finances (at the time of adopting this Policy this is the Chair of the Finance Committee), and the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.

## **Part 6 – Remission of penalties added to unpaid rates**

### **Policy Objective**

To enable Council to act fairly and reasonably in its consideration of penalties on rates which have not been paid by the due date.

### **Conditions and Criteria**

Remissions are limited to ratepayers who:

- Wishes to pay his or her rates at regular intervals that are different from the Council's instalment dates.
- Has fallen into arrears, the Council may remit or postpone penalties as part of a programme of agreed payments designed to eliminate the arrears over a reasonable timeframe.
- Occasionally, unusual circumstances arise which cause a ratepayer to be late with a payment. These can range from family problems to simple oversight. So long as such instances are once every 3 years.

### **Council's Considerations**

To be considered for rates remission:

- Application for this remission should be within one month of notification of the penalty incurred.
- Applications must include the following supporting information: details of the property; and the reason for late payment.
- The Council reserves the right to impose conditions on the remission of penalties. Conditions may relate to: completion of agreed payment schedules; and; the taking of other actions needed to resolve ratepayer liability matters.
- Rates should be paid before penalty is remitted, or an agreed payment plan is in place (i.e. a direct debits set up).

The Policy shall apply to ratepayers who meet the relevant criteria as approved by the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.

## **Part 7 – Rates Remission for Properties Affected by Weathertightness Claims**

### **Policy Objective**

To enable Council to provide remission for situations where properties are uninhabitable for period of time while the property is being repaired or rebuilt.

### **Conditions and Criteria**

To be eligible for rates remission the applicant's property must be subject to:

- An approved weathertightness claim
- Be partially or fully uninhabitable for a period of longer than 1 month.
- Remission will only apply up to the point the Council issues the code of compliance certificate

### **Council's Considerations**

Application must be made within 12 months of remedial work starting.

The amount of rates remission approved will be based on the non-land portion of the total value of the property.

The Policy shall apply to ratepayers who meet the relevant criteria as approved by the General Manager Corporate Services & Chief Financial Officer.

The administration of this Policy may be sub-delegated to a Council officer as appropriate.

**Section 6: Infrastructure Strategy**

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Porirua City Council

2015-2045 Infrastructure Strategy

30 June 2015

## Version history

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## Summary

This is Porirua's first infrastructure strategy. Required by the 2014 amendments to the Local Government Act 2002, this 30-year infrastructure strategy forms part of the Long Term Plan. Its purpose, as prescribed by the Act, is to identify the significant infrastructure issues for Porirua over the next 30 years and to identify the principal options for managing those issues.

Porirua's infrastructure is the cornerstone of its economy and society. Accordingly it is the largest and most critical area of investment for Porirua City Council, with \$900 million invested in core infrastructure assets. The infrastructure strategy is therefore a key planning document for Porirua and its longer term view, beyond the 10-year horizon of the Long Term Plan, means that it identifies and addresses trends that are more relevant to the typical life cycle of infrastructure assets.

The strategy covers the following core infrastructure assets and activities:

- Water supply
- Wastewater
- Stormwater
- Porirua City roading and footpaths

## Porirua's 30 year vision

What will Porirua be like in 2045? The city's population has been increasing very gradually over the last 10 years and it is expected that this rate of growth will continue over the next 30 years. In 2045 Porirua City will have probably gained about 5,000-7,000 new households and its population will have increased from 51,700 (2013 Census) to approximately 56,000.

By 2045 all available land in Aotea and Whitby will have been developed, and the Northern Growth Area between Camborne/Plimmerton and Pukerua Bay will have been largely developed by this time. A number of villages may have intensified residential and commercial development, along with intensification around railway stations and other transport nodes.

There will be residents living in the city centre and an increased diversity of land uses will have emerged within the central area. It is unlikely that the retail sector will have grown significantly due to the increasing importance of online shopping. Substantial mixed use development will have probably occurred on the Kenepuru land, and there will have been intensification of industrial development within Elsdon and other established industrial areas.

By 2045, the Transmission Gully Motorway will have been operating for 25 years and is likely to be a well-established route for heavy goods vehicles and through traffic. The old State Highway 1 and State Highway 58 as far east as Pauatahanui will be operating as local arterial roads and managed by Council. They are likely to be primarily used by local traffic but could also be a popular route for sightseers wishing to take a 'scenic route' around the coast or Pauatahanui Inlet.

Pockets of commercial and light industrial development may have sprung up in accessible locations and around the Transmission Gully interchanges, particularly Lanes Flat, and also in Judgeford. Pauatahanui Village may have expanded slightly.

While Porirua generally has a younger population and larger households than the national average, which will continue even after 30 years, it is anticipated that like the national and international trends it will gradually 'age' over time and household sizes will decrease, particularly in the northern parts of the city.

More people could be walking and cycling in the future, both for exercise as part of a healthy lifestyle and as an inexpensive and convenient form of transport. The popularity of the city's walkways and cycleways is likely to continue and this network is likely to continue to slowly expand and improve.

Although technological developments and significant change within the automobile industry are likely to continue, the private motor vehicle is expected to remain the primary mode of transport within the timeframe of this strategy, assisted by the availability of affordable used vehicles. This is despite continued increases in petrol prices, increasing availability of alternative fuels, more accessible and affordable public transport, and new modes of transport.

In 30 years' time it is expected that we will have developed smarter ways to use water and dispose of our wastewater wisely, with widespread adoption of measures such as rainwater storage, greywater recycling, water sensitive urban design and sophisticated stormwater management practices. Water metering is likely to be the norm across New Zealand by this time, enabling demand to be managed and water losses accounted for, and even alternative technologies such as composting toilets could be more commonplace.

It is possible that Porirua City Council could be operating within a regionally amalgamated governance structure by 2045, although the status quo is assumed for the purposes of this strategy.

The Council's vision for Porirua is:

*Porirua: a great place to live, work and raise a family.*

Infrastructure is fundamental to this. Without a well-functioning system of infrastructure, the city will not thrive. In 2045 the Council's vision is that Porirua will be a well-connected, resilient, safe and prosperous city, supported by high quality, reliable, efficiently managed infrastructure.

The implementation of this strategy will result in the provision of quality infrastructure to support the future community. The steady renewal process, as provided for in this strategy, will lead to a greater reliability of services delivered, increased resilience in the event of natural hazards such as earthquakes, reduced operating costs and less pollution entering the environment.

## Porirua's infrastructure: key issues and strategies

Where are we now? Porirua currently faces a number of pressing issues, some of them historical, which have influenced the way the Council is now planning for infrastructure:

- Porirua City Council is just starting its programme of renewal. This is due to deferred maintenance and no collection of depreciation in previous years, for various historical reasons. What this means is that funding now has to be provided for both renewal costs and depreciation at the same time. Once the first round of renewals has been completed, costs will go down because the next round of renewals will be able to be funded from depreciation.
- The wastewater network is experiencing high levels of stormwater inflow and infiltration, caused mainly by the backlog in renewals.
- The wastewater treatment plant needs refurbishment of a number of components but carrying out these works is a challenge because the plant does not have sufficient capacity to allow for partial closure while the various components are upgraded. The plant does not have sufficient capacity because of the high levels of inflow and infiltration.
- Wastewater sludge volumes are near the point where the landfill will no longer be able to accept additional quantities, hence the need for the sludge drying project as identified in the strategy, which will significantly reduce the sludge volume.
- The stormwater network in many locations currently has capacity to accommodate up to a 2-year event only.
- A backlog of road resurfacing, drainage renewals and road reconstruction has caused road pavement stability issues that have driven up maintenance costs.
- There is increasing demand for other modes of transport on the roading network (walking and cycling).

Porirua's utility networks have been designed to service the existing urban area in a traditional low density form. The rural area is mostly unserved apart from roading. Porirua's infrastructure is relatively young in terms of its life cycle, reflecting the young age of the city. Where there are ageing assets, the Council operates a series of renewals programmes targeted at the sections of the network identified as being at the greatest risk of failure.

Porirua is likely to continue growing at a relatively slow rate for the next 30 years, so its assets are unlikely to face significant growth pressures or the need for major capacity increases. It is however likely that the northern suburbs of Wellington City (which send wastewater to Porirua's wastewater treatment plant) will grow at a slightly faster rate, increasing demand for the wastewater treatment plant. Wellington's share of wastewater entering Porirua's system will continue to be monitored so that Wellington City residents pay a fair share of any future capacity upgrades required to accommodate the increased demand.

Changes to the level of service are expected due to increasing expectations and requirements, particularly with the review of environmental standards. This is reflected in Council's strategic focus on the health of Te Awarua-o-Porirua Harbour and catchment areas. The reduction of inflow and infiltration of stormwater into the wastewater network is a key focus for the sustainable management of flows in the long-term.

The ability of the existing infrastructure to cope with current and future demand is limited in some areas, particularly parts of the stormwater and wastewater networks, necessitating capacity upgrades.

Infrastructure is aging in all service areas and as the city matures, more investment needs to be targeted toward renewals. Optimised renewals are an ongoing responsibility to ensure the continuity and affordability of those services.

Demand management strategies are important for sustainable, ongoing infrastructure service provision. Examples of these are sewer inflow and infiltration reduction, stormwater detention, and water and travel demand management.

Infrastructure needs to be resilient to provide for the community's needs after extreme natural events. Risk analysis is important to identify and protect critical assets and prioritise effective solutions.

Where possible, Porirua's infrastructure will need to be adaptable in order to take advantage of technological improvements and to respond appropriately to environmental, economic, political, social and technological trends. Significant change can be expected over a 30 year timeframe, although much of it can only be speculated at this stage.

Future strategies could range from requirements for homes and businesses to provide rainwater storage, the introduction of water metering and incentives to encourage greywater recycling, to new wastewater treatment methods, new stormwater management practices and facilities for new modes of transport.

## Infrastructure investment programme

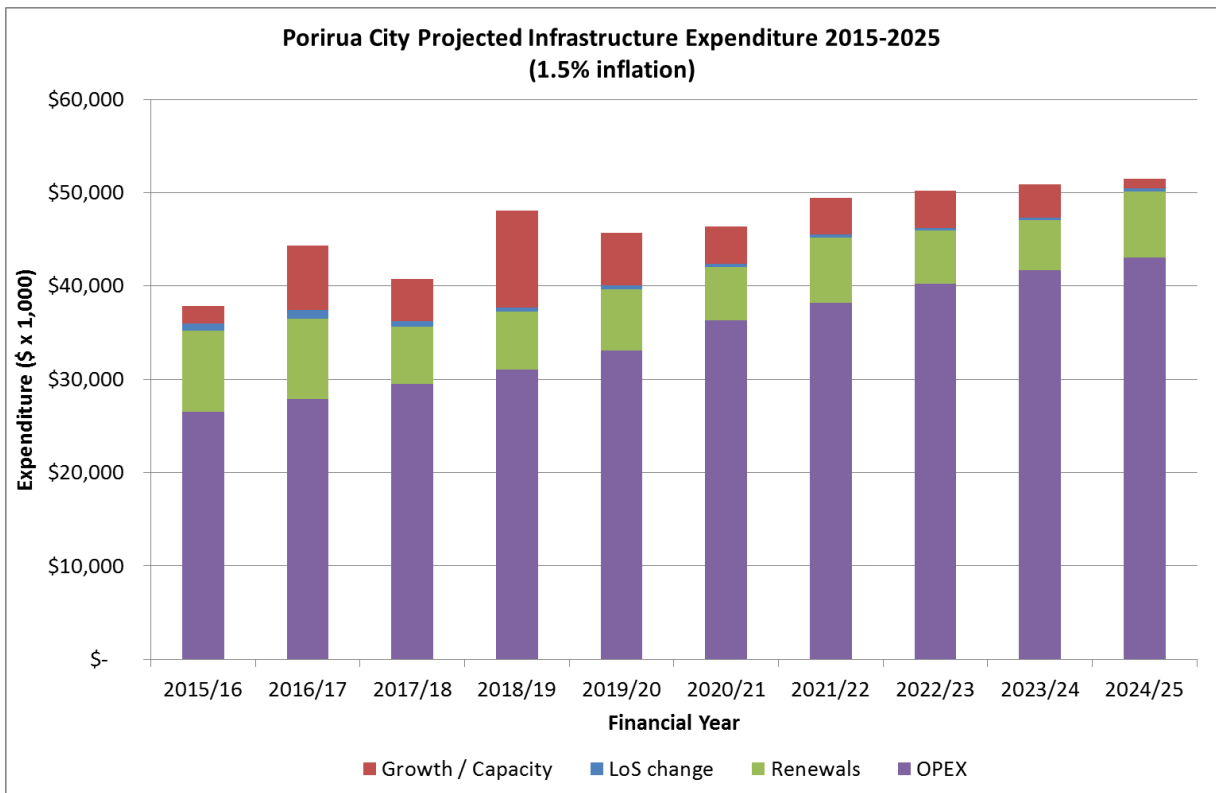
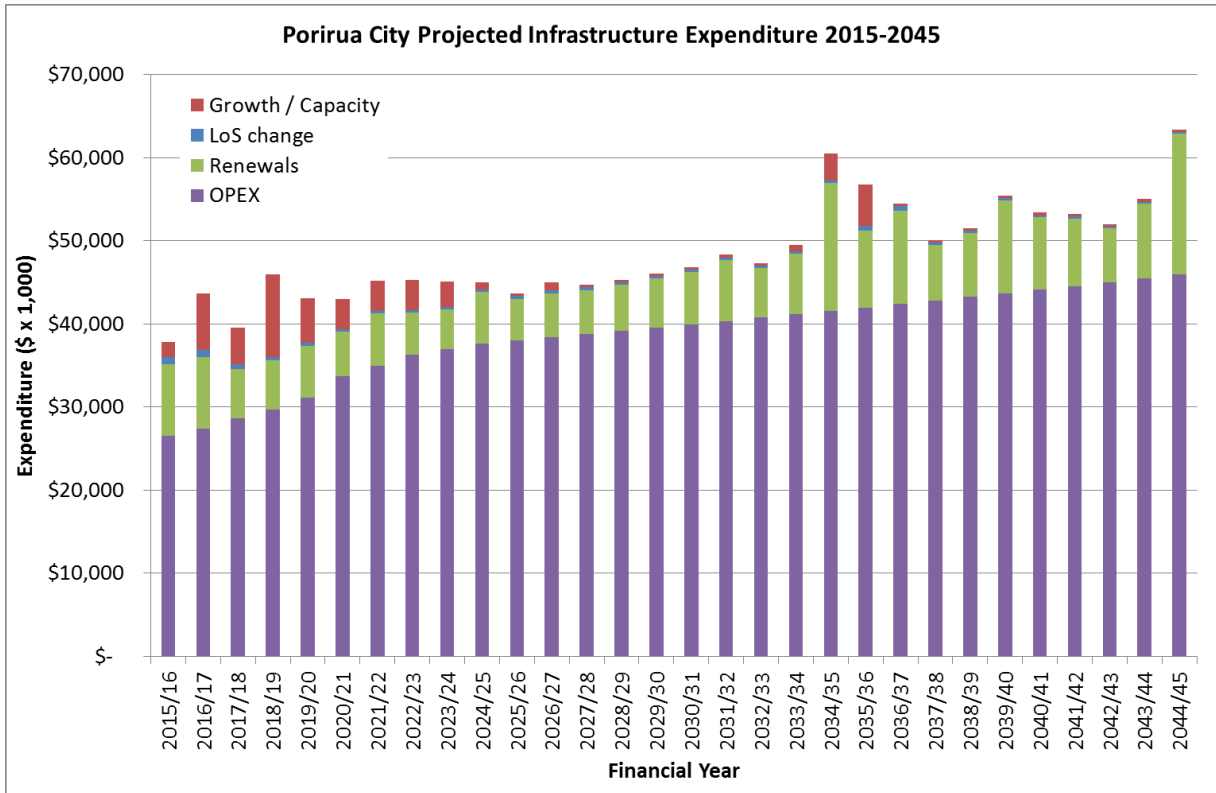
To address the key issues for infrastructure in the city, Porirua City Council expects to spend \$347.3 million on new or replacement infrastructure between 2015 and 2045. Over the same period, \$1160.0 million is expected to be spent on operating costs, labour, materials and maintenance (excluding depreciation). These figures are anticipated to be spread across the four infrastructure asset activity areas as follows (wastewater is divided into Joint Venture (JV) and Local):

Infrastructure Activity		Capital Expenditure	Operational Expenditure
Water Supply		\$61.7 million	\$279.8 million
Wastewater	Joint Venture (JV)	\$47.8 million	\$238.0 million
	Local	\$61.8 million	\$342.2 million
Stormwater		\$47.5 million	\$47.5 million
Transport		\$128.5 million	\$252.5 million
<b>Total</b>		<b>\$347.3 million</b>	<b>\$1160.0 million</b>

Capital expenditure over the 30 year period is projected to peak at the following times:

- 2015/16, as the Transmission Gully link roads are built and the city centre canopies are replaced;
- 2016/17, as the Transmission Gully link roads are built, the city centre canopies are completed, trunk wastewater network upgrades are carried out and the duck creek sewer pump station is upgraded;
- 2017/18, as the Transmission Gully link roads are built and trunk network upgrades are carried out;
- 2018/19, as the Transmission Gully link roads are built, trunk wastewater network upgrades are carried out and a new water reservoir and pipeline is built in Elsdon;
- 2019/20, as the Transmission Gully link roads are built, trunk wastewater network upgrades are carried out and wastewater sludge handling is improved;
- 2034/35, as the first stage of the CBD stormwater improvement project is constructed and a major water reservoir is replaced;
- 2035/36, as the second stage of the CBD stormwater improvement project is carried out and major components are renewed at the wastewater treatment plant;
- 2044/45, as a second major reservoir is replaced and major wastewater pump station renewals are carried out.

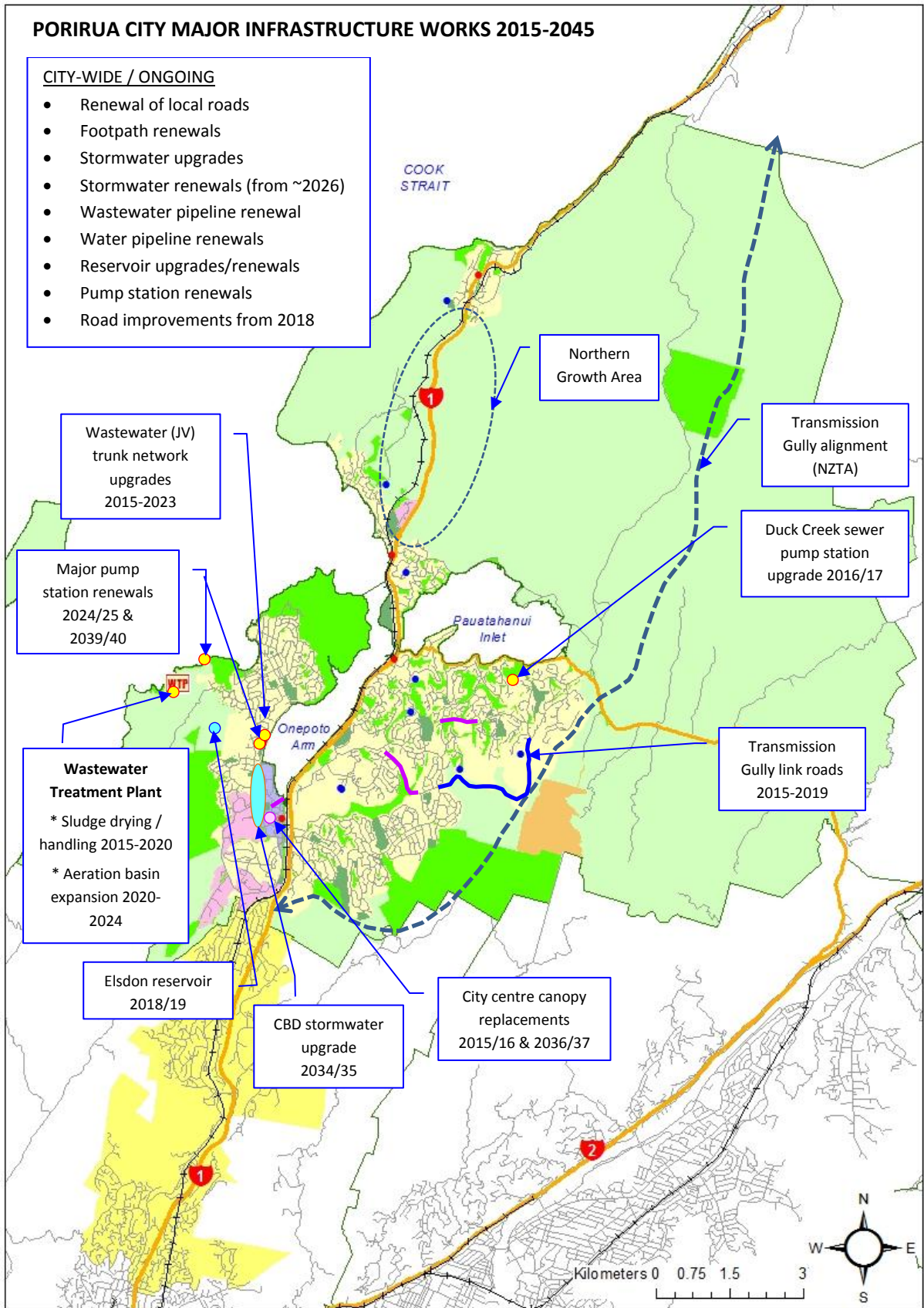
Expenditure across the four infrastructure activity areas will continue to be dominated by operational requirements (operating costs, labour, materials and maintenance (excluding depreciation) between 2015 and 2045. Total infrastructure expenditure is expected to remain between \$40 million and \$55 million per year for most of the period covered by this strategy, the main exceptions being in 2034-35 when a major reservoir renewal coincides with a major stormwater upgrade project and in 2044/45 when a second major reservoir is to be renewed.



