

# **ATTACHMENTS**

**UNDER SEPARATE COVER 1**

**Ordinary Council Meeting**

**30 September 2024**

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TAUPŌ DISTRICT COUNCIL LONG-TERM PLAN 2024 – 34

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## THIS PLAN IS ABOUT DELIVERING THE ESSENTIALS

### Message from the Mayor and Chief Executive

Kia ora koutou

Welcome to the Long-term Plan 2024-34, a plan that has been shaped by community feedback. You have spoken – and we have listened. The Long-term Plan is our guiding document for the next 10 years. It outlines our plans and priorities for the district over this period. It covers the services, projects and activities across the district and the budgets we require to deliver them.

We began working on our draft Long-term Plan in one of the toughest economic environments in recent years. The cost-of-living crisis is squeezing our residents and their household budgets, and it has been squeezing our budgets hard too. All councils, which look after facilities and infrastructure on behalf of our communities, have been hard-hit by soaring inflation, insurance and electricity costs, interest on debt and ever-increasing central government requirements.

The reversal of the intended Three Waters reforms also had a significant impact on this Long-term Plan. The eleventh-hour government decision to retain water infrastructure under local council control means the substantial cost of maintaining water assets and meeting increasing water standards shifts the cost back onto councils, and ultimately ratepayers. Three waters projects make up a significant portion of the capital projects included in this plan.

So we went to our community with a key proposal: that we put aside some of the nice-to-haves and moved new community recreation facilities out to later years in favour of maintaining and investing in our infrastructure (pipes, water networks and roads) while keeping rates rises as contained as possible. We asked you: should we focus on doing the essentials well, or do more (which would cost more), or do less to save more money? Most of the feedback from the 1418 submissions we received was that council should focus primarily on doing the basics, plan for future growth and invest in resilience. We have heard you and we have ensured that focusing on the essentials is a key cornerstone of this plan.

We also asked you whether you wanted us to stick with our current kerbside rubbish collection service or switch to rates-funded wheelie bins, and this was a topic that really raised a lot of interest. People were typically either strongly in favour of wheelie bins or strongly against them, for a variety of reasons. What was evident was that a one-size-fits-all service was not favoured by many of our submitters. With that in mind, we will be sticking with the status quo, although we recognise rubbish bags have some environmental and health and safety drawbacks and that many people were in favour of a switch to bins.

There were two other major consultation topics, on wastewater and on whether we should sell land we own to help provide first-home buyer options. We thank you for your input on these. In regard to the housing question, we are excited to have our community's support to try something bold and different to provide quality, attractive housing in our district of a type that is not currently being provided by the market.

We also signalled that we will begin preliminary planning for another bridge across the Waikato River, to explore what such a project might cost, and that although we know Tūrangi is very keen to see us move forward with plans for new community recreation facilities, they need to be considered as part of a wider town structure plan.

The five-week consultation period capped off nearly a year of effort to pull together our Long-term Plan draft. Our thanks go to the elected members, representative group members and staff who made the effort during this time to come along to the many engagement sessions, meet the community and explain the work of Council and the challenges we currently face. We must also say thank you to the community for their time in submitting their views and sharing how they believed we should shape the future for our district.

We believe the significant effort and careful consideration that has gone into this Long-term Plan and the decisions we have made with our community's help, will stand us in good stead as we face the challenges ahead and work to ensure the Taupō District remains a great place to live.

David Trewavas JP  
**Taupō District Mayor**

Julie Gardyne  
Chief Executive

## HIGHLIGHTS OF THIS PLAN – WHAT WE HEARD AND WHAT WE ARE COMMITTING TO

### What we heard from the community

We had a huge amount of feedback from the community (over 1400 submissions) on our proposals for the Long-term Plan 2024–34.