# PORIRUA CITY MAJOR INFRASTRUCTURE WORKS 2015-2045

## CITY-WIDE / ONGOING

- Renewal of local roads
- Footpath renewals
- Stormwater upgrades
- Stormwater renewals (from ~2026)
- Wastewater pipeline renewal
- Water pipeline renewals
- Reservoir upgrades/renewals
- Pump station renewals
- Road improvements from 2018





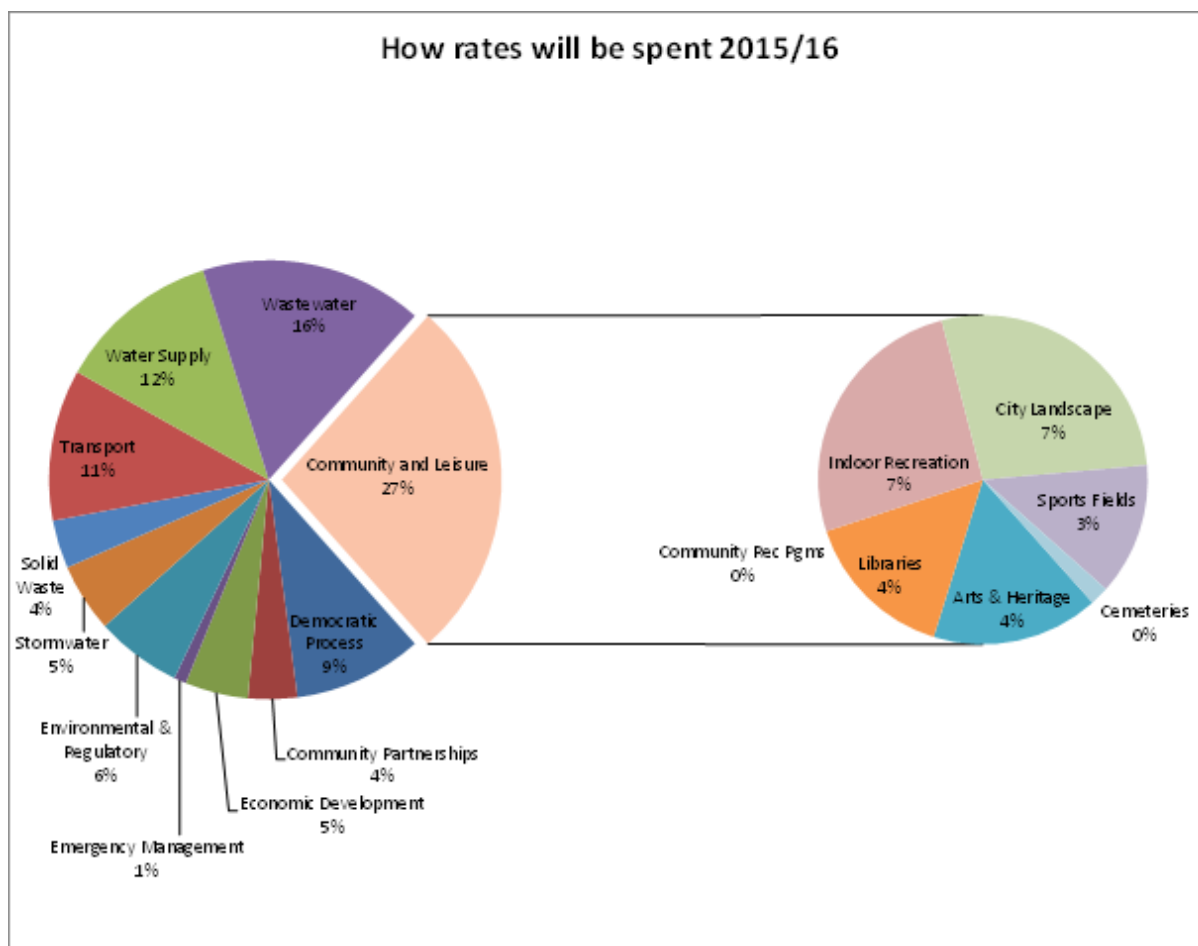
# 1. Introduction

Porirua’s infrastructure is the cornerstone of its economy and society. A complex and interconnected series of networks and systems enable the delivery of the basic facilities and services needed to support our community’s everyday needs – from roads, safe drinking water and waste disposal to electricity, cemeteries, internet connections and sportsfields. These networks work together to facilitate a high quality of life for the city’s residents, workers and visitors.

The term ‘infrastructure’ encompasses not only the large physical networks and assets (such as transport facilities, water, utilities and solid waste), but also social infrastructure such as libraries, schools and healthcare facilities. This strategy, however, focusses on Porirua’s ‘core’ physical infrastructure: transport and the ‘three waters’ - water supply, wastewater and stormwater.

Core infrastructure is the largest and most critical area of investment for Porirua City Council, and makes up a significant proportion of the Council’s asset base. The Council allocates 43% of its rates funding to transport and the three waters, as shown in Figure 1.

Figure 1: How rates will be spent (Long-term Plan 2015-25)



Porirua City Council has assets of over \$1.2 billion, \$900 million of which is infrastructure. Over the next 10 years of the LTP 2015-25, the Council plans to invest \$166 million on capital works for transport and the three waters, comprising upgrades, renewals and construction of new assets.

## Purpose of the Infrastructure Strategy

This is Porirua's first infrastructure strategy. The Council's main planning tool for managing the city's infrastructure has been its asset management plans; one for each group of assets, covering the life cycle of the assets. The new infrastructure strategy provides a single, long term strategy for all of the core infrastructure assets combined; it is an overarching framework for the more detailed asset management plans.

Infrastructure strategies are a new requirement for local authorities, introduced by the 2014 amendments to the Local Government Act 2002. A 30-year infrastructure strategy is to be prepared as part of the Long Term Plan. This is aimed at ensuring that all councils are planning effectively for future infrastructure needs, beyond the 10-year horizon of the Long Term Plan.

The purpose of the infrastructure strategy, as prescribed by the Local Government Act, is to identify the significant infrastructure issues for Porirua over the next 30 years, and to identify the principal options for managing those issues, and the implications of those options.

In setting out how it intends to manage the city's infrastructure assets, the Council must consider:

- how it will respond to growth or decline in demand;
- how it will manage the renewal or replacement of existing assets over their lifetime;
- how planned increases or decreases in levels of service will be allowed for;
- how public health and environmental outcomes will be maintained or improved; and
- how natural hazard risks will be addressed in terms of infrastructure resilience and financial planning.

Aside from any legal requirements, the infrastructure strategy is a key planning document for Porirua. Infrastructure is one of Council's most important functions and must be managed in the context of other strategic issues affecting the city. By forecasting programmes and expenditure over 30 years, the strategy:

- identifies any significant cost items outside of the 10 year lifespan of the Long Term Plan;
- identifies and addresses trends that are more relevant to the typical life cycle of infrastructure assets; and
- enables optimisation of investment across the various core services.

## Scope

This strategy covers the following core infrastructure assets and activities:

- water supply
- wastewater
- stormwater
- Porirua City roading and footpaths

The strategy forecasts the cost of delivering these services over the next 30 years including the cost of procurement, renewals, construction, maintenance and operation of the infrastructure.

## Service delivery objectives

Porirua City Council provides core infrastructure services to meet the following objectives:

Service	Service delivery objective
<b>Water supply</b>	<ul style="list-style-type: none"><li>• To ensure that urban residents and businesses have a supply of water that is safe to drink</li><li>• To ensure that there is sufficient water for fire-fighting in the urban area</li></ul>
<b>Wastewater</b>	<ul style="list-style-type: none"><li>• To protect the community and the environment from the negative effects of residential and industrial wastewater, such as the transmission of disease and poisoning of natural eco-systems</li></ul>
<b>Stormwater</b>	<ul style="list-style-type: none"><li>• To prevent the flooding of habitable buildings and reduce property damage in rain events through the management of natural flow paths or, in built-up areas where these have been interrupted by development, through provision of a pipe network</li></ul>
<b>Local roading and footpaths</b>	<ul style="list-style-type: none"><li>• To enable the easy movement of people and goods into, within and out of the district. The local public road network provides for multiple modes of transport including private and commercial motor vehicles, buses, bicycles, pedestrians and mobility devices.</li><li>• To maintain quality public open spaces as provided by the road reserve network</li></ul>

## Porirua's vision and the critical role of infrastructure

The Council's vision for Porirua is:

*Porirua: a great place to live, work and raise a family.*

Infrastructure is fundamental to this. Without a well-functioning system of infrastructure, the city will not thrive.

In 2045 the Council's vision is that Porirua will be a well-connected, resilient, safe and prosperous city, supported by high quality, reliable, efficiently managed infrastructure:

- Porirua is growing steadily in a sustainable manner, and our networks can respond to changing demand;
- The infrastructure networks are integrated and managed efficiently. We know we are getting the most out of our existing assets;
- Porirua's communities are healthy, well-connected and safe, and residents continue to enjoy a high quality of life;
- The quality of Te Awarua-o-Porirua harbour and natural environment is maintained and enhanced;
- Porirua's infrastructure is resilient because appropriate provision has been made for managing the identified risks associated with natural hazards;
- People can easily travel into and around Porirua on a variety of transport modes;
- Porirua's infrastructure provides an appropriate and affordable level of service reliability, based on an acceptable level of risk and determined by the amount that the community is willing to pay;
- Businesses and investors have confidence that infrastructure supports and is responsive to their needs;

- Our infrastructure assets are protected and maintained for future generations; and
- The Council is meeting its statutory obligations.

The implementation of this strategy will result in the provision of quality infrastructure to support the future community. The steady renewal process as provided for in this strategy will lead to a greater reliability of services delivered, increased resilience in the event of natural hazards such as earthquakes, reduced operating costs and less pollution entering the environment.

## Council’s strategic priorities

Porirua City Council’s four strategic priorities set the direction for all of the Council’s decisions. Infrastructure sits across all four priorities, as described below (specific infrastructure references highlighted in bold type).

Strategic priorities	Community outcomes	Council objectives
Children and young people at the centre of city decisions	<p>Children and young people who will:</p> <ul style="list-style-type: none"> <li>• be high achievers in education in Porirua at all levels</li> <li>• have better health outcomes</li> <li>• be engaged and active in leading city decisions</li> <li>• be informed and responsive</li> <li>• be strongly connected to their culture, families and community</li> </ul> <p>The Council will support these outcomes through <b>investment in sound infrastructure</b>.</p>	<ul style="list-style-type: none"> <li>• Improve our dialogue with young people in the city</li> <li>• Have the most inclusive, participatory relationships with children and young people in New Zealand</li> <li>• Create a greater number of active sports people and champions</li> <li>• Involve children and young people in civic projects</li> <li>• The Council will become the lead advocate to facilitate community discussion on issues relating to children and young people, based on strong, monitored evidence</li> </ul>
A healthy and protected harbour and catchment	<p>A harbour that is the centre-piece of the community – culturally, recreationally and environmentally, and is:</p> <ul style="list-style-type: none"> <li>• a clean, natural habitat</li> <li>• a safe and beautiful recreational environment</li> <li>• supported by a robust ecological restoration programme</li> <li>• treasured by the community, businesses and visitors</li> <li>• <b>supported by infrastructure that minimises adverse impacts to the harbour and catchment</b></li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that high-use recreational locations in the harbour and catchment areas are safe for public use</li> <li>• <b>Maintain a sound and resilient wastewater and stormwater network</b></li> <li>• Facilitate and promote awareness programmes in the community and business sector</li> </ul>

<p>A growing, prosperous and regionally connected city</p>	<p>A growing city at the centre of the Wellington region that:</p> <ul style="list-style-type: none"> <li>• promotes and supports economic growth</li> <li>• leads regional thinking and connectedness</li> <li>• is open for business</li> <li>• drives digital connectivity</li> <li>• <b>provides critical infrastructure to support economic development</b></li> </ul>	<ul style="list-style-type: none"> <li>• Lead and facilitate commercial and residential development in our thriving CBD</li> <li>• <b>Improve regional connectivity through Transmission Gully Highway Link Roads</b></li> <li>• Expand digital technology to improve connections between local, regional and international businesses</li> </ul>
<p>A great village and city experience</p>	<p>A smart city that provides a wide range of recreational, social and cultural opportunities for all ages through:</p> <ul style="list-style-type: none"> <li>• services that are prompt, efficient and respond to community interests</li> <li>• activities that bring the community and businesses together to celebrate the city's diversity</li> <li>• residents having a say on the look and feel of their village</li> <li>• <b>sound and resilient infrastructure that supports the city's aspirations</b></li> </ul>	<ul style="list-style-type: none"> <li>• Provide quality, efficient services for all</li> <li>• <b>Implement a robust asset management and renewal programme</b></li> <li>• Facilitate and support village planning</li> <li>• Plan for a resilient city</li> </ul>

## 2. Porirua – the local context

Porirua occupies a central position in the metropolitan part of the Wellington region in the lower North Island of New Zealand. Approximately 183 km<sup>2</sup> in area, it extends from Kenepuru in the south to Pukerua Bay in the north, and from Titahi Bay and Mana Island on the west coast to Judgeford in the eastern hills. It is bordered by Wellington City to the south, Hutt City to the south-east, Upper Hutt City to the north-east and Kapiti Coast district to the north.

Porirua City Council was established in 1965 as a territorial authority amalgamating the Porirua Borough and part of Makara County. Further local government reforms in 1973 and 1989 saw expansion of the Porirua City Council boundary, taking over parts of the Hutt County which was abolished in 1989.

The vast majority of the city falls into the Porirua harbour catchment, which also includes the northernmost suburbs of Wellington City. Te Awarua-o-Porirua Harbour (comprising the Onepoto Arm to the southwest and Pauatahanui Inlet to the east) is the largest estuary in the lower North Island and is a significant ecological, scenic and recreational resource.

Porirua has three major faultlines, running north-east to south-west, including the Ohariu Fault which runs through the centre of the city, including the CBD. With a number of low-lying areas that are susceptible to shaking and liquefaction, earthquakes are a significant hazard in Porirua.

### Land use and development

Around 80% of the district is classified as rural, with other land uses generally being residential, commercial, industrial, institutional and recreational. Just under half of the land in the district is in pasture with the remaining greenfield land in exotic or native forest and scrub. Urban areas are built largely around the two arms of the harbour and include the CBD, the main industrial areas in Elsdon and Kenepuru, and a number of smaller commercial and industrial areas in the suburbs.

Porirua is a young city, largely shaped by development in the last 50 years, particularly the period of rapid growth in the 1950s and 1960s. Significant stages in Porirua's history and development are summarised as follows:

- Pre-European native forest mostly removed and replaced with pastoral farming by 1885
- Opening of the main trunk railway line in 1885
- Opening of Porirua Hospital in 1895
- Development of State Highway 1 through Porirua from 1950
- Significant state housing development in eastern Porirua and Titahi Bay from 1949 to the 1960s
- Reclamation of land in the harbour from the late 1950s from local earthworks
- Establishment of Porirua City Centre in the 1960s
- City status granted in 1965
- The development of Whitby from 1971
- The building of new factories such as Todd Motors (1975) with further earthworks and harbour reclamation
- North City Shopping Centre and the Mega Centre retail developments in the 1990s
- Suburban development in Aotea from 2003 onwards

Residential housing is mainly conventional detached 3-4 bedroom dwellings, with very little medium density and no high density development. After a surge in growth in Aotea between 2004 and 2010, the rate of development has returned to a moderate level of around 100-150 new homes per year. This rate of growth is expected to continue with the ongoing expansion of newer suburbs such as Aotea and Whitby, and in the future potential greenfield development in the Northern Growth Area between Camborne and Pukerua Bay.

Much of Porirua's infrastructure was constructed in the 1950s and 1960s to service the government housing development areas. Since the 1970s, most development has occurred through private urban subdivision, with supporting infrastructure required as a condition of subdivision consent.

## Demographic context

The population of Porirua City at the 2013 Census was 51,717, representing 11% of the population in the Wellington region. Porirua's population has some specific characteristics including:

- Overall, Porirua's households tend to contain more people and accommodate more family units than the national average.
- Porirua has a higher than average proportion of young people and a lower than average proportion of older people.
- The proportion of people identifying as Maori or Pacific is higher than the national average, while the proportion of European and Asian residents is lower than the national average.
- Over half (52%) of Porirua's working residents travel outside of the city to work, mostly to Wellington City.
- People working within Porirua mostly live in Porirua (62%), with others travelling from Wellington City (20%) and the other adjoining territorial authority districts.
- Travel to work is primarily by private vehicle (62%), followed by train (10%).

It is important to note that Porirua has significant disparities, including household income, educational outcomes and health status. While eastern Porirua and much of Titahi Bay and Elsdon have lower income large household sizes and a high proportion of young people, the affluent northern suburbs are closer to the national average with smaller households and a smaller proportion of young people.

## Population trends

Porirua's population has been increasing very gradually over the last 10 years, slightly below the average regional and national growth rates. Growth rates are expected to continue in a similar way over the next 30 years (2016-2046) as shown in Figure 2. The Council's growth model assumes an average of 1% growth in households (approximately 200 new homes) per year, as shown in Figure 3.

Figure 2: Porirua City population projections (source: Statistics NZ (SNZ), PCC)

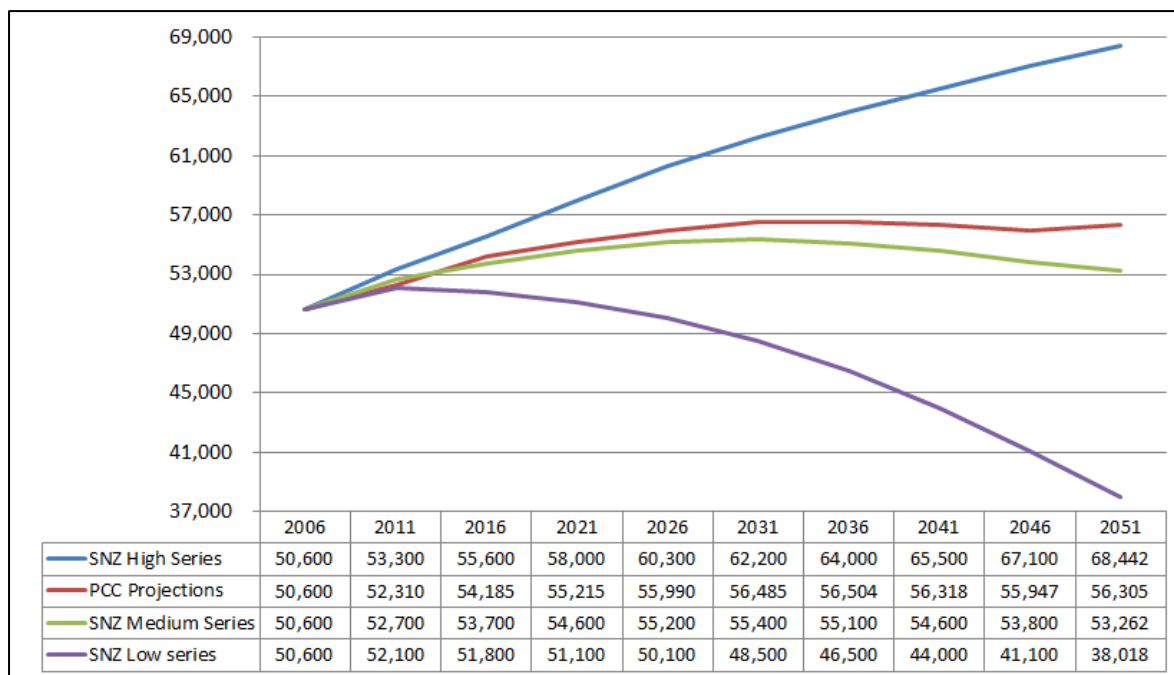
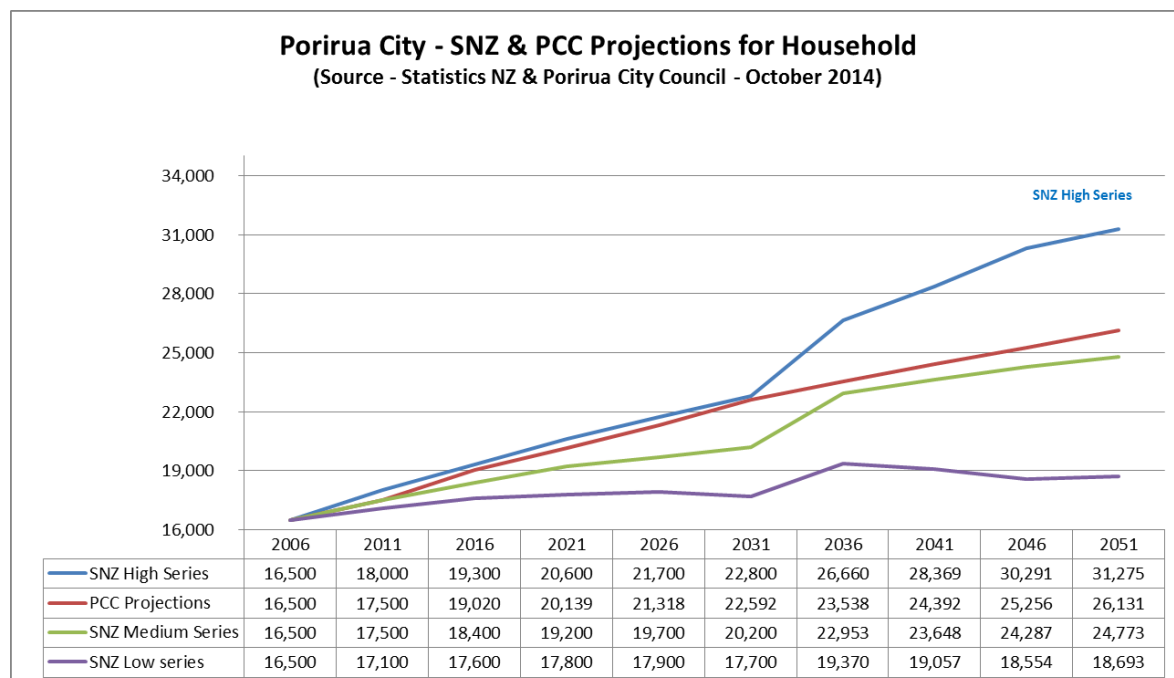


Figure 3: Porirua City household projections



While Porirua’s population is generally younger than the national average, it is anticipated that it will gradually ‘age’ over time to follow the trend in other populations in New Zealand and the Western world, with the proportion of people aged over 65 years increasing and those aged under 15 years decreasing. Despite this, the proportion of younger people in Porirua is expected to remain greater than the national average even after 30 years. The population is also likely to become more



ethnically diverse and the number of people with access and disability challenges to increase – in part related to the increase in the older age groups.

The 2013 Census showed that Porirua’s average household size (number of people per household) is gradually decreasing, in line with national and international trends. However, this is likely to occur at a slower rate in Porirua given the city’s larger than average household size. Although 85% of new dwelling demand is expected to accommodate only 1-2 people per home, the majority of these new dwellings are in the affluent suburbs where household sizes are already smaller than eastern Porirua where new dwelling growth is much lower.

### Future growth areas

The Porirua Development Framework, a 30-year spatial plan adopted by the Council in 2009, identified the following focus areas to accommodate future development needs:

- Pauatahanui-Judgeford – The Pauatahanui-Judgeford Structure Plan 2012 allows for limited rural-residential growth, small scale commercial growth in Pauatahanui Village, Lanes Flat and Judgeford, and a small amount of light industry growth in Judgeford.
- Northern Growth Area – The Northern Growth Area Structure Plan, currently under development, will set a framework for future greenfield development and urban growth between Camborne and Pukerua Bay.
- Kenepuru – Treaty claims regarding the surplus Porirua Hospital land and surrounds have been settled and the future development of this strategic site will be worked through with land owners.
- Potential intensification areas – Intensification (primarily residential with some commercial and industrial) could occur in and around existing village centres and transport nodes throughout Porirua.

The Pauatahanui-Judgeford area is rural and so it is not planned to provide reticulated services beyond the limited reticulation recently introduced to Pauatahanui Village.

The Northern Growth Area is a key greenfield area and will start to be developed once the available land in Aotea and Whitby has been used. Structure planning is currently underway with the precise extent and design of development in this area yet to be determined, as are cost estimates for capacity upgrades that may be required.

Generally the costs of local infrastructure to serve the Northern Growth Area, such as new reservoirs, pump stations and reticulation, will be borne by the developer. Projects to upgrade existing infrastructure will be agreed between Council and the developer, with fair and equitable cost shares funded through a development agreement or development contributions.

Council’s planning for trunk infrastructure upgrades already considers growth across the entire city or catchment, including new development areas.

Kenepuru is close to the main trunk sewers and it is expected that the planned work to reduce inflow and infiltration will provide the additional capacity needed to service this development area. This also applies to the areas where urban intensification is expected to occur.

## What will Porirua be like in 2045?

In 30 years' time, it is envisaged that Porirua City will have gained about 5,000-7,000 new households taking the total number of dwellings from 17,000 up to about 24,000. Based on Council's medium-high population projections the total resident population is likely to have grown from 51,700 (2013 Census) to approximately 56,000 by 2046. All available land in Aotea and Whitby will have been developed, and the Northern Growth Area will have been largely developed by this time. A number of villages may have intensified residential and commercial development; along with intensification around railway stations and other transport nodes.

There will be residents living in the city centre and an increased diversity of land uses will have emerged within the central area. It is unlikely that the retail sector will have grown significantly due to the increasing importance of online shopping. Substantial mixed use development will have probably occurred on the Kenepuru land, and there will have been intensification of industrial development within Elsdon and other established industrial areas.

By 2045, the Transmission Gully Motorway will have been operating for 25 years and is likely to be a well-established route for heavy goods vehicles and through traffic. The old State Highway 1 and State Highway 58 as far east as Pauatahanui will be operating as local arterial roads and managed by Council. They are likely to be primarily used by local traffic but could also be a popular route for sightseers wishing to take a 'scenic route' around the coast or Pauatahanui Inlet. The former State Highway 58 west of Pauatahanui is likely to become a 'recreational' road, with its waterside location likely to be popular with pedestrians and cyclists. Lower levels of traffic on this and the former State Highway 1 will enable pedestrian and cycle facilities to be enhanced.

Pockets of commercial and light industrial development may have sprung up in accessible locations and around the Transmission Gully interchanges, particularly Lanes Flat, and also in Judgeford. Pauatahanui Village may have expanded slightly.

More people could be walking and cycling in the future, both for exercise as part of a healthy lifestyle and as an inexpensive and convenient form of transport. The popularity of the city's walkways and cycleways is likely to continue and this network is likely to continue to slowly expand and improve.

Although technological developments and significant change within the automobile industry are likely to continue, the private motor vehicle is expected to remain the primary mode of transport within the timeframe of this strategy, assisted by the availability of affordable used vehicles. This is despite continued increases in petrol prices, increasing availability of alternative fuels, more accessible and affordable public transport, and new modes of transport.

In 30 years' time it is expected that we will have developed smarter ways to use water and dispose of our wastewater wisely, with widespread adoption of measures such as rainwater storage, greywater recycling, water sensitive urban design and sophisticated stormwater management practices. Water metering is likely to be the norm across New Zealand by this time, enabling demand to be managed and water losses accounted for, and even alternative technologies such as composting toilets could be more commonplace.

It is possible that Porirua City Council could be operating within a regionally amalgamated governance structure by 2045, although the status quo is assumed for the purposes of this strategy.

### 3. Porirua's infrastructure networks and existing demand

Porirua's utility networks have been designed to service the existing urban area in a traditional low density form. The rural area is mostly unserved apart from roading. Significant unforeseen growth or rapid intensification may trigger the need for additional capacity upgrades.

Porirua's infrastructure is relatively young in terms of its life cycle, reflecting the young age of the city. Where there are ageing assets, the Council operates a series of renewals programmes targeted at the sections of the network identified as being at greatest risk of failure.

Figure 4 overleaf shows the various planning zones for the Porirua city and harbour catchment.

#### Water supply

Porirua City, Wellington City, Hutt City and Upper Hutt receive bulk potable water from the Greater Wellington Regional Council. The supply comes primarily from the Te Marua Treatment Plant, via the Haywards pumping station and reservoir, and may be back-fed via Ngauranga if required.

Alternative storage and supply is being investigated by the Greater Wellington Regional Council to improve service recovery in the event of an emergency. However a review of their current infrastructure condition and investment shows that the Regional Council has taken a conservative approach. This ensures a high level of reliability and resilience, and there will be provision for an adequate level of supply in a dry year.

Porirua has a network of water reservoirs and pump stations, closely located to most suburbs due to the City's rolling topography. Reservoir capacity ranges from 20,000 to 4,450,000 litres. Within the network, there are high and low pressure zones, and these are isolated at valves to protect against excessive pressures. The system has been designed and developed over time to serve the City's urban zone and foreseen land-use.

Porirua has the lowest overall total water use per head in the Wellington Region, with recent trends showing that water consumption has decreased relative to other cities in the region. While various growth factors may be driving increased consumption, this has been offset by a successful, targeted programme of renewals, pressure reduction, leak detection and demand management.

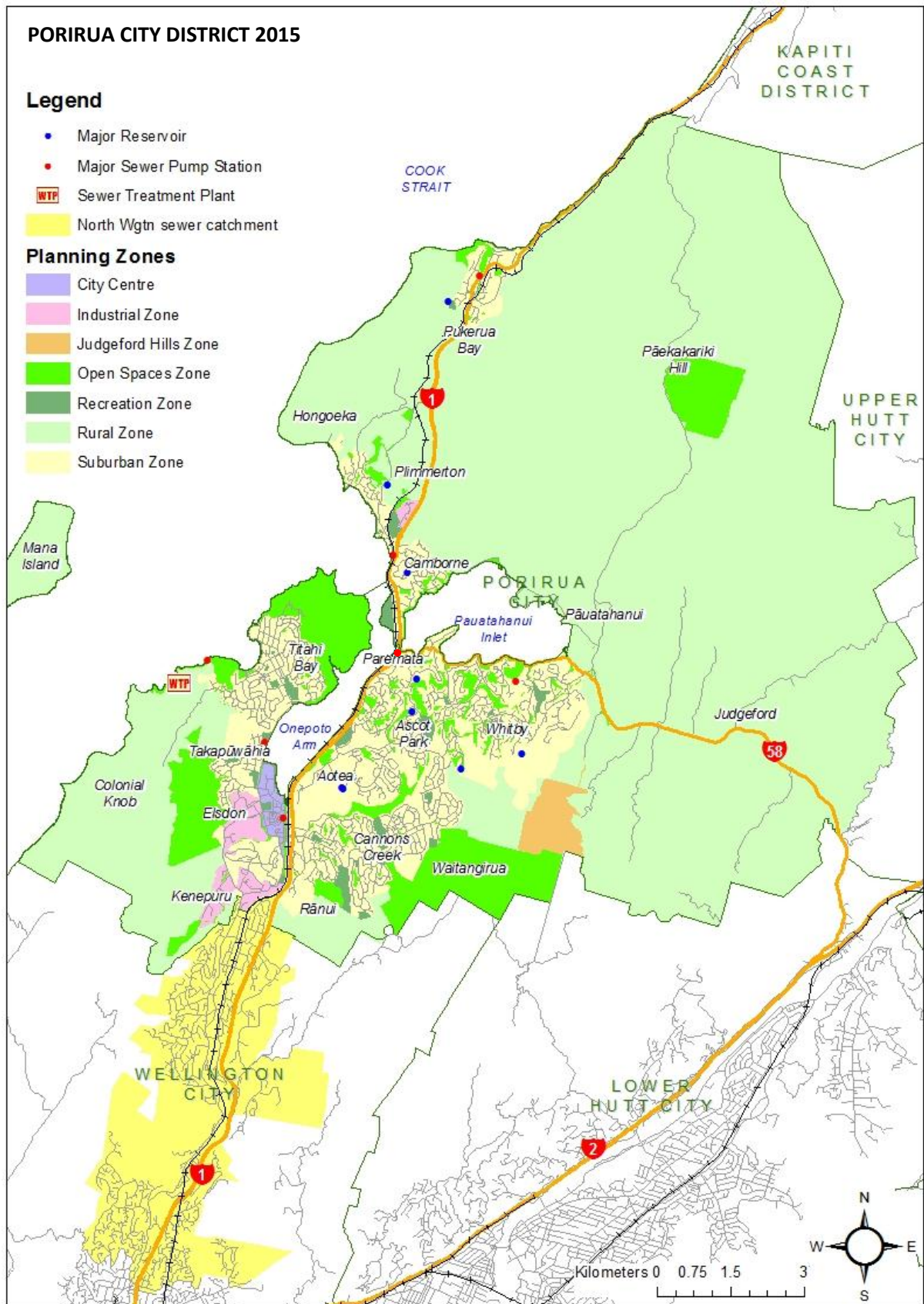
Recent investment in the water supply network has resulted in a decrease in breakages and this trend is expected to continue.

#### Wastewater

Porirua City's wastewater network extends from Pukerua Bay in the north to the boundary with Tawa in the south, where it connects with the Wellington City Council system. The Porirua Harbour Catchment includes the northern Wellington City suburbs of Tawa, Churton Park, Grenada and northern Johnsonville.

The Porirua Wastewater Treatment Plant near Titahi Bay manages most of the wastewater from the Porirua Harbour Catchment. Because the Treatment Plant receives wastewater from part of Wellington City, it is owned by both councils as a Joint Venture. The current ownership share is 72.4% for Porirua City and 27.6% for Wellington City, which is currently consistent with the annually measured proportions of total flow.

Figure 4: Porirua City District 2015



Wellington's operational share is expected to increase, with a higher rate of development forecast in that part of the catchment. Capital funding for future growth and the existing network is regularly reviewed to ensure fairness and equity. The relative flows are now being continuously monitored and the data evaluated to determine the appropriate share by each local authority, which is reviewed annually.

Pauatahanui Village was connected to the reticulated system in 2014 through a pumped pressure scheme, leaving the rural-zoned settlement of Motukaraka Point as the only unserved residential area in the city.

Porirua has a relatively large number of wastewater pump stations (45 in total) due to the City's rolling topography, the spread-out nature of a number of townships, and the location of the treatment plant and discharge facilities.

Parts of the system are now reaching their design loadings and surcharging of wastewater mains after stormwater infiltration is not uncommon. The original pipelines laid in the 1950s and 1960s are now coming to the end of their useful life, which is evident in the increasing deterioration of condition and performance of the network. The network as a whole is now entering the beginning of what will be an ongoing renewals cycle, the basis of which is set by the age and condition of the assets.

The treatment plant easily copes with dry weather flows (200-400 litres per second) but in storm events the flows can increase to 700-800 litres per second. Flows over 810 litres per second exceed the design capacity of the plant and will go directly to the outfall without being treated.

To accommodate future growth, significant effort will need to be made to provide in-system storage to hold back stormwater infiltration and to reduce the infiltration at source. A third clarifier, commissioned in 2012, provided additional capacity to part of the treatment process. Further upgrades are planned including sludge handling, increasing capacity of the aeration basin and modifications to the existing clarifiers.

In addition to managing flows at the treatment plant, it is prudent to manage demand within the reticulation network to reduce overall loading on the system. This is also a requirement of the treatment plant's Discharge Consent conditions. It is therefore proposed to continue with the inflow and infiltration investigation programme, plus an ongoing programme of pipe repairs, rehabilitation and replacement.

Adequate capacity and effective operation of the treatment plant are critical ongoing issues that must be addressed, highlighted by recent issues resulting in non-compliance with Discharge Consent conditions. The renewal programme in this strategy is to be executed in a way that will provide additional capacity well in excess of growth forecasts.

## **Stormwater**

The Porirua Harbour Catchment has steep hills and gullies, two harbours and numerous streams and tributaries, resulting in a system of fragmented, localised networks. There are many rural catchments with open streams and watercourses, but in the majority of built areas, these streams have been enclosed in piped systems. Run-off from residential properties and streets is directed into

reticulation wherever possible, with all new developments required to provide for stormwater disposal as a condition for consent.

Some parts of the system are now reaching their design capacity, partly because the parameters originally used for their design are now considered inadequate and inappropriate. The inadequacies of earlier assumptions are now being identified and addressed through the installation of upgraded systems and the replacement of undersized pipes that have contributed to flooding problems.

In general terms, the condition of the stormwater system is consistent with its age. In situations where there are tree roots, unstable ground or acidic soil conditions, the effective life of the pipes and their functionality may be reduced. Most of the reticulation was constructed over a period of 40 years and there will be future cyclic demands for renewals.

Currently the management of the stormwater system focusses on flooding management rather than the quality of the stormwater being discharged into the harbour and water bodies. The Council will need to start managing stormwater quality, not only to meet its harbour quality management objectives but also to meet the Greater Wellington Regional Council's stormwater discharge standards which are currently under review.

The network cannot treat stormwater to improve its quality. The water quality will be controlled through bylaws directing what can and cannot be discharged into the stormwater network.

## **Roading and footpaths**

The city's transport network is structured around the north-south connections provided by State Highway 1 and the North Island main trunk railway, and State Highway 58 which provides an east-west connection to the Hutt Valley.

The city operates a road hierarchy system to allow traffic flow to be managed efficiently and effectively. Porirua's arterial roads include Gray's Road, Paekakariki Hill Road, Whitford Brown Ave, Warspite Ave, Champion Street, Main Road (Titahi Bay), Titahi Bay Road, Raiha Street, Kenepuru Drive, Parumoana Street and Lyttelton Ave.

The proposed 27 km Transmission Gully Motorway began construction in late 2014 and will be open to traffic in 2020. There will be interchanges connecting the route to State Highway 58 at Pauatahanui and Kenepuru/Linden, and to Whitby and Waitangirua via an interchange near Duck Creek and two link roads. The existing sections of state highway west of the new motorway will be vested with Porirua City Council as local roads when the new road opens. The Whitby and Waitangirua link roads will also be local roads vested with Council.

Porirua's roading assets currently comprise 247km of sealed roads, 21 bridges, 295km of footpaths and walkways, 15 off-street car park lots, 5,100 streetlights, and other associated road infrastructure such as traffic signals, signs and street furniture. A significant number of kilometres of roading will be added to the local network following the completion of the Transmission Gully and link roads project, but the distance is yet to be determined as it will be subject to negotiation.

When completed, the Transmission Gully Motorway will be sufficient to accommodate most future traffic growth until at least 2041, although some intersections may become congested.

Most roads were constructed as part of the state housing programme between the 1950s and 1970s and are well within their life expectancy. The Council's maintenance strategy is to repair sections of failed surface in association with modifying the contributing cause of failure, as and when the condition of the road indicates that intervention is required. The Council will continue with this strategy until more widespread failures of the road surface require a larger area of treatment. A similar approach is to be applied to footpath maintenance.

The transfer of the revoked state highways to local ownership will have an operational impact for Council over time, but initially it is expected that they will be in good condition and not require much maintenance in the first 10 years of Council ownership.

The covered walkways in the city centre alongside Cobham Court are classed as a roading asset because the area is designated road. The canopies were built in 1995 and the fabric cover was removed in early 2015, having reached the end of its life. Council allocated \$200,000 in 2014/15 to design and prepare the specification for a potential replacement of the fabric over the existing structure, but alternative options are being investigated as well. Work on the chosen option is expected to take place in the 2015/16 year.

## 4. Trends in growth and demand, and effects on infrastructure

While increasing population may theoretically result in a larger rating base, complex economic, social, environmental and demographic factors affect the rate and type of development and can make it difficult to predict future demand.

### Development growth

Growth in the North Wellington sewer catchment of Wellington City will increase demand on Porirua's wastewater network including major pump stations, pipelines and the treatment plant. This will be carefully managed as part of the wastewater treatment plant JV with Wellington City Council, but the effects on pump stations and pipelines also need to be taken into account.

Greenfield subdivision in Porirua has involved an increasing amount of earthworks due to steep topography as available land is used up. These earthworks need to be carefully managed in order to control silt run-off into the stormwater system and to reduce harbour sedimentation.

The Porirua Northern Growth Area between Camborne and Pukerua Bay is expected to accommodate approximately 2,000-4,000 new homes within the next 30 years. By 2045 it is likely that the area will be largely developed, with a new school and small shopping centre to support the residential uses. The Structure Plan for the Northern Growth Area adopted in 2014 envisages new residents of the area using existing railway stations that connect to the existing highway network. Upgrades of the bulk water supply and wastewater networks will be required to service the new development, although some of the additional capacity will have been provided through the Council's planned programme of works, for example the rehabilitation of the cross harbour pipeline.

The details of any required infrastructure upgrades will be determined as part of the comprehensive development plan process, which will occur when the landowners are ready to submit their development proposals.

### Alternative growth scenarios

The Council's growth model assumes an average 1% growth in households per annum, based on Porirua's growth patterns over the last 10 years. However it is possible that growth could be much higher or much lower than this over the next 30 years.

The structure of the Council's capital works programme is such that it is unlikely to be significantly affected by higher or lower than expected growth. Most growth-related projects are to take place early in the timeframe of this strategy, for example the Elsdon reservoir which is planned for 2018/19. These works will provide plenty of capacity and could therefore accommodate additional demand if higher than expected growth was to occur.

If the rate of growth was to slow down below forecast levels or even to decline, it is unlikely that any of the Council's planned projects would need to be deferred because growth is not the only driver of these works. They are also required to improve network resilience and in some cases to address a backlog of capital works.



## Changing styles of residential development

Improved standards of living and increased use of water-consuming appliances and garden watering devices have coincided with a customer expectation of a right to a continuous water supply and the right to dispose of all wastewater created.

Most houses now being built in new private subdivisions are larger than the average dwelling was 20 years ago and often contain multiple bathroom and toilet facilities. Despite a reduction in the number of household occupants in new private subdivisions, water demand is still expected to increase because of higher water use per capita.

Larger houses generally have larger garages and hard standing areas as well. In general these new developments have fewer permeable surfaces, which results in higher stormwater flows.

Infill housing and urban intensification have the potential to increase pressure on existing infrastructure and can reduce the availability of permeable surfaces, affecting stormwater run-off.

## Major new infrastructure

The Transmission Gully Highway is one of the most significant infrastructure projects in Porirua's history. The opening of the new motorway and link roads in 2020 will have a significant effect on traffic volumes and patterns in Porirua, more significant in traffic effects than Porirua's modest population growth in recent years.

The transport model prepared for the Transmission Gully Highway project indicated that traffic flows within Porirua City will be reallocated, specifically a decrease in traffic on the revoked state highways and a likely increase in flows on Whitford Brown Avenue and Warspite Avenue which will connect through to the new Waitangirua link road. The Waitangirua link road is expected to become a primary route between the city and the new motorway, while the Whitby link road is likely to be a local route used primarily by Whitby traffic.

Overall, Transmission Gully Highway may result in increased traffic volumes, in line with national and international trends which show a correlation between new transport infrastructure and increased development and economic growth due to improved access. Accordingly it is expected that in the long term, the new motorway will encourage economic/social activity and consequently increased traffic growth in Porirua. The Council's planned intersection upgrade programme will ensure that additional traffic can continue to be accommodated within the existing road network.

## Trends in transport

The total cost of vehicle ownership is likely to continue to decrease, and this is likely to see a continuing increase in demand for road use. However petrol prices are likely to continue increasing into the future, which could have a significant impact on driving patterns over time.

While New Zealanders are likely to remain dependent on private vehicle travel for some time to come, it is possible that the arrival of new technologies could result in a shift to alternative modes of transport or a significant change in driving patterns.

As a result of these factors, and in light of changing attitudes about healthy cities, rising obesity and environmental issues, it is likely that demand for good quality walking and cycling facilities will increase.

Commercial and heavy vehicle movements have a significant effect on the integrity of roads and are a primary consideration in the design of road surfacing and pavement strength. The proposed introduction of 'High Productivity Motor Vehicles' (HPMVs), which are slightly heavier and longer than standard 'Heavy Goods Vehicles' (HGVs), could have an impact as well. Industrial growth in Porirua and the heavy vehicle demands associated with construction of the Transmission Gully Motorway will be incorporated into road asset management planning for the city.

### **Climate change and natural hazards**

Climate change will have a direct impact on many elements of Porirua's core infrastructure in the future. Changing weather patterns, increasing unpredictability of rainfall, more extreme and intense storm and other weather events, temperature changes and sea level rise will require an adaptive risk management approach. Porirua's infrastructure management will need to be increasingly responsive in its approach.

Natural hazards such as earthquakes, floods, tsunami and landslides have the potential to seriously affect all of Porirua's infrastructure networks. The challenge is to identify the most effective ways to increase the resilience of the infrastructure to create an acceptable level of risk, while still being affordable for ratepayers.

### **Legal obligations**

Greater Wellington Regional Council has a statutory responsibility to improve the natural environment and will continue to monitor stormwater quality, recognising the problem of contaminants being introduced to water courses via stormwater and roading systems.

The National Policy Statement for Freshwater Management (NPS-FM) will have a direct impact on the Council's infrastructure and the way it is managed. The NPS-FM has introduced a set of national bottom lines to achieve ecosystem health and human health for recreation, which means that water quality cannot be allowed to degrade across a region.

The NPS-FM directs regional councils to establish objectives and set limits for fresh water in their regional plans. The limits for the Porirua catchment are currently in the process of being determined, and are likely to significantly affect requirements for resource consents and consenting decisions regarding freshwater.

The Council will need to apply for resource consent if it is unable to meet the limits set out in the Greater Wellington Regional Council's Natural Resources Plan. Breaches of any consent conditions will result in financial penalties, so the Council will need to ensure that stormwater and wastewater infrastructure is upgraded to an acceptable standard. This is likely to create significant costs for the Council, although the level of upgrading work required and therefore the precise cost will not be known until the objectives and limits for Porirua catchment have been determined.

The Council is planning several initiatives to reduce the impact of stormwater pollutants and to enhance the health of Porirua's inland and coastal waters. These works are important to meet discharge requirements and to meet the Council's own strategic priority of improving the health of Te Awarua-o-Porirua Harbour and its catchment.

## 5. Key issues and strategies

Porirua currently faces a number of pressing issues, some of them historical, which have influenced the way the Council is now planning for infrastructure:

- Porirua City Council is just starting its programme of asset renewal. This is due to deferred maintenance and no collection of depreciation in previous years, for various historical reasons. What this means is that funding now has to be provided for both renewal costs and depreciation at the same time. Once the first round of renewals has been completed, costs will go down because the next round of renewals will be able to be funded from depreciation.
- The wastewater network is experiencing high levels of stormwater inflow and infiltration, caused mainly by the backlog in renewals.
- The wastewater treatment plant needs refurbishment of a number of components but carrying out these works is a challenge because the plant does not have sufficient capacity to allow for partial closure while the various components are upgraded. The plant does not have sufficient capacity because of the high levels of inflow and infiltration.
- Wastewater sludge volumes are near the point where the landfill will no longer be able to accept additional quantities, hence the need for the sludge drying project as identified in the strategy, which will significantly reduce the sludge volume.
- The stormwater network in many locations currently has capacity to accommodate up to a two-year event only.
- A backlog of road resurfacing, drainage renewals and road reconstruction has caused road pavement stability issues that have driven up maintenance costs.
- There is increasing demand for other modes of transport on the roading network (walking and cycling).

Porirua is likely to continue growing at a relatively slow rate for the next 30 years, so its assets are unlikely to face significant growth pressures or the need for major capacity increases. It is however likely that the northern suburbs of Wellington City will grow at a slightly faster rate, increasing demand for Porirua's wastewater treatment plant. Wellington's share of wastewater entering Porirua's system will continue to be monitored so that Wellington City residents pay a fair share of any future capacity upgrades required to accommodate the increased demand.

Changes to the level of service are expected due to increasing expectations and requirements, particularly with the review of environmental standards. This is reflected in Council's strategic focus on the health of Te Awarua-o-Porirua Harbour. The reduction of inflow and infiltration of stormwater into the wastewater network is a key focus for the sustainable management of flows in the long-term.

The ability of the existing infrastructure to cope with current and future demand is limited in some areas, particularly parts of the stormwater and wastewater networks, necessitating capacity upgrades.

Infrastructure is ageing in all service areas and as the city matures, more investment needs to be targeted toward renewals. Optimised renewals are an ongoing responsibility to ensure the continuity and affordability of those services.

Demand management strategies are important for sustainable, ongoing infrastructure service provision. Examples of these are sewer inflow and infiltration reduction, stormwater detention, and water and travel demand management.

Infrastructure needs to be resilient to provide for the community's needs after extreme natural events. Risk analysis is important to identify and protect critical assets and prioritise effective solutions.

Where possible, Porirua's infrastructure will need to be adaptable in order to take advantage of technological improvements and to respond appropriately to environmental, economic, political, social and technological trends. Significant change can be expected over a 30 year timeframe, although much of it can only be speculated at this stage.

Future strategies could range from requirements for homes and businesses to provide rainwater storage, the introduction of water metering and incentives to encourage greywater recycling, to new wastewater treatment methods, new stormwater management practices and facilities for new modes of transport. The Council is currently investigating options for replacing its streetlights with LED lighting.

### **Significant assumptions**

This strategy has been prepared on the basis of the following assumptions:

- Costs are expressed in 2015 dollars, with no inflation adjustment for following years. Inflated costs will be modelled and presented with the financial information contained in the Long Term Plan.
- Growth in assets is expected to continue at historical levels, which is approximately 1% per annum. This is built into projected baseline operational costs.
- Other than baseline growth, significant changes to operating costs are expected following:
  - the transfer of existing state highways to local roads when the Transmission Gully Motorway becomes operational; and
  - the expansion of the Wastewater Treatment Plant aeration basin and related processes.
- Financial provisions for large projects in future years are estimated on the basis of potential magnitudes of work. Further data collection and analysis will refine the options and expected costs in due course.
- Porirua will remain an autonomous territorial authority for the purposes of this strategy, on the grounds that amalgamation within the region is uncertain at the time of writing.

## 6. The infrastructure response

The tables on the following pages summarise the significant issues relating to each infrastructure activity, the proposed response to those issues, and the implications of taking or not taking the action proposed by the response. In many instances, the same principal response option is capable of addressing several infrastructure issues.

The risk management processes used by the Porirua City Council are consistent with Australian/New Zealand Standard AS/NZ 4360 which defines risk assessment and management. A full description of the risks identified in the table below can be found in the Council's asset management plans for each activity area.

### Consideration of options

Options for infrastructure investment are listed below under "principal options for response" where appropriate. Where there is a choice of options, the preferred option and most likely scenarios are distinguished by ***bold italic type***.

Council has developed investment options, based on the risk to level of service delivery, in the asset management plans for each of the activities included. These allow the Council to decide the extent to which a programme is funded, considering potential performance and operational and long-term outcomes. For the Long-term Plan 2015-25, it is proposed to move to a more conservative risk approach, with funding for these activities increased in order to hold or improve their individual risk profile. Technical options are considered further as individual programmes and projects are scoped in more detail (eg. specific site and methodology selection).

It is noted that for many infrastructure programmes, options may be constrained by the need to meet compliance and level of service requirements (e.g. resource consents or the acceptable number of service interruptions). The deferral of renewals, acceptance of increased service failures and the limitation of growth are generally not seen as desirable options for Porirua.

<b>Water Supply</b>		
<b>Resilience and Levels of Service Issues</b>	<b>Principal options for response</b>	<b>Implications</b>
The Porirua Low Level Water Supply Zone (from Cannons Creek to Titahi Bay) runs a high risk of interruption to supply with one supply reservoir for approximately 35% of the city and major east-west pipe links crossing major transport routes and fault lines.	<ul style="list-style-type: none"> <li>• <b><i>New 5ML reservoir and supply pipeline to be built in Elsdon in 2018/19</i></b></li> <li>• The unavailability of alternative suitable designated reservoir sites would otherwise require the continued feeding of the entire zone from a single point of supply.</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approximately \$6.5 million is estimated for the reservoir and pipeline.</li> <li>• Not completing this work leaves the west of the city, including the CBD and major industrial area, vulnerable to any disruption in supply from the eastern source. Fire-fighting capacity is unlikely to be met.</li> </ul>
The Porirua Low Level Water Supply Zone (from Cannons Creek to Titahi Bay) runs a high risk of interruption to supply with one long outlet pipe supplying the zone, nearing the end of its service life.	<ul style="list-style-type: none"> <li>• <b><i>Replace approximately 1.3km pipeline between reservoirs and first two bifurcation points with a flexible, resilience pipeline product (eg. "Kubota" pipe) in 2016/17</i></b></li> <li>• Repair failures as they occur and accept associated damage and service disruption</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approx. \$1.15 million is required.</li> <li>• Not completing this work is likely to eventuate in an anticipated increase in pipe failures, causing widespread outages across a large part of the city. This has obvious negative effects in terms of the impacts on businesses as well as risks associated with fire-fighting capability and the general protection of public health and safety provided by water supply.</li> </ul>
Ageing assets are near or at the end of their serviceable, economic life for large parts of the network.	<ul style="list-style-type: none"> <li>• <b><i>Continue risk-prioritised renewal programmes for pipelines, reservoirs and pump stations coupled with the ongoing monitoring of network performance and condition over the long term 2015 - 2045</i></b></li> <li>• <b><i>Manage high pressures in the network through the further implementation of pressure reduction programmes</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• Average annual capital expenditure on renewals of \$1.8 million is expected to continue over the period of this strategy and beyond.</li> <li>• Total capital expenditure of \$0.6 million is required for pressure reduction work.</li> <li>• Not completing this work would lead to increasing structural failure of critical network assets and disruption to service. This has clear ramifications for the ongoing provision of public health, safety and economic benefits afforded by a reliable water supply.</li> </ul>
Much of Porirua's stored water may be lost through inadequate seismic protection against downstream pipe bursts.	<ul style="list-style-type: none"> <li>• <b><i>Improve outlet pipework at reservoirs through the upgrade of automated shut-off valves, flexible couplers and chambers</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• Total capital expenditure of \$0.49 million is anticipated over the period of this strategy.</li> <li>• Not completing this work will leave Porirua vulnerable to major loss of stored water in the event of a severe earthquake.</li> </ul>
<b>Growth Issues</b>	<b>Principal options for response</b>	<b>Implications</b>
Growth in the Porirua Low Level water supply zone (from Papakowhai to Titahi Bay) requires additional water storage.	<ul style="list-style-type: none"> <li>• <b><i>New 5ML reservoir and supply pipeline to be built in Elsdon in 2018/19</i></b></li> <li>• The unavailability of alternative suitable designated reservoir sites would otherwise require a new reservoir to be built on an existing site without addressing the single point of supply issue.</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approximately \$6.5 million is estimated for the reservoir and pipeline.</li> <li>• Not completing this work would see water storage in the zone fall below the adopted rate of 450l/h/d. This means the water supply would not be able to meet future demands (domestic, industrial or fire-fighting).</li> </ul>

Wastewater		
Resilience and Levels of Service Issues	Principal options for response	Implications
Ageing assets are near or at the end of their serviceable, economic life for large parts of the network.	<ul style="list-style-type: none"> <li>• <b>Continue risk-prioritised renewal programmes for pipelines, pump stations and the treatment plant coupled with the ongoing monitoring of network performance and condition over the long term 2015 - 2045.</b></li> <li>• Accept deteriorating pipe condition and increased failures and flows through greater inflow and infiltration. Increase operational budgets for escalating reactive repairs, pumping and treatment costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Average annual capital expenditure on renewals of \$2.54 million is anticipated with \$1.7 million for pipeline renewals.</li> <li>• Not completing this work would lead to increasing structural failure of critical network assets and disruption to service. This has clear ramifications for the ongoing provision of public health, safety, environmental and economic benefits afforded by a reliable wastewater collection, treatment and disposal network.</li> </ul>
The discharge consent for the wastewater treatment plant is due to expire in 2020. Consenting provisions are expected to be more stringent in line with regional standards.	<ul style="list-style-type: none"> <li>• <b>Renew the resource consent for the treatment plant discharge in 2020 and implement mitigation measures as may be required by consent conditions</b></li> <li>• No further option considered (compliance issue)</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$0.3 million is anticipated from 2015 - 2020 for renewal of the discharge consent. Any additional and unforeseen costs that may arise to meet future resource consent conditions are as yet unknown.</li> <li>• Not completing this work will result in non-compliance of the treatment plant. Failure to meet discharge consent provisions carries a high risk to Council's reputation and hefty fines may also be levied against the Council and individual persons implicated.</li> </ul>
New regional standards are likely to require resource consents and introduce more stringent requirements for mitigation of wastewater pump station and network discharges.	<ul style="list-style-type: none"> <li>• <b>Apply for new resource consents for network discharges in 2015/16 and implement mitigation measures as may be required by consent conditions</b></li> <li>• No further option considered (compliance issue)</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$0.6 million is anticipated for new network discharge consents. The cost of augmenting assets and processes to meet future conditions is as yet unknown.</li> <li>• Not completing this work will result in non-compliance of the wastewater network. Failure to meet discharge consent provisions carries a high risk to Council's reputation and hefty fines may also be levied against the Council and individual persons implicated.</li> </ul>
Much of Porirua's trunk wastewater network is located in areas prone to ground shaking and liquefaction and the problems associated with buoyancy and brittleness.	<ul style="list-style-type: none"> <li>• <b>Improve seismic resilience by installing dispersion valves in manhole and pump station chambers and flexible joints for the connecting pipes in a targeted programme from 2015 - 2020</b></li> <li>• Accept risk to trunk network and carry high risk profile into disaster insurance arrangements</li> </ul>	<ul style="list-style-type: none"> <li>• Total capital expenditure of \$0.75 million is anticipated over the first five years.</li> <li>• Not completing this work will leave critical network exposed to severe damage in the event of an earthquake and a significantly prolonged period of restoration of service. Buoyant structures will "pop out" of the ground and sever network continuity leading to overflows, contamination and lack of a sanitary service.</li> </ul>

Growth Issues	Principal options for response	Implications
Inflow and infiltration of stormwater into the wastewater network causes overloading of pipes, pump stations and the treatment plant, especially in peak storm conditions.	<ul style="list-style-type: none"> <li>• <b><i>Continue ongoing programme of inflow and infiltration reduction through inspection and repairs</i></b></li> <li>• Plan for extensive capacity upgrades to network to meet increased flows</li> </ul>	<ul style="list-style-type: none"> <li>• Operational expenditure of approximately \$195,000 per annum is expected over the period of this strategy</li> <li>• Not carrying out this work will lead to overloading of the wastewater network, resulting in overflows at manholes and pump stations and bypasses at the treatment plant.</li> </ul>
Projected urban development in the Northern Growth Area will exceed the capacity of the trunk wastewater network.	<ul style="list-style-type: none"> <li>• Upgrade trunk sewers from Plimmerton to Porirua</li> <li>• Separate treatment and disposal facility</li> <li>• Additional storage to time manage flows into trunk system</li> </ul>	<ul style="list-style-type: none"> <li>• The extent of expected development in the Northern Growth Area is currently subject to structure planning. Infrastructure options can now be assessed and compared. The upgrade costs, once known, are expected to be recovered from the developer.</li> </ul>
Much of the trunk wastewater network is at or near capacity and will not cope with projected urban development.	<ul style="list-style-type: none"> <li>• <b><i>Wastewater storage tanks</i></b></li> <li>• <b><i>Trunk network upgrades</i></b></li> <li>• <b><i>Inflow and infiltration reduction programme</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$14.9 million is expected in the first nine years of the strategy.</li> <li>• Not completing this work will result in overloading of and non-compliance of the treatment plant. Failure to meet discharge consent provisions carries a high risk to Council's reputation and hefty fines may also be levied against the Council and individual persons implicated.</li> </ul>
Projected urban growth will lead to increasing loading on sludge facilities and cost for transport and disposal.	<ul style="list-style-type: none"> <li>• <b><i>Implement improved sludge dewatering and handling at the treatment plant to reduce the amount of sludge required to be transported and disposed to landfill 2015 - 2020</i></b></li> <li>• Investigate cost implications of using alternative disposal sites</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approximately \$4.9 million</li> <li>• Not carrying out this work will lead to increasing operational costs for sludge handling. It is possible, depending on the selection and design of an enhanced facility, that these costs could be significantly reduced yielding ongoing financial benefits.</li> </ul>
Projected urban growth in the Duck Creek catchment will exceed the capacity of the existing pump station.	<ul style="list-style-type: none"> <li>• <b><i>Upgrade the wet-well storage and environs of the Duck Creek pump station in 2016/17</i></b></li> <li>• Accept the risk of increased overflows due to capacity limitations (compliance issue)</li> <li>• Constrain growth in the catchment</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$2.9 million is anticipated</li> <li>• Not completing this work will lead to overloading of the pump station, surcharging and overflows in close proximity to the stream and Pauatahanui inlet during times of peak demand. New sections are also anticipated adjoining the pump station site and will be adversely affected by noise and odour without sufficient screening and site enhancement.</li> </ul>
Projected urban development will exceed the hydraulic capability of the wastewater treatment plant	<ul style="list-style-type: none"> <li>• <b><i>Provide additional hydraulic capacity at the treatment plant through the expansion of the aeration basin in 2020 - 2024</i></b></li> <li>• Accept increased incidences of overflows and non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approximately \$7.1 million is estimated</li> <li>• Not completing this work will result in overloading of and non-compliance of the treatment plant. Failure to meet discharge consent provisions carries a high risk to Council's reputation and hefty fines may also be levied against the Council and individual persons implicated.</li> </ul>



<b>Stormwater</b>		
<b>Resilience and Levels of Service Issues</b>	<b>Principal options for response</b>	<b>Implications</b>
Coarse pollutants entering the stormwater network can cause pipe blockages as well as severely damage the amenity of receiving waters.	<ul style="list-style-type: none"> <li>• <b><i>Install primary debris separation devices by retrofitting existing stormwater network assets through an ongoing programme from 2015 - 2018</i></b></li> <li>• Increase debris collection from harbours and streams and accept risk of greater environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$50,000 per annum</li> <li>• Not carrying out this work will result in continued problems associated with pipe blockages such as intermittent overflows and flooding. Receiving waters such as the streams and harbours will continue to experience a build-up of coarse pollutants such as bottles and plastics affecting wildlife and reducing general amenity.</li> </ul>
Ageing pipelines are predicted to be at or near the end of their serviceable, economic from approximately 2026 onwards.	<ul style="list-style-type: none"> <li>• <b><i>Improve asset knowledge and predictive modelling for the stormwater pipe network 2015 - 2025</i></b></li> <li>• <b><i>Implement a risk-prioritised renewal programme for stormwater pipelines coupled with the ongoing monitoring of network performance and condition from approximately 2026 onwards</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• Operational expenditure of approximately \$0.1 million per annum is required to improve asset knowledge through inspections, sampling, studies and modelling.</li> <li>• Average annual capital expenditure on renewals is forecast to grow from \$0.7 million from 2025 - 2034 to about \$2 million per annum thereafter.</li> <li>• Not improving Council's asset knowledge would result in a sub-optimal renewals programme. This could be as an under-funded programme, leading to pipe collapses and risk to people and property. Conversely, an over-funded programme would have an undue effect on rates, with stormwater pipelines being the largest and most expensive to replace.</li> </ul>
<b>Growth Issues</b>	<b>Principal options for response</b>	<b>Implications</b>
Much of the stormwater network is at or near capacity and will not cope with projected urban development.	<ul style="list-style-type: none"> <li>• <b><i>Continue the stormwater upgrade programme throughout the city to improve drainage on prioritised basis from 2015 - 2045</i></b></li> </ul>	<ul style="list-style-type: none"> <li>• Annual capital expenditure of \$0.67 million is required to address stormwater capacity shortfalls.</li> <li>• The above includes an indicative \$8 million, estimated to construct a major new stormwater scheme as an option to protect the CBD in 2034/35</li> <li>• Not completing this work will result in ongoing and increasing problems as capacity shortfalls increase with added demand. Urban development generally increases peak network flows, while climate change and sea level rise are predicted to further exacerbate this over time. Flooding incidents and risk to people and property would increase as a result.</li> </ul>

Transport		
Resilience and Levels of Service Issues	Principal options for response	Implications
Ageing road surfacing (chipseal and asphalt) is near or at the end of its serviceable, economic life for large parts of the network	<ul style="list-style-type: none"> <li>• <b>Continue risk-prioritised renewal programmes for local roads and footpaths coupled with the ongoing monitoring of network performance and condition over the long term 2015 - 2045</b></li> <li>• Defer renewals and accept an increase in unplanned maintenance, worsening road conditions such as pot holes, disruptions to access and higher renewal costs</li> </ul>	<ul style="list-style-type: none"> <li>• Average annual capital expenditure on renewals of \$2.27 million is anticipated with footpath renewals budgeted at \$420,000 for the first 4 years, reducing to \$83,000 per annum thereafter.</li> <li>• Not completing this work would lead to increasing structural failure of critical network assets and disruption to service. This has clear ramifications for the ongoing provision of safety, environmental and economic benefits afforded by a reliable transportation network. Any deferral would also have the effect of inequitably increasing the burden of renewals on future generations. The subsequent renewal costs would increase fivefold.</li> </ul>
The road environment is one of the key contributing factors in road accidents	<ul style="list-style-type: none"> <li>• <b>Continue ongoing minor safety works to improve the safety of roads for all users from 2015 - 2045</b></li> <li>• No minor improvements to the road network</li> </ul>	<ul style="list-style-type: none"> <li>• Annual capital expenditure of \$0.25 million is anticipated over the long term.</li> <li>• Not completing this work may lead to an increase in accidents, injuries and fatalities involving the Porirua road network and the damage that this brings to the lives of those in the community.</li> </ul>
Existing seawalls are ageing and deteriorating, including those that will be inherited by Council when parts of State Highway 58 become a local road	<ul style="list-style-type: none"> <li>• <b>Implement a programme of renewing seawalls from 2020 - 2029</b></li> <li>• Defer seawall renewals and accept that roads would be increasingly undermined by the sea with consequent disruption to access and high costs of reinstating access</li> </ul>	<ul style="list-style-type: none"> <li>• Annual capital expenditure of \$0.19 million is anticipated from 2020 - 2029</li> <li>• Not completing this work will result in elevated risk exposure of damage to the seawalls and increased maintenance costs for the roads they protect. This is especially the case as the assets age and climate change brings about raised sea levels and increased frequency of storms. The nature of Porirua's road network means that damage to these particular sections would severely disrupt key portions of the network.</li> </ul>
The covered walkways in the city centre have had their fabric canopy removed, and a political decision needs to be made regarding the future of this area – whether the fabric should be replaced like-for-like, or whether there are better alternative options	<ul style="list-style-type: none"> <li>• Like-for-like replacement of the canopies using translucent fabric; or</li> <li>• Replace canopies with something else or provide alternative forms of shelter; or</li> <li>• Leave the area uncovered</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$4.4 million required for like-for-like replacement of the canopy fabric in 2015/16, and again in 2036/37 (the fabric has a 20 year life).</li> <li>• If the canopy fabric is not replaced, expenditure will be required for possible upgrading of building frontages if required or verandas, or alternative forms of shelter.</li> </ul>

Growth Issues	Principal options for response	Implications
Growth in traffic volumes is exceeding the capacity of the road network at strategic points.	<ul style="list-style-type: none"> <li>• <b>Commence a programme of intersection upgrades throughout the city, targeting key locations from 2018 - 2045</b></li> <li>• Defer upgrade works and accept increases in congestion, travel times and driver stress</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$15.7 million is required to implement the programme.</li> <li>• Not completing this work would result in ongoing and increasing problems with an increase in delays and reduced safety of traffic movement around the city. This is already evident in locations such as the intersections of Titahi Bay Rd with Kenepuru Drive and Papakowhai Rd with Whitford Brown Ave.</li> </ul>
The construction of the Transmission Gully state highway route requires connections to facilitate access to and from Porirua and its suburbs.	<ul style="list-style-type: none"> <li>• Construct link roads to Transmission Gully from Whitby and Waitangirua 2014 - 2017</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of \$40 million is required to construct the link roads with work beginning prior to 2015 (\$25 million in the first 3 years of this plan)</li> <li>• Not completing this work would result in limited access to and from the state highway network for Porirua and congestion for east-west traffic movement across the city. Without the link roads, the only access would be via interchanges at Linden and Pauatahanui, effectively bypassing Porirua, having potentially severe impacts on residents and businesses alike.</li> </ul>
The transfer of parts of State Highways 1 and 58 to Council ownership following the opening of the Transmission Gully Motorway will add significantly to Council's roading assets and consequently its maintenance liability.	<ul style="list-style-type: none"> <li>• It is expected that the roads will be in good condition so not much maintenance will be required for at least the first 10 years of Council ownership. The newly vested roads will be built into Council's ongoing programme of maintenance and renewals, with the first works not likely to be required before 2030.</li> </ul>	<ul style="list-style-type: none"> <li>• Operational expenditure expected from 2020 onwards. The investment in roading renewal over the first six years is predicted to lower roading surface maintenance costs by approximately 20%. This reduction will be offset by Council then needing to fund the maintenance of the revoked state highways and new link roads.</li> </ul>
Development in the rural zone is leading to traffic volumes beyond the safe capability of the local roads.	<ul style="list-style-type: none"> <li>• Upgrade rural roads to suit development; eight in total, one every three years beginning 2022</li> </ul>	<ul style="list-style-type: none"> <li>• Capital expenditure of approximately \$0.5 million every three years from 2022.</li> <li>• Not completing this work would lead to increasing problems with access and safety on rural roads, particularly at intersections, narrowings and bends.</li> </ul>

## 7. Infrastructure investment programme

### Total expenditure

To address the issues identified in the previous section, Porirua City Council expects to spend \$347.3 million on new or replacement infrastructure between 2015 and 2045. Over the same period, \$1160.0 million is expected to be spent on operating costs, labour, materials and maintenance (excluding depreciation). These figures are anticipated to be spread across the four infrastructure asset activity areas as follows (wastewater divided into local assets and those jointly owned with Wellington City Council (JV):

Infrastructure Activity		Capital Expenditure	Operational Expenditure
Water Supply		\$61.7 million	\$279.8 million
Wastewater	Joint Venture	\$47.8 million	\$238.0 million
	Local	\$61.8 million	\$342.2 million
Stormwater		\$47.5 million	\$47.5 million
Transport		\$128.5 million	\$252.5 million
<b>Total</b>		<b>\$347.3 million</b>	<b>\$1160.0 million</b>

### Expenditure highlights

Figures 5-7 show the projected capital and operational expenditure year-on-year up to 2045, by driver (growth, level of service change or asset renewal) and by infrastructure activity area classification. Total infrastructure expenditure is expected to remain between \$40 and \$55 million per year for most of the period covered by this strategy. The main exceptions are in 2034-35 when a major reservoir renewal coincides with a major stormwater upgrade project and in 2044/45 when a second major reservoir is to be renewed.

Capital expenditure is projected to exceed \$14 million for eight of the years:

- 2015/16, as the Transmission Gully link roads are built and the city centre canopies are replaced;
- 2016/17, as the Transmission Gully link roads are built, the city centre canopies are completed, trunk wastewater network upgrades are carried out and the duck creek sewer pump station is upgraded;
- 2017/18, as the Transmission Gully link roads are built and trunk network upgrades are carried out;
- 2018/19, as the Transmission Gully link roads are built, trunk wastewater network upgrades are carried out and a new water reservoir and pipeline is built in Elsdon;
- 2019/20, as the Transmission Gully link roads are built, trunk wastewater network upgrades are carried out and wastewater sludge handling is improved;
- 2034/35, as the first stage of the CBD stormwater improvement project is constructed and a major water reservoir is replaced;
- 2035/36, as the second stage of the CBD stormwater improvement project is carried out and major components are renewed at the wastewater treatment plant;
- 2044/45, as a second major reservoir is replaced and major wastewater pump station renewals are carried out.

Overall expenditure across the four infrastructure activity areas will continue to be dominated by operational requirements (operating costs, labour, materials and maintenance (excluding depreciation)), as shown in Figure 5.

Figure 5: Porirua City infrastructure expenditure projections 2015-2045 – summary

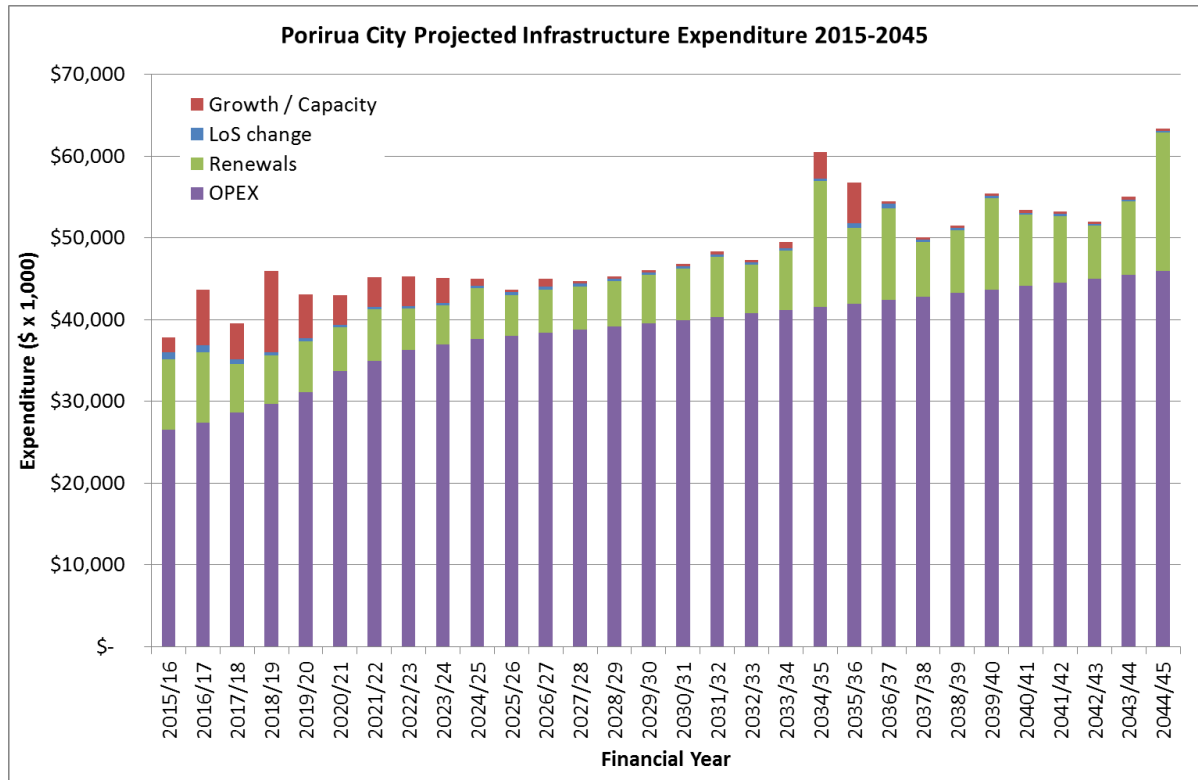


Figure 6: Porirua City infrastructure expenditure projections 2015-2025 (adjusted for inflation)

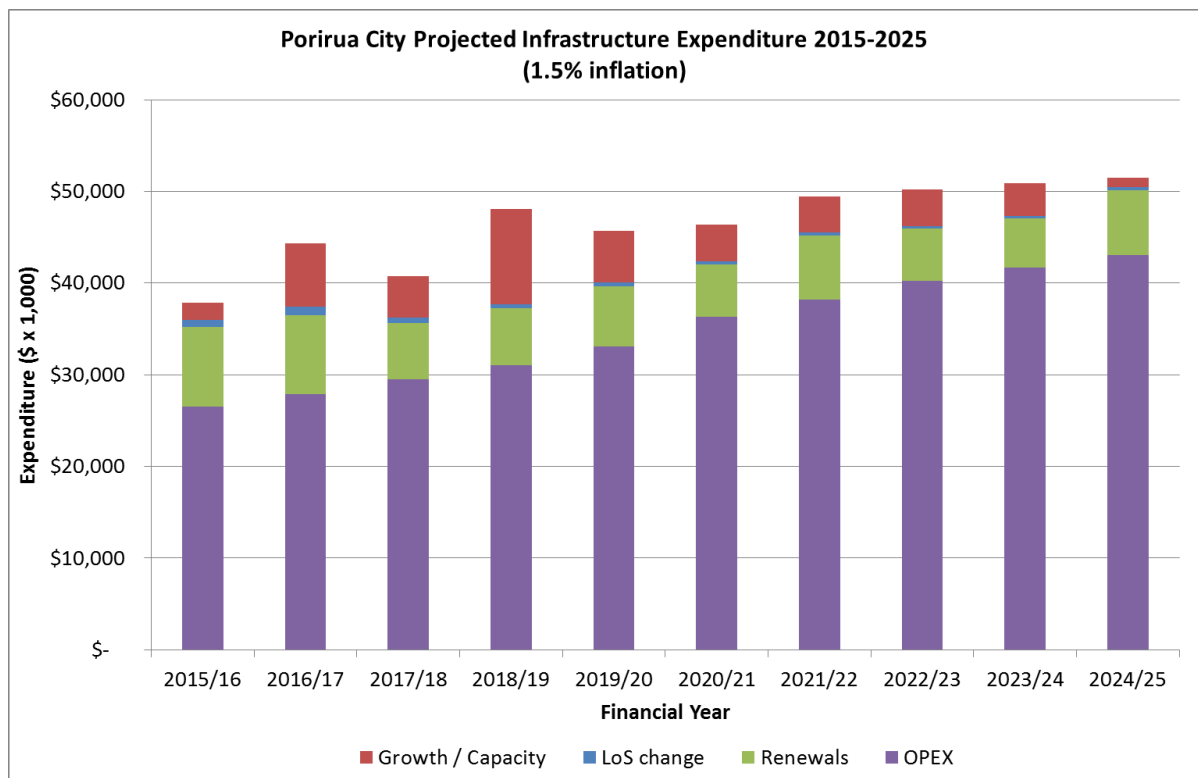
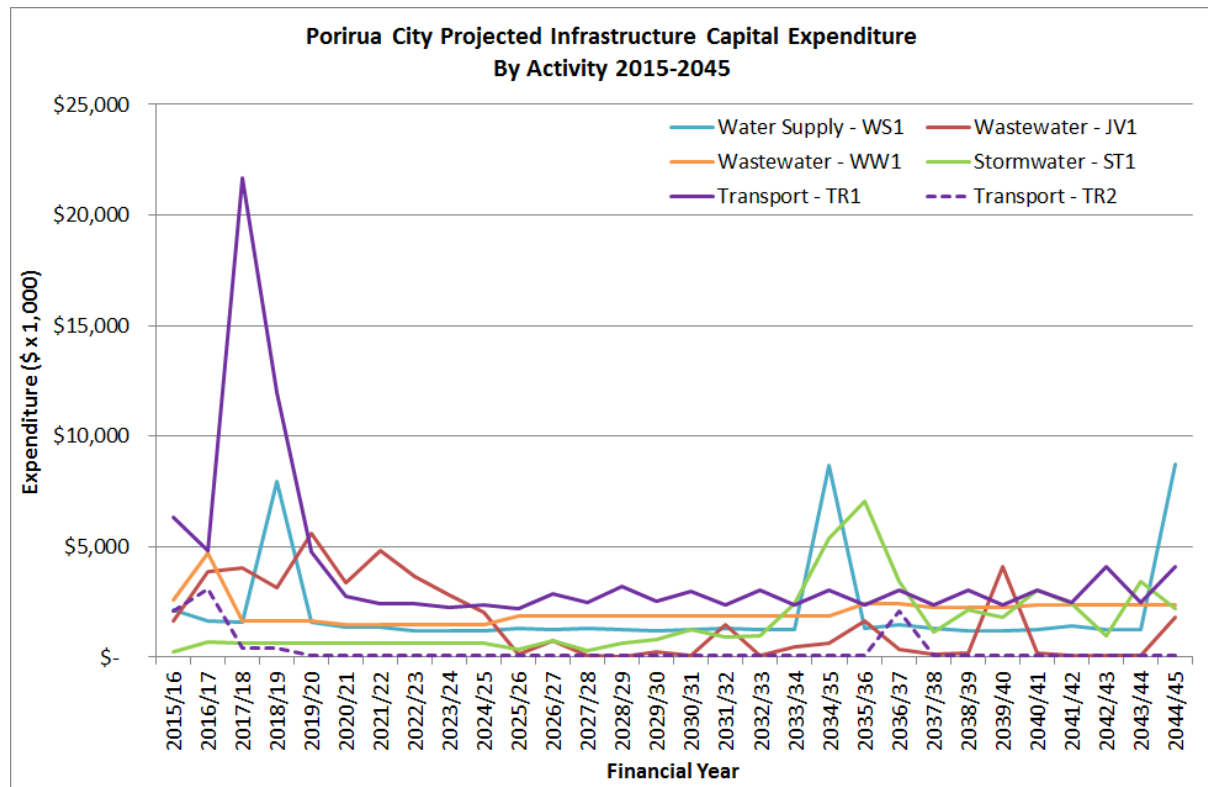


Figure 7 shows the projected expenditure for each of the four infrastructure activity areas. There are significant spends in joint venture wastewater infrastructure in the first ten years as the existing treatment plant's capacity is extended, and significant expenditure on water infrastructure in 2021, 2034 and 2044 when new and replacement reservoirs are expected to be built. The peak in roading expenditure reflects the construction of the Transmission Gully link roads in 2015-2020. A significant item in the stormwater programme is the major capacity upgrade in the CBD, followed by a predicted increasing renewals requirement.

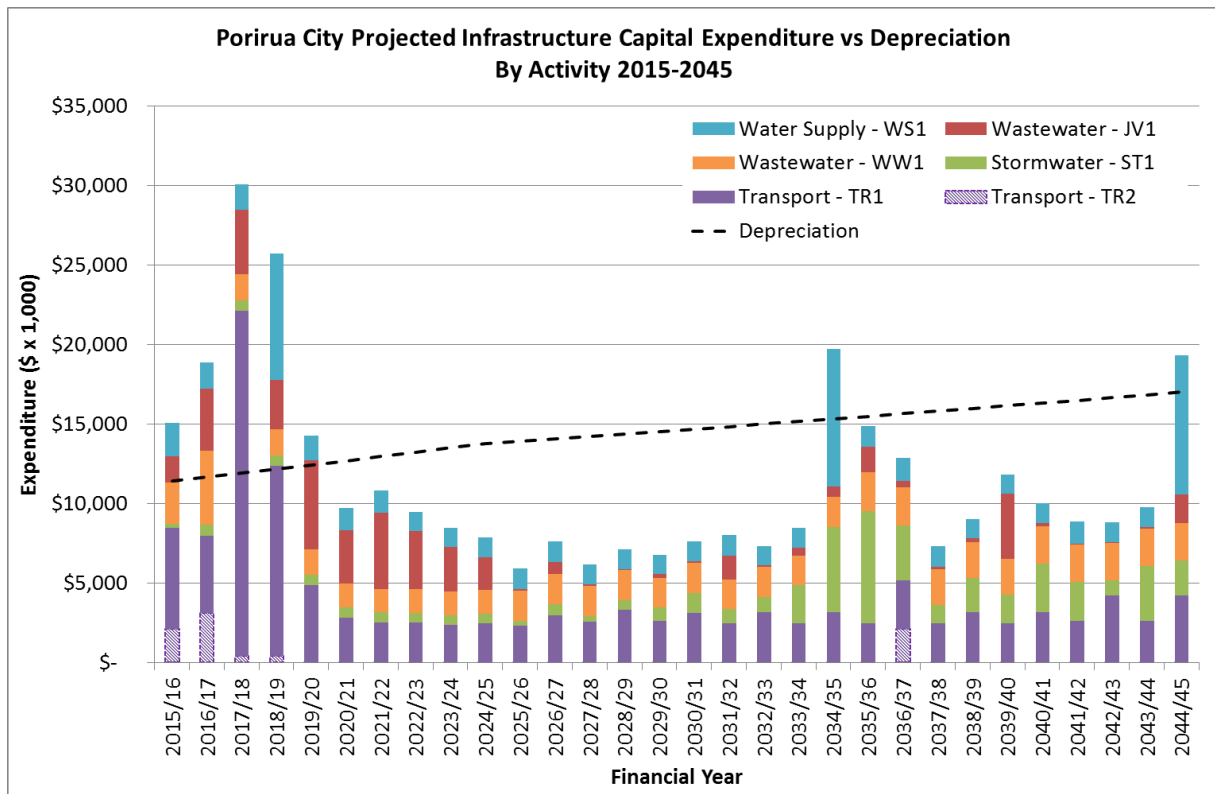
Figure 7: Projected infrastructure expenditure 2015-2045 (by infrastructure activity area classification)



TR1 - subsidised (NZTA) roading programme  
 TR2 - non-subsidised transport facilities (footpaths, car parks, city centre canopies)

Figure 8 compares capital expenditure for each activity with depreciation against the total asset base. Total depreciation represents the combined loss of value or service potential over the asset life for the four activity areas in this strategy. This is projected to generally increase at the rate of growth in the asset base; approximately 2% per annum over the first ten years as more capital expenditure takes place and 1% per annum thereafter. Notable asset growth includes the revocation of the existing state highways in 2020. This will result in a large increase in the Council's transport asset portfolio. However, no major renewal of this newly vested roading is expected within the timeframe of the strategy. It is assumed that NZTA will hand over the revoked sections of state highway in new condition and that their surfacing will last over 20 years because of lower traffic loads.

Figure 8: Projected renewals expenditure versus total depreciation 2015-2045



TR1 - subsidised (NZTA) roading programme

TR2 - non-subsidised transport facilities (footpaths, car parks, city centre canopies)

Overall, the comparison is relatively close, with capital expenditure being only 11% less than the depreciation cost over the analysis period (30 years). There are several contributing or mitigating factors for this:

- Renewals “lag effect” for assets that have not reached the end of their life, eg. stormwater pipes and revoked state highways.
- Depreciation is based on assumed asset life while renewals may take more account of actual condition, performance, maintenance and risk.
- Some operational work may effectively be of a renewals nature, or extend asset life, without meeting the criteria for capitalisation.

In time, an iterative process of reconciliation should see a degree of convergence as assumptions are tested and renewal programmes optimised.

Figure 9 provides an overview of the approximate location and timing of the principal infrastructure works proposed in Porirua and their relationship to the expected area of future urban growth (Northern Growth Area) and the Transmission Gully Motorway alignment.

Figure 9: Porirua major infrastructure capital works 2015-2045

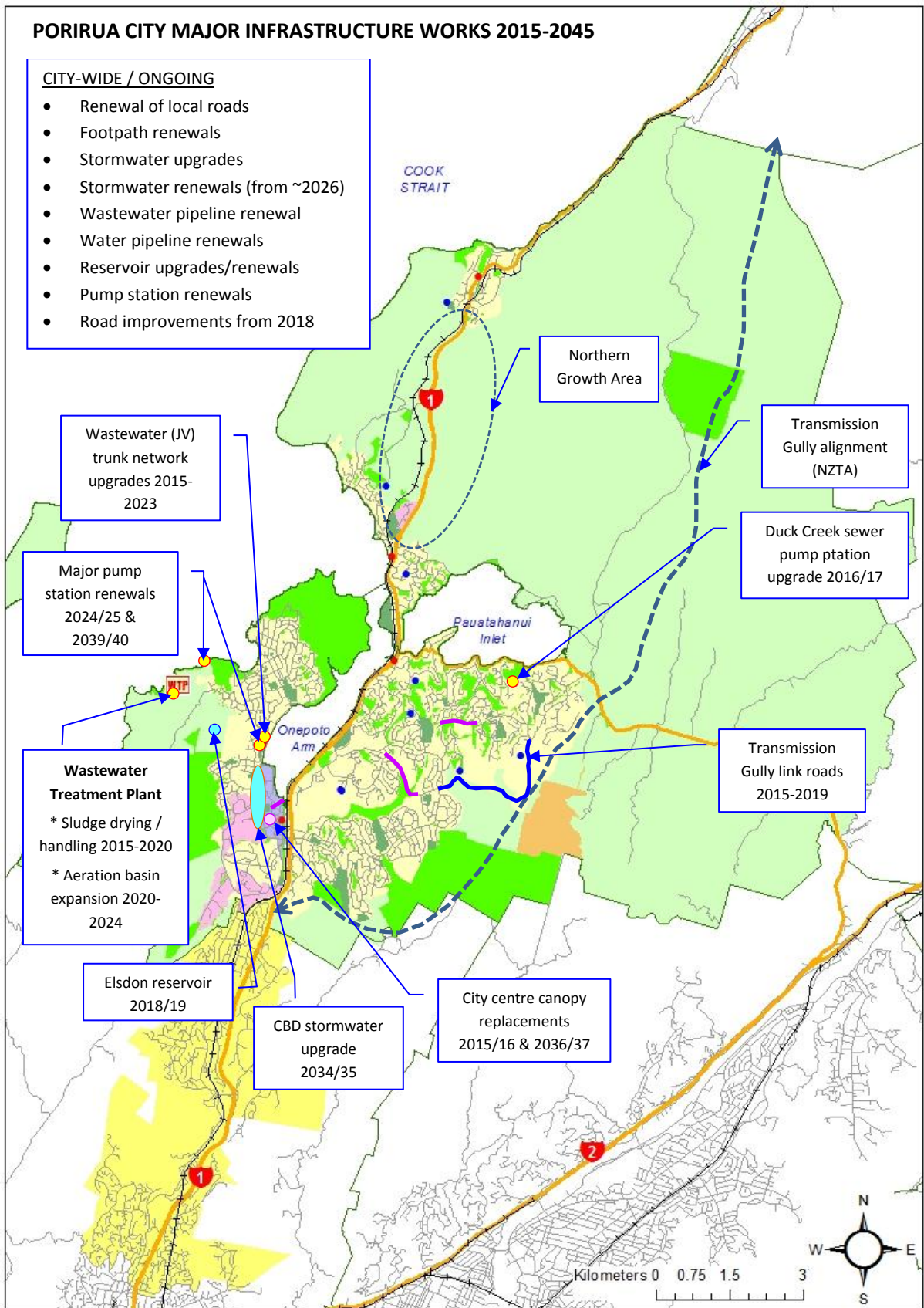
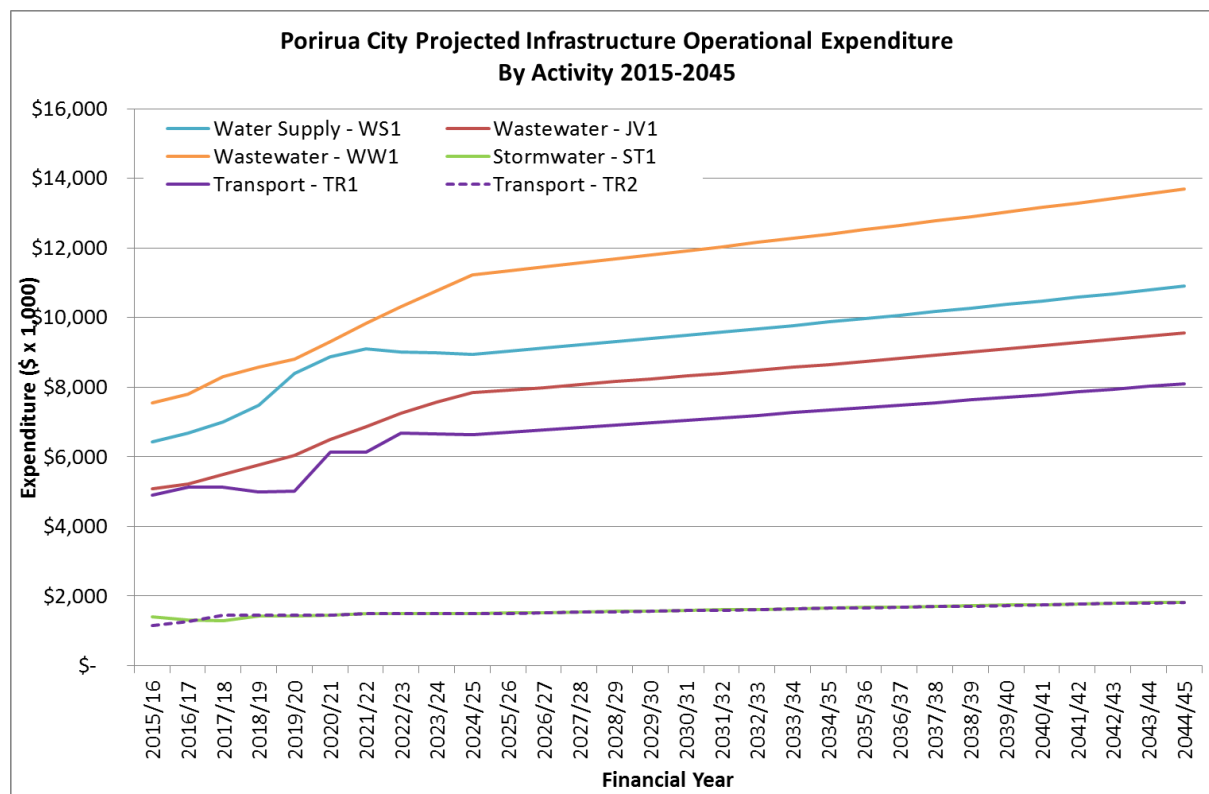




Figure 10 shows projected changes in Porirua City Council’s operational expenditure across the four infrastructure activity areas.

Figure 10: Porirua City infrastructure operational expenditure projections by activity 2015-2045



TR1 - subsidised (NZTA) roading programme

TR2 - non-subsidised transport facilities (footpaths, car parks, city centre canopies)

The investment in roading renewal over the first six years is predicted to lower roading surface maintenance costs by approximately 20%. This reduction will be offset by Council then needing to fund the maintenance of the revoked state highways and link roads.

Noticeable changes are also projected for wastewater collection and treatment following the implementation of capacity upgrades such as sludge handling and expansion of the aeration basin. These are estimated to result in approximately 30% added costs over the first ten years of the strategy. There is also a significant rise in the early years for water supply, reflecting the projected increased cost of bulk water from Greater Wellington Regional Council.

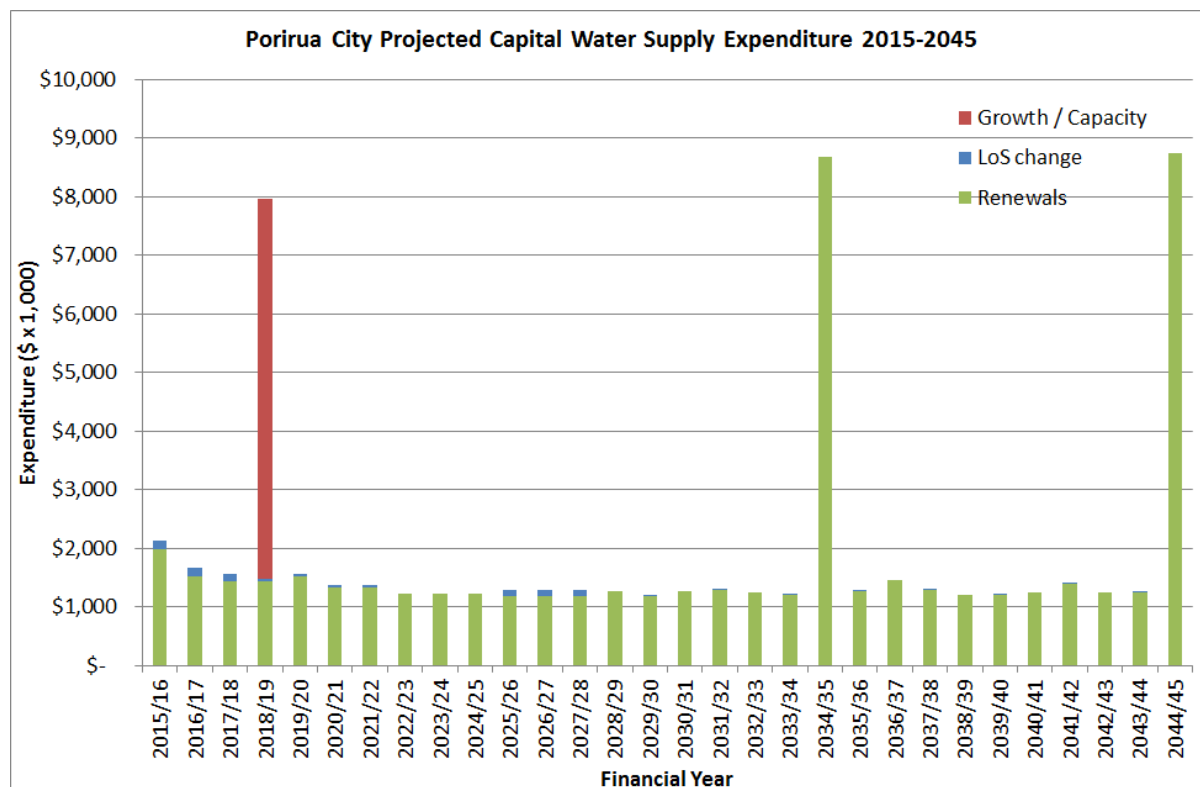
These projected increases are significant for the Council’s future planning, and further work will be required to refine cost estimates. The current estimates are indicative and assumed to be at the higher end.

All other operational expenditure increases are based on the continuation of a 1% growth scenario across the city, including existing and future development areas. Other significant capital projects within this strategy are either to renew existing assets, hence having no net effect on operations, or are based on providing for the above growth scenario.

## Major water supply capital works programme summary

Figure 11 shows the projected capital expenditure associated with the management of Porirua City water supply infrastructure assets 2015 to 2045.

Figure 11: Porirua City projected capital water supply expenditure 2015-2045



New infrastructure projects estimated to cost \$2.5 million or more that are expected to be undertaken in the 2015-2045 period are shown in the table below.

Major Work	Cost	Timing	Assumptions
Elsdon reservoir and supply main	\$6.5 million	2018/19	Assumes that residential and non-residential growth will continue in the Porirua Low Level Water Supply Zone. The reservoir will be designed and built to balance and augment demand (providing resilience) within the zone.  This project has a moderate to high level of certainty as the need is based on multiple benefits besides growth. Land supply exists to meet growth in the zone, currently subject to claims processes.
Reservoir renewals	\$7.5 million	2034/35 and 2044/45	Reservoirs have an assumed life of 60-90 years depending on construction. Existing assets are nearing the end of their life however the effect of planned rehabilitation work and the outcome of targeted condition assessment is not certain. Provision is made at this time noting that major refurbishment may be an alternative to complete renewal.  The level of uncertainty with this assumption is moderate based on current asset condition and knowledge.

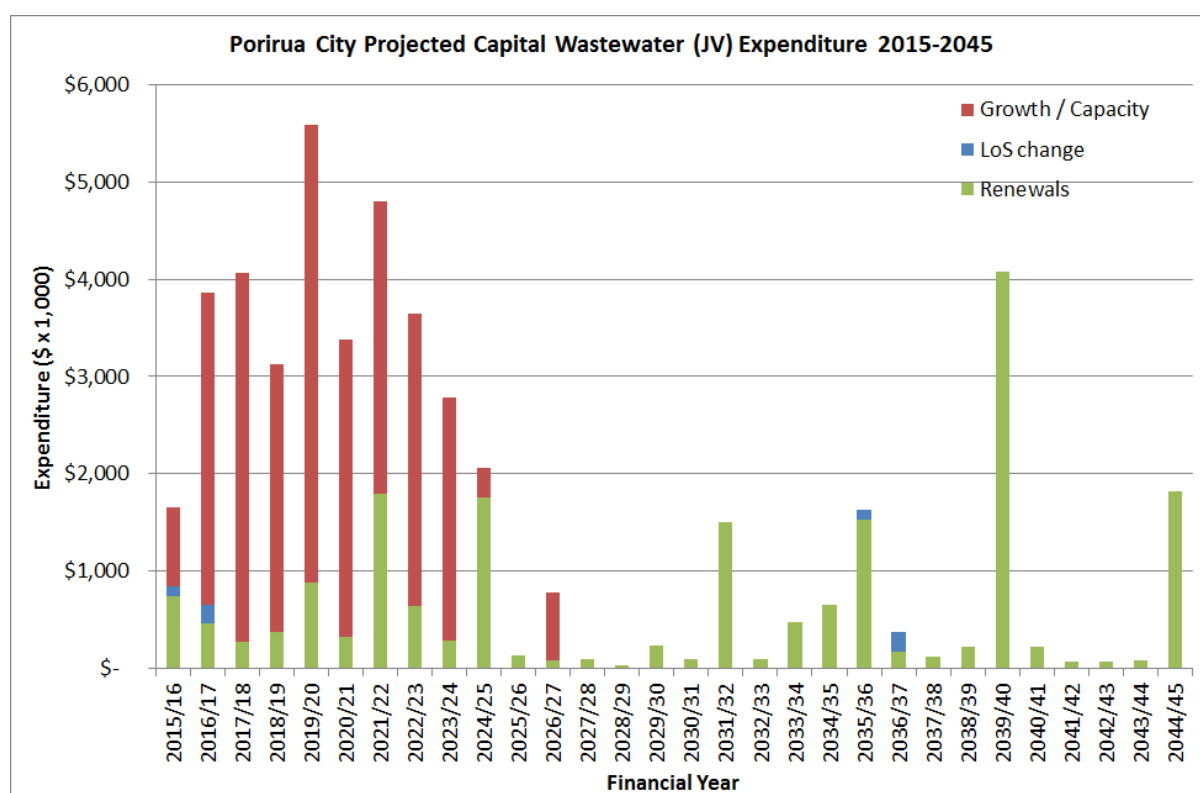
## Implications of uncertainty

Reservoir renewals have a moderate level of uncertainty depending on the outcomes of work yet to be done to rehabilitate the existing structures as well as targeted condition studies. Costs are based on current estimates for new reservoir builds, allowing for the additional costs of decommissioning and demolition of the old reservoirs. Changes to the timing of this work may potentially result in the deferral of the capital expenditure by 5 to 10 years or major refurbishment of the existing structures as an alternative to complete renewal.

## Major wastewater (Joint Venture) capital works programme summary

Figure 12 shows the projected capital expenditure associated with the management of Porirua City wastewater Joint Venture (with Wellington City Council) infrastructure assets 2015 to 2045.

Figure 12: Porirua City projected capital wastewater expenditure 2015-2045



New infrastructure projects estimated to cost \$2.5 million or more that are expected to be undertaken in the 2015-2045 period are shown in the table below.

Major Work	Cost	Timing	Assumptions
Sludge handling / drying	\$4.9 million	2015 - 2020	Assumes that the cost of enhanced drying capacity will be offset by reduced handling (transport and disposal) costs. Costs at this stage are indicative and specific design and study yet to be undertaken to model whole of life costs and determine the best option.  There is a moderate level of uncertainty pending full costing and modelling.

Major Work	Cost	Timing	Assumptions
Aeration basin expansion	\$7.05 million	2020 - 2024	Assumes that growth in the Porirua and North Wellington catchments will continue at predicted rates.  A moderate to high level of certainty as growth has historically followed Statistics NZ medium projections relatively closely. While provision is made at this time for expansion, it is noted that alternative process and design options will be investigated prior to construction.
Major pump station renewals	\$4 million	2039/40	Pump station components are assumed to have a base life of 20 - 25 years.  This work has a high level of certainty as the pump stations involved have known workloads and documented service / life history.
Trunk network upgrades	\$12.6 million	2015 - 2020 and 2023/24	Assumes that growth in the northern part of the catchment (Northern Growth Area) will require major upgrades to the trunk network.  This work has a low-moderate level of certainty as it is subject to the outcome of master planning for the sewer network currently underway. Provisional estimates will be reviewed following more detailed investigation. It is expected that the necessary upgrades to service new development will be funded by the developer.

### Implications of uncertainty

Improved sludge drying and handling capability is assumed to have cost benefits depending on the overall reduction in volume and hence future transport and disposal costs. It is fairly certain that the stated operational costs will continue to rise, making the viability of the project better with time. While some potential solutions have been the subject of preliminary investigation, full-cost accounting is yet to be carried out to select a viable and preferred option. In the worst case scenario, there would be no net benefit to any option and the project would have to be reconsidered.

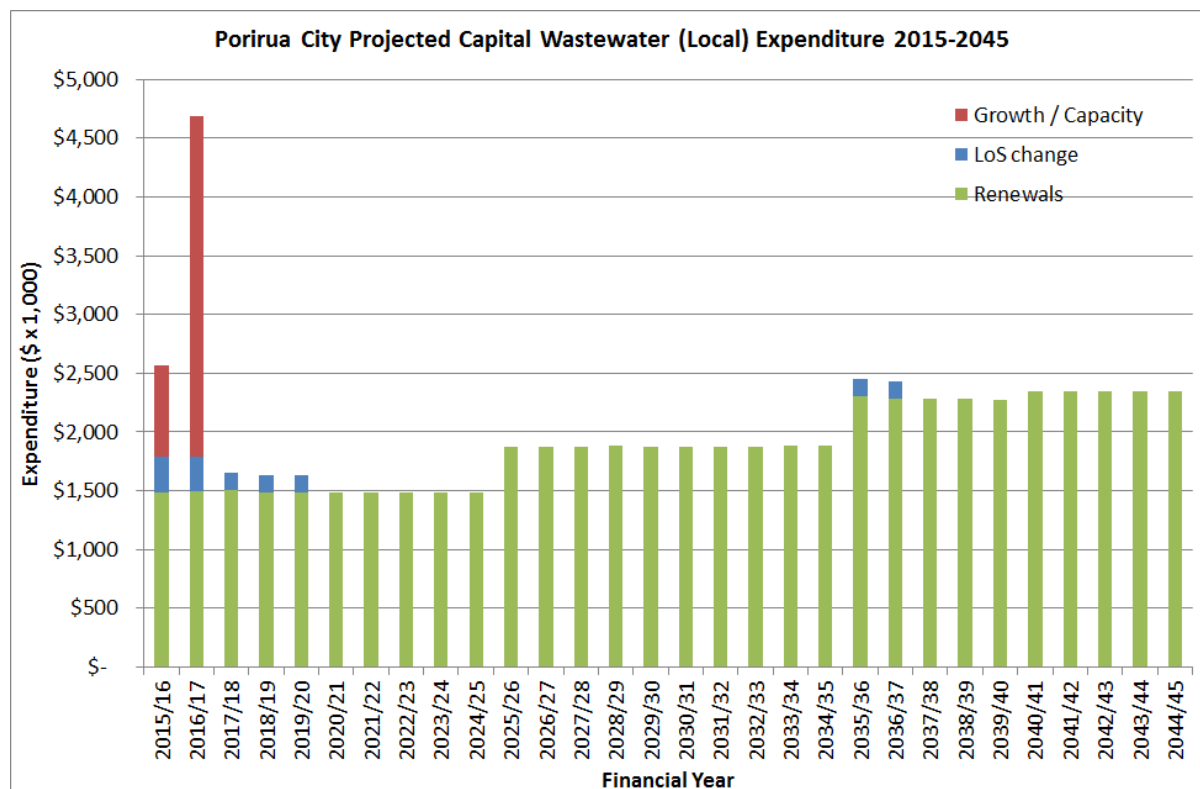
The need to expand the aeration basin is fairly certain but in terms of timing depends on the rate of growth and success or otherwise of other programmes of work such as inflow and infiltration reduction. The cost is only indicative at this stage and is based on the comparative cost of the recent construction of a clarifier at the plant. More detailed design and analysis is required within the next few years to improve the accuracy of cost and timing estimates which may be plus or minus 20% at this stage. It is noted that eventual design may consider alternative process options to expansion of the existing basin.

The trunk network upgrades have a high degree of uncertainty at present in terms of specific costings for the work required. A master plan is under development at the time of writing, which will confirm these aspects in due course. In the meantime, indicative costs are given to flag this potentially significant programme of works.

## Major wastewater (local) capital works programme summary

Figure 13 shows the projected capital expenditure associated with the management of Porirua City local wastewater infrastructure assets 2015 to 2045.

Figure 13: Porirua City projected capital wastewater (Local) expenditure 2015-2045



New infrastructure projects estimated to cost \$2.5 million or more that are expected to be undertaken in the 2015-2045 period are shown in the table below. The estimated capital costs are expressed in 2015 New Zealand Dollars.

Major Work	Cost	Timing	Assumptions
Duck Creek pump station upgrade	\$2.9 million	2016/17	<p>The assumption is that residential growth will continue in the catchment, mainly driven by greenfields development. Costs are based on specific preliminary design.</p> <p>There is a moderate to high level of certainty considering projected growth and the current knowledge of the pump station's capacity.</p>

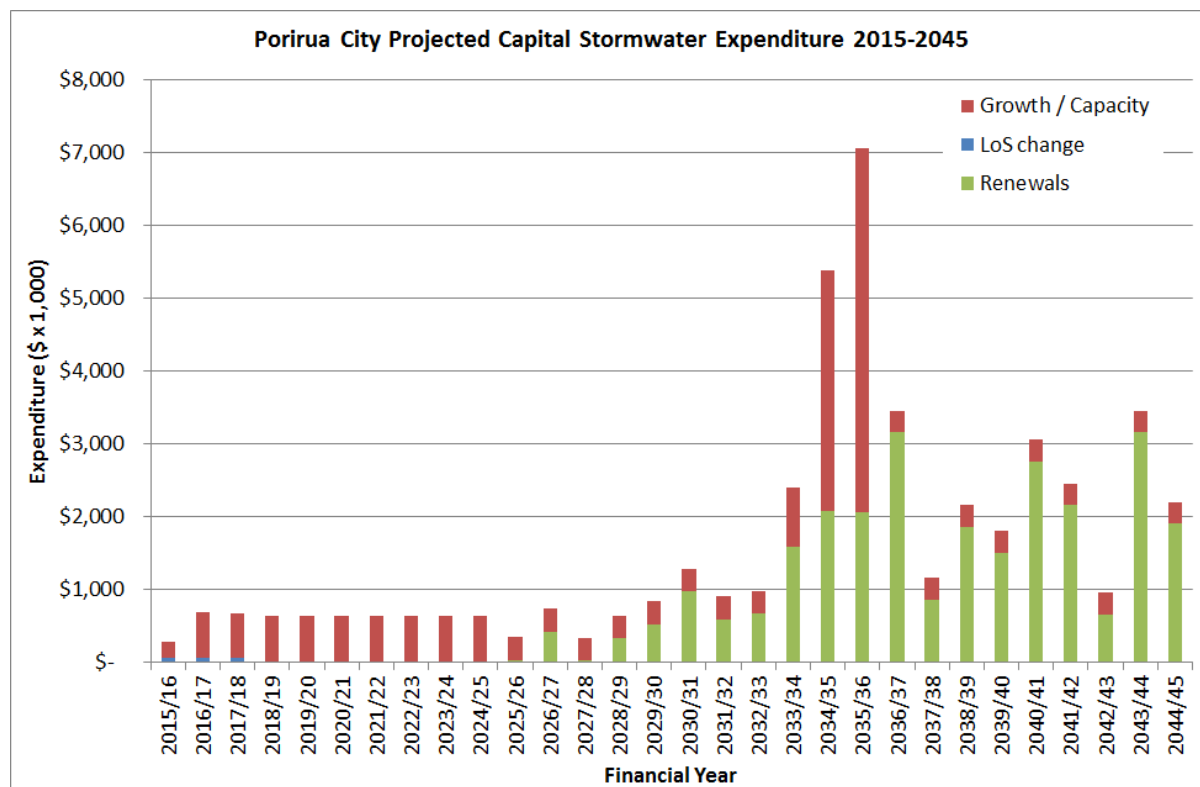
### Implications of uncertainty

Preliminary design work has been done and gives a reasonable baseline estimate for the Duck Creek pump station upgrade. The timing of the project is fairly certain as it is work that is necessary to provide for future growth in the catchment. Detailed design work may however reveal additional costs which were not evident at an earlier stage. Unforeseen geotechnical conditions for example could potentially add \$0.5 million to the cost of construction.

## Major stormwater capital works programme summary

Figure 14 shows the projected capital expenditure associated with the management of Porirua City stormwater infrastructure assets 2015 to 2045.

Figure 14: Porirua City projected capital stormwater expenditure 2015-2045



New infrastructure projects estimated to cost \$2.5 million or more that are expected to be undertaken in the 2015-2045 period are shown in the table below. The estimated capital costs are expressed in 2015 New Zealand Dollars.

Major Work	Cost	Timing	Assumptions
CBD stormwater upgrade project	\$8 million	2034/35	<p>The stormwater network through the CBD has reached capacity. This is evident in increasing flooding events and supported by hydraulic modelling. Climate change and sea level rise will have an exacerbating effect over time. It is assumed that protection of the communities, properties and businesses in the CBD will continue to be a priority.</p> <p>There is a moderate level of uncertainty for this work due to the size of the project and competing demands throughout the city with a large percentage of the network found to be undersized for predicted storm loadings.</p>
Stormwater pipeline renewals	\$3.2 million	2036/37 and 2043/44	<p>Stormwater pipes are assumed to have an asset life of 65-125 years depending on size and material. On this basis, an increasing renewals requirement is expected from around 2026. There is limited inspection and condition data available to validate remaining life assumptions.</p> <p>The level of certainty for this work is low to moderate until investigations and modelling can validate the programme.</p>

### Implications of uncertainty

The uncertainty around the CBD stormwater upgrade is due in part to competing priorities for this type of work, which may cause its deferral. There are also only preliminary indicative costings available. Detailed design nearer to the time may yield cost estimate increases of up to 20%. Alternative solutions may also be considered, including development controls in the affected area.

The level of uncertainty regarding stormwater pipeline renewals is due to the lack of quantitative data to support asset life-cycle analysis. It is expected that condition analysis and assessment of performance against level of service targets may lead to deferral of the programme by 5 – 10 years. The cost of renewals is fairly certain on a unit length basis from Council’s recent experience conducting similar works.

### Major transport capital works programme summary

Figures 15 and 16 show the projected capital expenditure associated with the management of Porirua City transport infrastructure assets 2015 to 2045.

Figure 15: Porirua City projected capital transport TR1 (NZTA-subsidised roading programme) expenditure 2015-2045

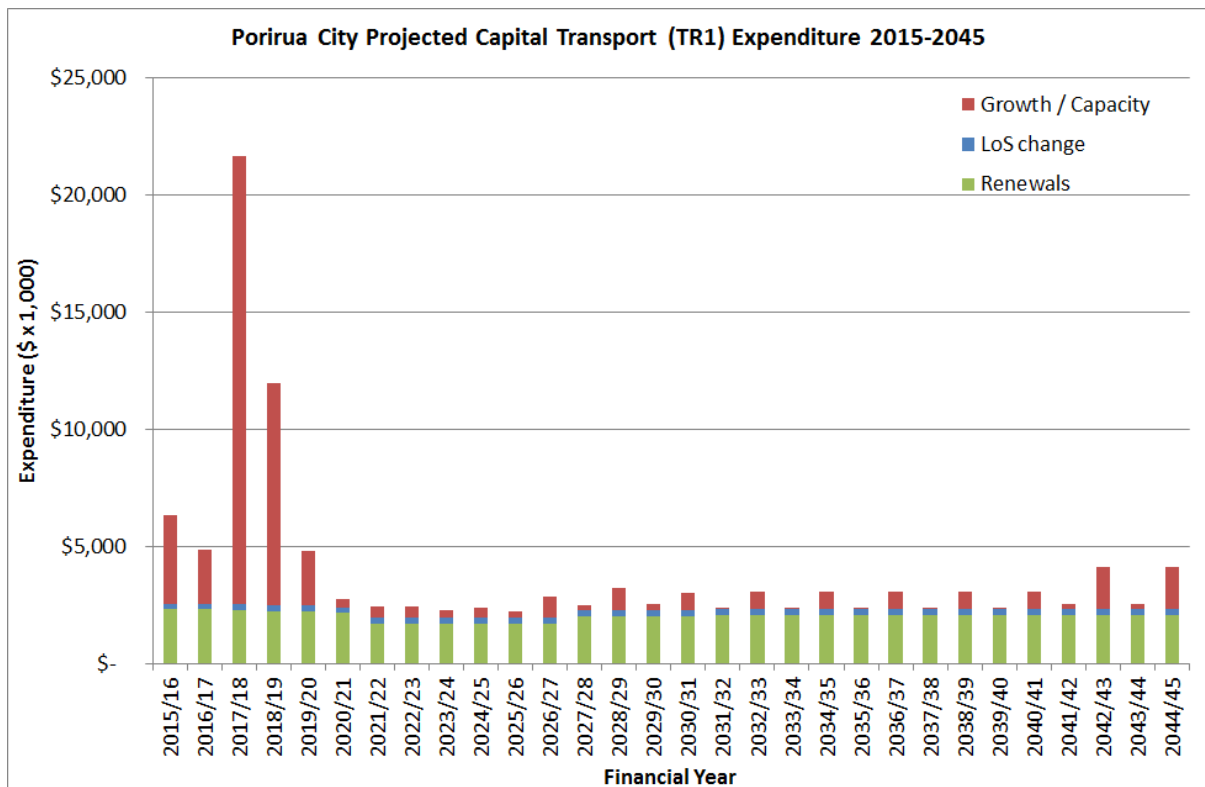
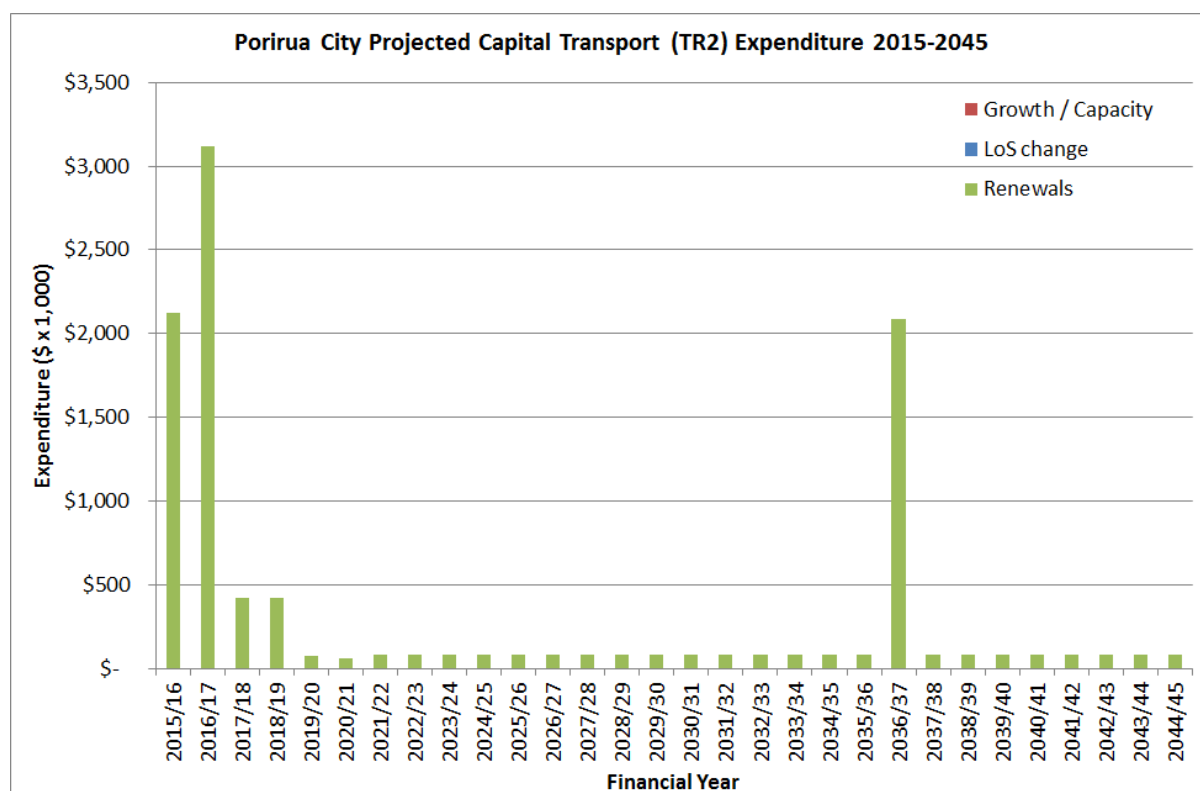


Figure 16: Porirua City projected capital transport TR2 (non-subsidised transport facilities) expenditure 2015-2045



New infrastructure projects estimated to cost \$2.5 million or more that are expected to be undertaken in the 2015-2045 period are shown in the table below. The estimated capital costs are expressed in 2015 New Zealand Dollars.

Major Work	Cost	Timing	Assumptions
Transmission Gully link roads	\$25.4 million	2015 - 2019	It is assumed that work (currently underway) will be completed within timing and budget.  There is a high level of certainty with the work as the construction contract has been awarded and work commenced.
City Centre canopies replacement	\$4.1 million  \$2 million	2015/16  2036/37	Assumes that replacement of the canopy fabric will be the selected option for upgrade. The 20 year cyclical renewal is well defined with the original installation being 20 years ago and the asset at the end of its service life. A further provisional 2 million is therefore allowed for in 2036/37.  There is a low to moderate degree of certainty that this work will go ahead as there is variable support within the Council and community for the future status or otherwise of the canopies.
Intersection upgrades	\$10.7 million	2018 - 2044	Assumes that demand will increase for improved access across the city through key nodes and intersections.  There is a moderate level of certainty for this project. Demand for these upgrades depends on the impacts of future development and the effect of the Transmission Gully Motorway.

### Implications of uncertainty

The timing and cost of the construction of the link roads for Transmission Gully is very certain being in the final stages of tendering and contract negotiation. With the contract payment terms being



heavily weighted on completion, if anything the works may be completed earlier rather than later and may require funding to be brought forward.

The cost of replacing the city centre canopy fabric is only indicative at this stage, with the expectation that it could change by 20% if a like-for-like option is adopted.

Intersection upgrades have a moderate level of certainty due to varying trends between vehicle usage, city growth and the future impact of major road projects such as Transmission Gully. Traffic modelling is used to account for all such foreseeable factors and the most likely and beneficial upgrade options selected.

## Appendix 1 – Population projections background information

Population projections are based on different combinations of fertility, mortality, and migration assumptions applied by Statistics NZ nationally, regionally, locally and to Census Area Unit (CAU) level. The latest, long term subnational population projections from Statistics New Zealand for Porirua to Census Area Unit(CAU) level is from 2010, using the 2006 Census as the base. The data extends as far as 2031, whereas the Infrastructure Strategy requires a 30 year span – 2015-2045. The subnational population projections from Statistics New Zealand, based on the 2013 Census, will not be available until the first quarter of 2015 calendar year (possibly February 2015).

This presents a challenge for local government in the preparation of the Infrastructure Strategy. To assist planning, the Porirua City Council has undertaken its own growth modelling using the latest available Statistics NZ information and a wide range of local data and assumptions to assist planning and identification of the likely low, medium and high projections to CAU for Porirua for the 30 years to 2046 (and beyond to 2051).

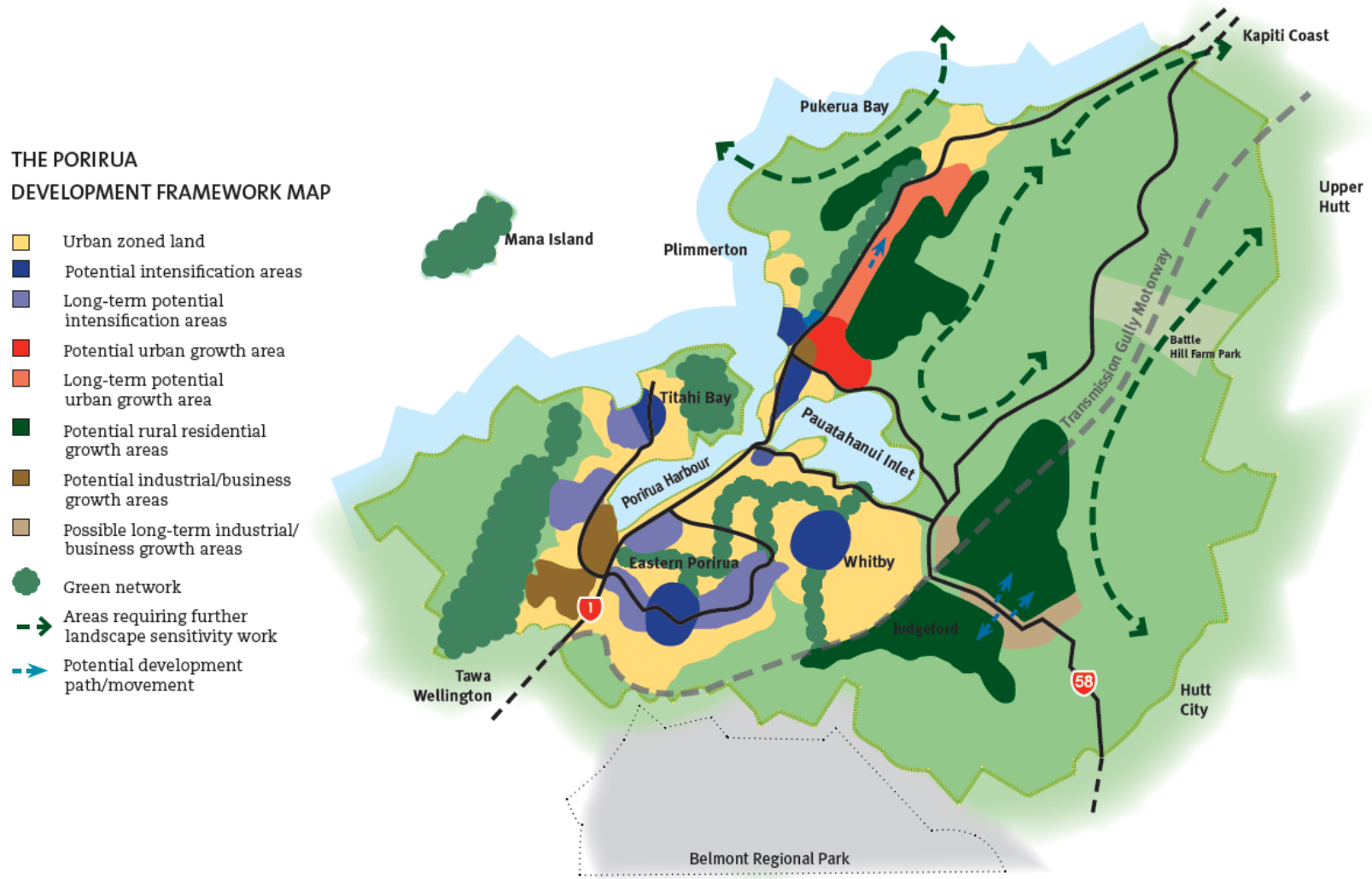
### Comparison of Porirua suburb/locality and Census Area Unit

Porirua’s 22 officially named suburbs and localities do not align precisely with the statistical Census Area Units. The following table describes the general relationship.

<b>Suburb or Locality of Porirua</b> (date published in <i>New Zealand Gazette</i> )	<b>Census Area Units</b> (as identified in the Census by Statistics NZ) *small contribution
Aotea (Suburb, 16 December 2010)	Papakōwhai South Ascot Park* Cannons Creek East*
Ascot Park (Suburb, 16 December 2010)	Ascot Park
Camborne (Suburb, 16 December 2010)	Mana–Camborne Inlet-Porirua Harbour* Plimmerton*
Cannons Creek (Suburb, 16 December 2010)	Cannons Creek East Cannons Creek North Cannons Creek South Waitangirua*
Rangituhi / Colonial Knob (Locality “Colonial Knob”, 3 November 2011; then officially renamed “Rangituhi / Colonial Knob”, from 1 August 2014 with the settlement of the Ngāti Toa Treaty claim)	Elsdon-Takapūwāhia Porirua Central* Titahi Bay South*
Elsdon (Suburb, 16 December 2010)	Elsdon-Takapūwāhia Porirua Central*
Hongoeka (Locality, 16 December 2010)	Plimmerton

Judgeford (Locality, 16 December 2010)	Pāuatahanui Resolution*
Kenepuru (Suburb, 16 December 2010)	Porirua Central Elsdon-Takapūwāhia*
Mana Island (Locality, 16 December 2010)	Mana Island
Paekākāriki Hill (Locality, 20 June 2013)	Paekākāriki Hill Pāuatahanui
Papakōwhai (Suburb, 16 December 2010)	Papakōwhai North
Paremata (Suburb, 16 December 2010)	Paremata-Postgate Mana-Camborne* Inlet-Porirua Harbour*
Pāuatahanui (Locality, 16 December 2010)	Pāuatahanui Resolution Endeavour* Inlet-Porirua Harbour*
Plimmerton (Suburb, 3 November 2011)	Plimmerton Paekākāriki Hill* Mana-Camborne*
Porirua City Centre (Suburb, 16 December 2010)	Elsdon-Takapūwāhia* Porirua Central*
Pukerua Bay (Suburb, 16 December 2010)	Pukerua Bay Paekākāriki Hill*
Rānui (Suburb, 3 November 2011)	Rānui Heights Porirua East Cannons Creek South*
Takapūwāhia (Suburb, 16 December 2010)	Elsdon-Takapūwāhia Tītahi Bay South
Tītahi Bay (Suburb, 16 December 2010)	Onepoto Tītahi Bay North Tītahi Bay South Inlet-Porirua Harbour*
Waitangirua (Suburb, 16 December 2010)	Waitangirua Adventure Cannons Creek East*
Whitby (Suburb, 16 December 2010)	Discovery Endeavour Resolution Adventure Paremata-Postgate Pāuatahanui* Inlet-Porirua Harbour*

## Appendix 2 – Porirua Development Framework map



## References

- *Porirua Development Framework 2009*
- *Porirua City Council Draft Water Supply Asset Management Plan 2014*
- *Porirua City Council Draft Wastewater Asset Management Plan 2014*
- *Porirua City Council Draft Stormwater Asset Management Plan 2014*
- *Porirua City Council Draft Transport Asset Management Plan 2014*

**Section 7: Significance and Engagement Policy**

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## Significance and Engagement Policy

### Purpose

The purpose of the Significance and Engagement Policy<sup>20</sup> is to:

- enable the Council and its communities to identify the degree of significance for issues, proposals, assets, decisions, and activities;
- provide clarity about how and when communities can expect to be engaged in decisions; and
- inform the Council from the beginning of a decision-making process about the extent of public engagement expected before a decision is made; and type of engagement required.

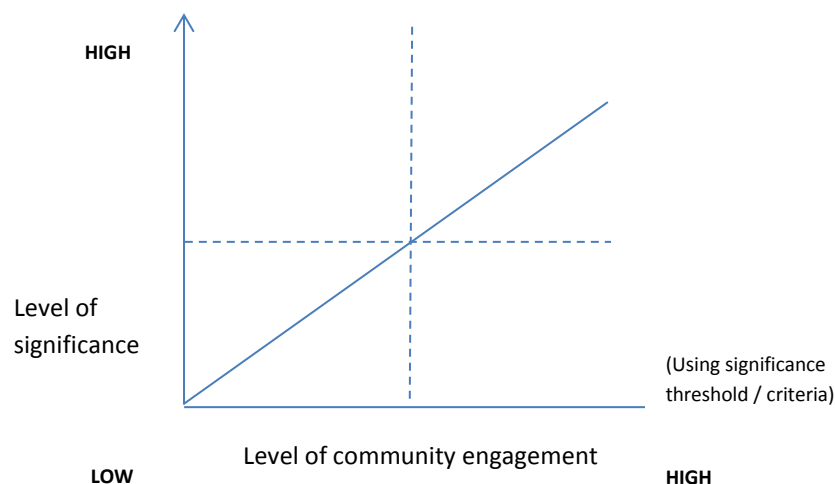
### Introduction

Porirua City Council has a wide range of responsibilities and interests and regularly considers proposals and makes decisions on many issues, from small to very large. The outcome of decisions can affect some or all of the city's communities in different ways. It is important for people likely to be affected to know about what may happen and to have an opportunity to make their views known before a final decision is made.

The Local Government Act 2002 (the Act) empowers and regulates the work of councils<sup>21</sup>. Under the Act, councils are required to use

their discretion to make decisions depending on the 'significance' or degree of importance of the issue involved. This discretion makes it important to have a policy and process to help guide decision-making on the level of significance for a particular matter and the level and type of engagement that may be required.

***In general, the greater the possible degree of impact that an issue has, the more likely it is to have a high degree of significance and require more deliberate engagement.***



<sup>20</sup> Required under s.76AA Local Government Act 2002 and replaces the Significance Policy formerly required under s.90 of the Local Government Act 2002.

<sup>21</sup> The work of local government is covered in many statutes, but chief among them are the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987 and the Resource Management Act 1991.

The Significance and Engagement Policy sets out for the Council and the community:

- the criteria and process used by the Council to determine the degree of significance;
- how the Council will respond to community preferences about engagement on decisions;
- how the Council will engage with communities on other matters;
- the assets considered by the Council to be strategic assets.

### *Statutory framework*

There is an extensive statutory framework for local government, primarily set out in the Local Government Act 2002 (the Act).

When the Council is considering the need to make a decision on any matter, it must consider a wide range of factors, including determining the significance of the decision and engaging with the community in an appropriate way to inform and provide opportunities for affected or interested people to make their views known.

The legal requirement for the Significance and Engagement Policy is part of the broader legal framework for local government purpose, principles, decision-making and consultation, set out in the Act, summarised briefly below and in Schedule 1:

- s.76AA requires the adoption of a Significance and Engagement Policy;

- s.5 describes “*significance*” as the degree of importance of any issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and consequences for -
  - the city (district) or region
  - anyone likely to be particularly affected or interested
  - the capacity of the local authority to perform its role, and the financial and other costs of doing so;
- s.5 also describes “*significant*” as any issue, proposal, decision, or other matter having a “*high degree of significance*”;
- s.10 describes the purpose of local government and provides some of the direction to frame decision-making;
- s.14 sets out the principles that the Council must use to perform its role;
- s.76-81 set out the requirements for local government decision-making;
- s.82-87 set out the requirements for consultation.

### *How significance will be determined*

The Council will make the decision on a matter’s significance.

When determining the extent to which a matter for proposal or decision is significant, using the criteria and thresholds below, a report will be prepared for the Council with an assessment of:

- the degree of significance of the issue including involvement of strategic assets (Schedule 2);
- the degree of engagement proposed;



- the engagement plan proposed; and
- a recommendation.

Decisions of low significance, including some decisions made under delegated authority, may not explicitly state the degree of significance for this reason.

Significance and engagement will be considered early with a proposal before decision-making occurs. Different levels of engagement may be required during the phases of decision-making, and for different stakeholders. The Community Engagement Guide (Schedule 3) identifies examples that the Council will use for some issues.

When the Council makes a decision that is significantly inconsistent with this policy, the steps identified in s.80 of the Act will be followed (see Compliance Process).

***Criteria, thresholds and processes to determine significance***

The application of the criteria is a matter of judgement for the Council. The Council will use the thresholds, criteria and procedures set out in this section to determine the significance of matters for proposals and decisions.

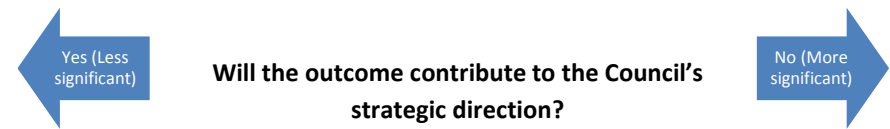
These criteria apply as a set and it is important to note that:

- One criterion in isolation does not necessarily determine the level of significance;
- The criteria are not of equal weight in determining the level of significance.

A precautionary approach will be adopted to help determine the overall significance of a matter for a proposal or decision if:

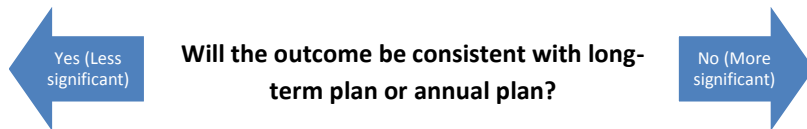
- one criterion registers as significant and the others are marginal;
- many or all criteria register as just below “significant”.

***The Council’s strategic direction***



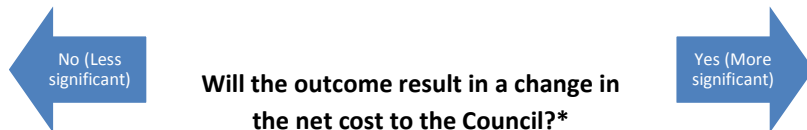
If the matter clearly contributes to the Council’s strategic direction (as described by the vision, outcomes, strategic priorities and key long-term plan or Annual Plan projects) and is marginal for the other thresholds and criteria, it is likely to be considered “less significant”. This is because it will align with the overall strategic direction consulted on by the Council in a very deliberate manner. If a matter for a proposal or decision does not clearly contribute to any part of the strategic direction, it is likely to be treated as being “more significant” and therefore require careful analysis and engagement.

### Consistency with long-term plan or annual plan



Apart from the strategic direction, if the matter is identified in the long-term plan or annual plan, it is likely to be considered “less significant”. This is because the matter had been consulted on by the Council in a very deliberate manner for the purpose of those documents. If a matter is not included in either plan, it is likely that a precautionary approach will be adopted and the issue will be treated as being “more significant”. This will include consideration of the degree to which a decision or action is consequential to, or promotes, a decision or action, or the strategic direction, that has already been taken by the Council.

### Net Cost



In general, the higher the cost to the Council, the greater the degree of significance. Most major spending decisions will be made in the context of the long-term plan or annual plan. If the outcome of a matter for proposal or decision will result in no or low net cost, it will be regarded as “less significant”. Consideration should also be given to the extent to which the outcome will affect general rates, targeted rates, and user fees and charges. With this criterion, there is a threshold to trigger more analysis, planning and engagement when operational and capital expenditure is involved.

#### \*Threshold

Any one issue, asset, or other matter that will incur:

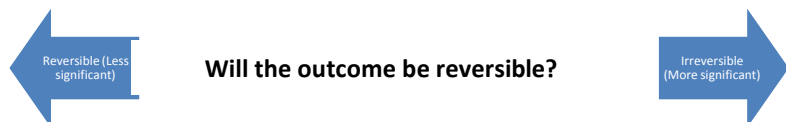
- **capital expenditure** exceeding 1% (\$11 million) of the total value of Council’s assets (**Note** - the threshold for capital expenditure relates to new or development expenditure only, not asset renewal which is an important aspect of owning and managing assets); or
- **operational expenditure** exceeding 5% (\$3.6 million) of Council’s total operating budget for that year (**Note** - The thresholds are not mutually exclusive. Capital expenditure is likely to result in associated operating costs, which must also be tested for materiality)

### *Interest to Māori*



Ensuring opportunities for Māori to contribute to the local government decision-making process is an important consideration and requirement for the Council<sup>22</sup>. There is an established set of relationships at governance and management levels between the Council and Ngāti Toa through Te Runanga o Toa Rangatira. The level of interest to Māori for a particular matter for proposal or decision, and the appropriate level of engagement, will be determined in discussion with the Runanga, requiring early contact on each major issue. The Council will also need to ensure opportunities for engagement with Māori in Porirua with other iwi affiliations.

### *Reversibility*



<sup>22</sup> s.14(1)(d); s.77(1)(c); s.81 LGA 2002; and the Treaty of Waitangi claim settlement between the Crown and Ngāti Toa.

The outcomes of some decisions are difficult to reverse (e.g. industrial development, subdivision, new road, reclamation) and need careful consideration. In general, the degree of significance will increase as the difficulty of reversing the outcome increases.

### *Community interest*



The higher the degree of community interest in a matter for a proposal or decision, the greater the likely degree of significance and need for engagement.

### *Strategic Asset*



If a Council strategic asset is involved (Appendix 2) then the matter will be treated as being “more significant”, particularly if it involves the transfer of ownership or control, or the disposal or divestment.

#### **\*Threshold**

- The transfer of ownership or control, or the disposal or abandonment, of a strategic asset as a whole as defined by the Act 2002 or listed in this policy

### *Affected individuals and groups*



An important requirement for the Council is to identify affected individuals and groups for any matter for a proposal or decision and the likely degree of impact. Generally, the greater the impact on affected individuals and groups, the greater the significance and need for engagement. Depending on the issue and the location, consideration may need to be given to the impact on, and opportunity to engage with different age groups, ethnic communities, community groups and organisations (church, sport and recreation, residents associations etc). The Council will continue to use a range of tools for engagement at the appropriate level.

### *Levels of service*



In general, the greater the impact of a proposal or decision on the Council's level of service for an activity (services provided by the Council eg libraries, Wastewater Treatment Plant, animal control) or group of activities (such as Transport, Community and Leisure, Democratic Process), the greater the significance and need for

engagement. It is important to identify whether a proposal or decision might result in any of the following and in a significant way:

- a change in the level of service for an activity or group of activities;
- the way they are delivered;
- the capacity of the Council to provide a service or carry out an activity;
- a decision to cease or commence any activity;
- a decision that will, directly or indirectly, severely affect the capacity (including financial) of the Council to carry out any activity identified in the long-term plan.

#### ***\*Threshold***

- The significant alteration to the intended level of service provision for any significant activity undertaken by or on behalf of the Council, including commencing or ceasing such an activity

### *Compliance Process*

If a decision of the Council is significantly inconsistent with this policy or any other enactment, then s.80 of the Act applies:

The Council must, when making the decision, clearly identify—

- (a) the inconsistency; and
- (b) the reasons for the inconsistency; and
- (c) any intention to amend the policy or plan to accommodate the decision.

### *Determining the appropriate levels of engagement*

Once the significance of a matter for proposal or decision has been determined, the appropriate levels of engagement can be decided – see Schedule 3 Community Engagement Guide.

## ***SCHEDULE 1– LOCAL GOVERNMENT STATUTORY FRAMEWORK***

Local government has clearly defined principles and requirements for the way in which it operates, makes decisions, determines significance of matters, and engages with communities, set out in the Local Government Act 2002 and which must be referred to for the full legal description.

The **purpose of local government** is set out in s.10 of the Act, to:

- enable democratic local decision-making and action by, and on behalf of, communities; and
- meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

In making decisions and performing its work, local government needs to consider and show evidence that it has taken into account a number of factors including:

- identifying and assessing options;
- quantifying benefits and costs;
- determining the amount of information to be provided;
- providing evidence of compliance with the significance and engagement policy;
- providing processes to encourage and engage with Māori;
- acting in accordance with the **principles relating to local authorities** (set out in s. 14 of the Act) including:

- being aware of, and having regard to, the views of its communities
- taking account of the diversity of the community and its interests;
- taking account of the interests of current and future generations;
- prudent stewardship and efficient and effective use of resources; and
- taking a sustainable development approach.

## *SCHEDULE 2- STRATEGIC ASSETS*

Section 76AA(3) of the Act requires the Significance and Engagement Policy to list the assets considered by the Council to be strategic assets.

A strategic asset is any asset that the Council needs to maintain its capacity to achieve or promote the strategic direction (outcomes, priorities, key projects) that are important to the current or future wellbeing of the community.

The Council considers that the definition applies to the assets as a whole because the asset class as a whole delivers the service. For example the road network is strategic, but small parcels of land that make up the road network generally will not be, and the purchase or sale of such small pieces of land may not amount to significant decisions. Consideration will still be given however, to determine whether a matter affecting a component might substantially affect the ability of the Council to deliver the service.

Under s.97(2)(a) of the Act, any decision to transfer the ownership or control of a strategic asset to or from the Council can only be made if the decision has been explicitly provided for by a statement of proposal in the Council's long-term plan.

The Council considers the following to be strategic assets and decisions on these may trigger the Significance and Engagement Policy:

- Road network in its entirety

- Water network in its entirety
- Wastewater network in its entirety
- Stormwater network in its entirety
- Reserves network in its entirety
- Moana Court housing

Some facilities that are part of a network (eg Wastewater Treatment Plant and Spicer Landfill) are not mentioned specifically but will likely trigger some criteria such as net cost to the Council and level of service.

## SCHEDULE 3 – COMMUNITY ENGAGEMENT GUIDE

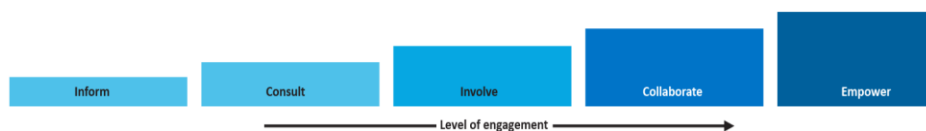
### Purpose

This schedule is to provide a general guide to the types and levels of engagement that might assist once the level of significance has been determined. This is not an exhaustive list of processes and techniques. A separate operational policy/guide will be prepared to assist.

### Background

Community engagement is a process involving all or some of the public and is focussed on information gathering, decision-making or problem-solving. There are many ways that the Council engages already, and more to be considered, but this will depend on the location, significance of the issue, and community affected.

The International Association for Public Participation (IAP2) has developed a Public Participation Spectrum to demonstrate the types of engagement with the community<sup>23</sup>. In general, the more significant an issue, the greater the need for community engagement:



23

[http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum\\_v2010.pdf](http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_v2010.pdf)

‘Informing’ stakeholders involves one-way provision of general information. At the other end of the spectrum, ‘empowering’ stakeholders to make decisions recognises that there is an increased level of importance of an issue, likelihood of greater public impact, the need for higher quality information and more opportunities to be informed, make views known and be involved in the decision and outcome.

It will not always be appropriate or practical (e.g. because of time and money) to conduct processes at the ‘collaborate’ or ‘empower’ end of the spectrum and a deliberate, considered and practical process is necessary to determine this. Much of the work of local government is conducted in the “inform” and “consult” level of the spectrum but other parts of the spectrum may be used towards this.

### The Council’s commitment

When engaging with the community, the Council will:

- Seek and encourage contributions from people who may be affected by, or interested in, a decision;
- Provide relevant, timely and balanced information so people can contribute in a meaningful way;
- Provide appropriate ways for people to have their say;
- After the decision is made, tell the community what the Council decision is and the reasons for that decision.

### Forms of engagement

The Council may use a variety of engagement techniques and tools on any issue or proposal over the time of decision-making. These may be adapted for different factors, including history, public awareness, stakeholder involvement, relationship to other events, and budgets.



### *Special Consultative Procedure*

As noted earlier, much of the work of local government is conducted in the “inform” and “consult” level of the spectrum. Even though the Act has relaxed the rules around use of the special consultative procedure, the Council may continue to use this process as it is familiar to the Council and the community. However, it is likely to be supplemented with other techniques.

Changes to the special consultative procedure of the Act are small. These include allowing dissemination of information through electronic means (the Council already does this), and we are likely to continue with traditional methods of making information available (such as at the front desk of the Council building and in libraries). The Council does, however, need to consider the possibility of receiving oral submissions through audio or video conferencing, and other preferences of submitters, such as use of sign language.

The Council will use the Special Consultative Procedure (s.83 of the Act) where required, including for the following issues requiring decisions<sup>24</sup>:

- adoption or amendment of a long-term plan (s.93A of the Act);
- adoption, amendment, or revocation of bylaws (s.156(1)(a) of the Act) if of significant interest to the public or there is, or is likely to be, a significant impact on the public;
- adoption, amendment or revocation of a Local Alcohol Policy;
- adoption or review of a Local Approved Products (Psychoactive Substances) Policy;
- adoption or review of a class 4 venue policy under the Gambling Act 2003;

- preparation, amendment or revocation of a waste management and minimisation plan.

Unless already explicitly provided for in the long-term plan, the Council will seek to amend its long-term plan using the Special Consultative Procedure, when proposing to:

- alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, including commencing or ceasing such an activity; or
- transfer the ownership or control of strategic assets, as listed in Schedule 2.

For this, the Council will develop information that meets the requirements of s.82A of the Act, making this available to the public, allowing submissions for a period of up to 4 weeks, and will consider all submissions prior to making decisions.

### *Principles of consultation and information requirements*

The Council will consult in a manner that gives effect to the requirements of s.82 of the Act where required, including for the following specific issues requiring decisions:


- adopting or amendment the annual plan if required under s.95 of the Act;
- adopting or amending a bylaw if required under s.156(1)(b) of the Act in any case in which the special consultative procedure is not required;
- transferring responsibilities to another local authority under s.17 of the Act;

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<sup>24</sup> A number of Acts of Parliament require local government to consult.

- establishing or becoming a shareholder in a council-controlled organisation;
- adopting or amending relevant statutory policies such as the Significance and Engagement Policy and Revenue and Financing Policy.

For other issues, the following table provides examples of different levels of engagement that may be appropriate, the tools that might be used, and general timing.

Increasing level of impact and engagement 					
Level of engagement	Inform	Consult	Involve	Collaborate	Empower
<b>What does this level of engagement involve?</b>	The Council provides balanced and objective information to help understand the problem, alternatives, opportunities and solutions.	Two-way communications: for the Council to provide information and public feedback on analysis, alternatives and decisions.	Participatory process to help identify issues and views to ensure that concerns and aspirations are consistently understood and considered in decision-making.	Working together to develop an understanding of issues and interests to work out alternatives and identify preferred solutions.	Placing final decision-making in the hands of the public.
<b>Types of issues that we might use this level of engagement for</b>	Local water restrictions; Road closures; Promotion of events	Rates review; Change to bylaws; Local Alcohol Plan	Changes to the Porirua District Plan; Developing the Porirua Northern Growth Area Structure Plan	Te Awarua-o-Porirua Harbour Strategy;  Village / Community Plans	Deciding election voting systems (eg STV, FPP)
<b>Tools the Council might use for this level of engagement</b>	Websites; Information flyers;  Public notices in newspapers	Formal submissions and hearings;  Focus groups; Surveys.	Workshops; Focus groups; Citizens' Panels	External working groups (involving community experts)	Binding referenda;  Local body elections
<b>When the community can expect to be involved for this level of engagement</b>	Generally once a decision is made.	The Council would advise the community once a draft decision is made with a proposal and generally provide up to 4 weeks to participate and respond.	The Council would generally provide the community with earlier involvement and discussion of the issues and describing contributing factors.	The Council would generally involve the community at the start to help scope the issue; after information has been collected; and when options are being considered.	The Council would generally provide the community with more time and information to allow involvement.

### *Sources*

Developed with reference to: the Local Government Act 2002 (reprint as at 8 August 2014); SOLGM guide on Significance and Engagement Policies; the Council's existing Policy on Significance; and the Waikato Mayoral Forum's Significance and Engagement Policy template.

## Section 8: Our key assumptions

### Growth and Demand Planning Assumptions – Population Growth

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
The population of Porirua City was 52,000 at the 2013 Census. It is projected to grow to between 55,800 by 2025. The rate of population growth will be between 0.3 - 0.7% over the next 10 years.	PCC growth assumptions and Statistics NZ population growth series projections	<b>Low level of uncertainty.</b> There is a low degree of uncertainty for the population growth assumptions, based on the robustness of Statistics NZ data.	All Activities, but in particular network infrastructure: Stormwater Wastewater Water Supply Transport

### Growth and Demand Planning Assumptions – Household Growth

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
Based on expected continuation of past trends, residential household units are expected to increase by over 2,100 units during the ten years 2015-2025. The number of households in Porirua City is projected to grow from approximately 18,000 in 2014 to 21,600 in 2026 and 26,000 in 2051. A decline in the average number of people per household is also projected.	PCC growth assumptions and Statistics NZ population growth series projections	<b>Medium level of uncertainty.</b> The level of uncertainty is considered medium in the short-term, as the impact of the economy on household growth is hard to predict. Once the economy settles, the risk is likely to be low, as Porirua's growth patterns tend to track evenly.	Financial Forecasting Planning Assumptions All Activities, but in particular: Stormwater Wastewater Water Supply Transport

### Growth and Demand Planning Assumptions – Northern Wellington Population Growth

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
Moderate to high population growth is expected in the Northern suburbs of Wellington City. This assumption will impact directly on the Council's Joint Venture services with Wellington City Council for Wastewater Treatment Plant and Solid Waste, as these suburbs are part of the Porirua catchment.	PCC growth assumptions and Statistics NZ population growth series projections	<b>Low level of uncertainty.</b> In the short term, the economy is likely to slow projected growth levels in northern Wellington.	Landfill Management Harbour & Catchments Wastewater Transport

## Regional Governance and Shared Services

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council will continue to be closely involved in regional governance and shared service discussions and opportunities and be ready to respond to, and initiate discussions.</b></p> <p>Regional governance amalgamation discussions will continue. More significant change could be proposed by the Local Government Commission.</p> <p>There are a range of shared services in place (eg Wellington Water; SMART libraries; Joint Venture for Waste Water Treatment Plant) and more will arise. Section 14(1)(e) of the Local Government Act 2002 requires local authorities to collaborate and cooperate.</p> <p>The Council needs to be ready to take up opportunities and manage any change required as a result of amalgamation proposals.</p>	<p><a href="#">Draft Proposal for Local Government Reorganisation in Wellington</a>; (Local Government Commission web)</p> <p><a href="#">Local Government Reform Information and Resources</a> (PCC web)</p> <p><a href="#">Wellington Water</a> (web)</p> <p><a href="#">SMART libraries</a> (web)</p>	<p><b>High level of uncertainty for amalgamation</b></p> <p>The level of uncertainty for amalgamation is high. At the time of writing, various polls suggest that there is a low level of support for the Commission’s Draft Proposal, meaning it is likely to be unsuccessful if it went to a referendum. However, there is regional support for some change and the ability for the Commission to release an amended proposal depending on the outcome of its deliberations. The Council will continue to be closely involved in regional governance discussions and opportunities.</p> <p><b>Medium level of uncertainty for shared services</b></p> <p>The level of uncertainty for shared services is medium given the slow and complex nature of discussions and planning. The Council will continue to be closely involved in shared service discussions and opportunities.</p>	<p>All activities</p>
<p><b>Comment:</b></p> <p>The Council has been an active participant in discussions on local government reform in the Wellington region for many years. On 2 March 2015, submissions closed on the Local Government Commission’s Draft Proposal for Local Government Reorganisation in Wellington for one council for the whole region with local boards.</p> <p>On 26 February 2015, the Council made a <a href="#">submission</a> agreeing to support the Draft Proposal, excluding Wairarapa. The Council noted that the Draft Proposal met the Council’s principles for Porirua in reorganisation and largely aligned with the application for change by the Greater Wellington Regional Council in June 2013 that it had supported.</p> <p>The Local Government Commission released its decision in June 2015 not to proceed with its draft proposal for a single council in Wellington. The decision has no impact on the Council’s Long-term Plan 2015-25 as the plan was prepared on the premise that we would continue as a stand-alone Council.</p>			

## National and regional policies, strategies and legislation

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council's work will be influenced by national and regional policy and strategy and legislative changes during the period of the LTP 2015-25.</b></p> <p>The role and function of local government is set out by law. The Council has responsibilities prescribed by many acts and regulations (eg Local Government Act 2002, Resource Management Act 1991; Building Act 2004). There is a regular Parliamentary cycle of statute development, review and amendment that affects the Council.</p> <p>The Council will also need to continue its responsibilities and participation in regional policy and strategy that is coordinated and managed by other organisations.</p>	<p>For example:  <a href="#">RMA reform proposed</a>            (Minister for the Environment 2015 speech);  <a href="#">The impact of government policy and regulations on the cost of local government</a> (LGNZ report 2012);  <a href="#">Wellington Regional Strategy</a>; and  <a href="#">Regional Policy Statement</a> (GWRC web);  <a href="#">Waste Management and Minimisation Plan</a> (WCC web)</p>	<p><b>Low level of uncertainty</b></p> <p>There is a low level of uncertainty as these changes are expected to happen.</p> <p>The order and pace of policy change delivered in the first two terms of the National-led government is continuing in the third term.</p> <p>Changes to any statute involving local government will have an impact on some of the Council's functions and possibly expenditure at different times. The Council will continue to monitor the nature of proposed change and degree of likely impact on the Council's functions to inform any alteration needed.</p> <p>The Council will continue to participate in the planning, development, revision, implementation, monitoring and reporting related to regional strategies and policies and to represent Porirua's interests and contribution to the region.</p>	<p>All Activities</p>

## Emergency Management

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council will be able to respond to civil defence and emergency management events during the period of the LTP 2015-25.</b></p> <p>The Council, working closely with the Wellington Regional Emergency Management Office (WREMO) and local emergency and community services, will:</p> <ul style="list-style-type: none"> <li>• respond to regional moderate/ severe emergency events (earthquake, tsunami, storm event, communicable disease outbreak);</li> <li>• respond to moderate/ severe localised emergency events (storm events, landslips, transport and industrial accidents etc); and</li> <li>• supplement its own resources and efforts with other physical, social and financial assistance depending on the nature and severity of the event.</li> </ul>	<p><a href="#">PCC Emergency Management</a> (web);</p> <p><a href="#">WREMO</a> (web)</p>	<p><b>Medium level of uncertainty.</b></p> <p>The level of uncertainty is considered medium because of the unpredictability of emergency events. The capacity for the Council to respond is highly dependent upon the scale, duration and location of events.</p>	<p>All activities</p>
<p><b>Comment:</b></p> <p>WREMO provides regional emergency management services (regional planning, advice, training, equipment, and public education to plan and recover).</p> <p>The Council manages the Porirua Emergency Operations Centre. Officers are trained for an emergency event. Emergency water tanks have been placed around the community.</p> <p>The Council is no longer a member of the Local Authority Protection Programme Disaster Fund (LAPP) scheme and now insures its infrastructural assets with Aon New Zealand, part of the Aon global corporation.</p> <p>Most of the Council's local emergency response work will be funded from normal council budgetary provisions. Depending on the scale and severity of event(s), other funding provisions including regional support will be considered and accessed as required.</p>			

## Climate Change

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council will be able to adapt to the effects of climate change during the period of the LTP 2015-25.</b></p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>• Coastal areas becoming increasingly prone to erosion, flooding and storm surges due to rising sea levels.</li> </ul>	<p><a href="#">Climate change</a> (Ministry for the Environment web);</p> <p>PCC Asset Management Plans (PCC web)</p>	<p><b>High level of uncertainty</b></p> <p>The level of uncertainty is considered high because of the uncertain nature of climate change influenced events.</p>	<p>Stormwater</p> <p>Wastewater</p> <p>Water Supply</p> <p>Transport</p>

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<ul style="list-style-type: none"> <li>Increased likelihood of damage to infrastructure as a result of extreme weather events (e.g. to assets such as roads, bridges, water mains, stormwater, flood protection works and sewerage systems).</li> </ul>			Emergency Management Harbour & Catchments Environment & City Planning

### Emissions Trading Scheme

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council will be able to adapt to the effects of climate change during the period of the LTP 2015-25.</b></p> <p>The Council will respond positively to the incentives provided by the New Zealand Emissions Trading Scheme (ETS) and other climate change mitigation policies, particularly in the area of forestry, waste and energy.</p> <p>The waste implications of the ETS have been factored in to the Council's Landfill Asset Management Plan.</p>	<p><a href="#">Climate change</a> (Ministry for the Environment web);</p> <p><a href="#">Spicer Landfill</a> (PCC web);</p> <p><a href="#">New Zealand Emissions Trading Scheme (NZ ETS)</a> (Frazer Lindstrom Climate Change and Energy Sector Strategic Advice web)</p>	<p><b>Low uncertainty in the short term, Medium uncertainty in long term.</b></p> <p>The Council has evaluated the scheme's impact in forestry, waste and energy. The Council is not pursuing more forestry opportunities for the ETS. The cost or levels of service for solid waste should not be significantly affected by the scheme. The added cost to energy prices (transport fuels and stationary energy) is minimal and unlikely to increase.</p>	Financial Forecasting Planning Assumptions Solid Waste

### Fossil fuel: Future Cost and Effect on Council Services

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>The Council will continue to be heavily dependent on fossil fuel products, but the future cost of fossil fuel will not have a marked effect on households or the Council during the period of the LTP 2015-25.</b></p> <p>Household consumer confidence is not expected to dip dramatically and the Council's ability to maintain existing or planned infrastructure and services is not expected to be compromised.</p> <p>This applies particularly for Works Operations and other</p>	<p><a href="#">The Next Oil Shock?</a> (Parliamentary Service web);</p> <p><a href="#">International Energy Agency</a> and <a href="#">Oil market reports</a> (IEA web)</p>	<p><b>Low uncertainty in the short term</b></p> <p><b>Medium uncertainty in the long term</b></p> <p>Short term uncertainty is low given the gradual price rise and OPEC fuel supply buffer.</p> <p>Long term uncertainty is medium due to new extraction methods (eg hydraulic fracturing "fracking") and continuing developments in fuel efficiency, alternative vehicle propulsion technologies and bioplastics, helping to conserve and maintain supply. Demand will be</p>	Financial Forecasting Planning Assumptions; Transport; Water Supply; Wastewater; Stormwater; City Landscape



Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
council vehicle fleet management and materials such as bitumen and plastic for underground pipelines.		balanced by Eurozone economic difficulties and China's moderated growth forecasts.	

### Energy Use: Electricity & Gas

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>Energy costs and the availability of affordable energy supplies will allow the Council to continue delivering services as planned during the period of the LTP 2015-25.</b></p> <p>The likely increased cost of services due to energy cost increases have been factored in the Financial Forecast Assumptions.</p>	<p><a href="#">Electricity insights</a> (MBIE web)</p>	<p><b>Low level of uncertainty</b></p> <p>The level of uncertainty is low because new electricity generation projects have increased wholesale electricity and gas prices gradually in a predictable manner. There is more information for the system model and its variables which creates a greater certainty for electricity and gas energy sources than liquid fuels. Transmission costs are expected to rise with new infrastructure but this is expected to be offset by falling distribution costs.</p>	<p>Financial Forecasting Planning Assumptions Indoor Recreation Wastewater Transport</p>

## Changing Social Profile

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>Some of the Council's services, facilities, programmes and policies will need to adapt in response to our changing social profile during the period of the LTP 2015-25.</b></p> <p>Porirua's social profile will continue and show gradual change, for example:</p> <ul style="list-style-type: none"> <li>• Porirua will continue to have a <b>larger proportion of young people</b> in the medium to long term compared to the New Zealand average;</li> <li>• Porirua's age profile will change with a <b>gradual long term increase in the proportion of older people</b>; and</li> <li>• Porirua will continue to have a <b>higher proportion of people identifying as Maori and Pacific people</b> than the New Zealand average.</li> </ul> <p>Wellington regional population changes will also occur gradually and will have some influence on Porirua's interests in the areas of workforce, education and economy.</p>	<p>Porirua's Community Profile: <a href="#">Census Porirua</a> (PCC web);</p> <p><a href="#">Greater Wellington – Socio-Demographic Profile 1986-2031</a></p> <p>Professor Natalie Jackson (GWRC web);</p> <p><a href="#">Planning assumptions to 2050</a> (NZIER report to Porirua City Council October 2013, PCC web);</p> <p>Regional government expenditure <a href="#">Summaries by region NZIER report to MBIE and Treasury April 2013</a> (MBIE web)</p>	<p><b>Low level of uncertainty</b></p> <p>There is a low level of uncertainty for the population change, based on the robustness of Statistics NZ data.</p>	<p>All Activities</p>

## Changing lifestyles

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p><b>Changes in work patterns and lifestyles will continue to influence people's expectations of the Council during the period of the LTP 2015-25.</b></p> <p>Changes will occur in a number of areas, for example:</p> <ul style="list-style-type: none"> <li>• Changes and opportunities with technology, particularly mobile computer and telecommunications;</li> <li>• Developments in domestic, industrial and transport technology;</li> <li>• Working and living arrangements.</li> <li>• An increasingly mobile population;</li> <li>• Flexible work arrangements (more part time, mixed occupations, working from home etc);</li> </ul>	<p><b>The changing nature of work:</b> <a href="#">The Burden of Occupational Disease and Injury in New Zealand: Technical Report</a> (MBIE web)</p> <p><b>Technology and broadband:</b> <a href="#">Fast Broadband</a> (MBIE web)</p> <p><b>Housing:</b> <a href="#">Housing Research and Evaluation</a> (HNZC web), <a href="#">New Zealand housing research</a> (MBIE web);</p> <p><b>Growing Up in New Zealand:</b> <a href="#">Longitudinal study of NZ children</a>, University of Auckland;</p>	<p><b>Low-Medium uncertainty</b></p> <p>The level of uncertainty is considered low to medium because while there might be small changes over the 2015-2025 LTP, it is not expected to have a rapid or dramatic effect on the provision of the Council's services, infrastructure or funding. Most change is expected to be gradual, apart from that associated with emergency events.</p>	<p>All Activities</p>

<ul style="list-style-type: none"> <li>• Apartment living (medium density housing);</li> <li>• Quality and efficient services (online payments and social media);</li> <li>• Increased use of mobile technologies;</li> <li>• Global business connections.</li> </ul>	<p><b>Quality of Life Project:</b> broad perceptions survey of residents in urban areas including Porirua</p>		
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**Energy Use: Electricity & Gas**

<b>Key LTP Assumptions</b>	<b>Reference</b>	<b>Level &amp; Nature of uncertainty</b>	<b>Related LTP sections</b>
<p>Energy costs and the availability of affordable energy supplies will allow the Council to continue delivering services as planned.</p> <p>The likely increased cost of services due to energy cost increases have been factored in the Financial Forecast Assumptions.</p>	<p>New Zealand's Energy Outlook 2010 Ministry of Economic Development, ISSN 1179-3996 (print) ISSN 1179-4011 (online)</p>	<p>Low – short and long term</p> <p>The level of uncertainty is low because new electricity generation projects have increased wholesale electricity and gas prices gradually in a predictable manner. There is more information for the system model and its variables which creates a greater certainty for electricity and gas energy sources than liquid fuels. Generation costs are expected to remain stable at 2012 levels until 2015. Transmission costs are expected to rise with new infrastructure but this is expected to be offset by falling distribution costs.</p> <p><a href="http://www.ea.govt.nz">www.ea.govt.nz</a> [Future costs fact sheet #4, 1/03/2013 Electricity Authority]</p>	<p>Financial Forecasting Planning Assumptions Indoor Recreation Wastewater Transport</p>

### Changing Social Profile

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p>Impacts on council services, facilities and policies will be assessed as required to cater for the changing social profile. For example:</p> <ul style="list-style-type: none"> <li>• Porirua will continue to have a larger proportion of young people in the medium to long term compared to the average across New Zealand;</li> <li>• In the longer term the age profile in Porirua will gradually change, with an increasing proportion of older people;</li> <li>• Porirua will continue to have a higher proportion of Maori and Pacific and a lower proportion of European and Asian than the New Zealand average.</li> </ul>	<p>Statistics NZ: Medium to High population growth series projections.</p> <p>Porirua City Council: LTP 2012-22 Population Data for Porirua City:  <a href="http://www.pcc.govt.nz/Porirua-Statistics-and-Monitoring">www.pcc.govt.nz/Porirua-Statistics-and-Monitoring</a>.</p>	<p>There is a low degree of uncertainty for the population growth assumptions, based on the robustness of Statistics NZ data. Further information at <a href="http://www.stats.govt.nz">www.stats.govt.nz</a></p>	<p>All Activities</p>

### Changing lifestyles

Key LTP Assumptions	Reference	Level & Nature of uncertainty	Related LTP sections
<p>Changing work patterns and lifestyles will continue to change people's expectations of the Council. Examples include:</p> <ul style="list-style-type: none"> <li>• Changes and opportunities with technology, particularly mobile computer and telecommunications;</li> <li>• Developments in domestic, industrial and transport technology;</li> <li>• Working and living arrangements.</li> <li>• An increasingly mobile population;</li> <li>• Flexible work arrangements (more part time, mixed occupations, working from home etc);</li> <li>• Apartment living (medium density housing);</li> <li>• Quality and efficient services (online payments and social media);</li> <li>• Increased use of mobile technologies;</li> <li>• Global business connections.</li> </ul>	<p>Changing nature of work:  <a href="http://www.dol.govt.nz/publications">www.dol.govt.nz/publications</a></p> <p>Technology:  <a href="http://www.med.govt.nz/fast-broadband">www.med.govt.nz/fast-broadband</a></p> <p>Housing:  <a href="http://www.dbh.govt.nz">www.dbh.govt.nz</a>  <a href="http://www.hnzc.co.nz">www.hnzc.co.nz</a></p> <p>Growing Up in New Zealand:  <a href="http://www.growingup.co.nz">www.growingup.co.nz</a></p> <p>Families:  <a href="http://www.nzfamilies.org.nz">www.nzfamilies.org.nz</a></p> <p>Quality of Life Project  <a href="http://www.bigcities.govt.nz">www.bigcities.govt.nz</a></p>	<p>The level of uncertainty is considered low to medium because while there might be some small changes in the time of the 2015-25 LTP, it is not expected to be to an extent that will have a rapid and dramatic effect on the provision of council services, infrastructure or funding. Most change will be gradual, apart from emergency events.</p>	<p>All Activities</p>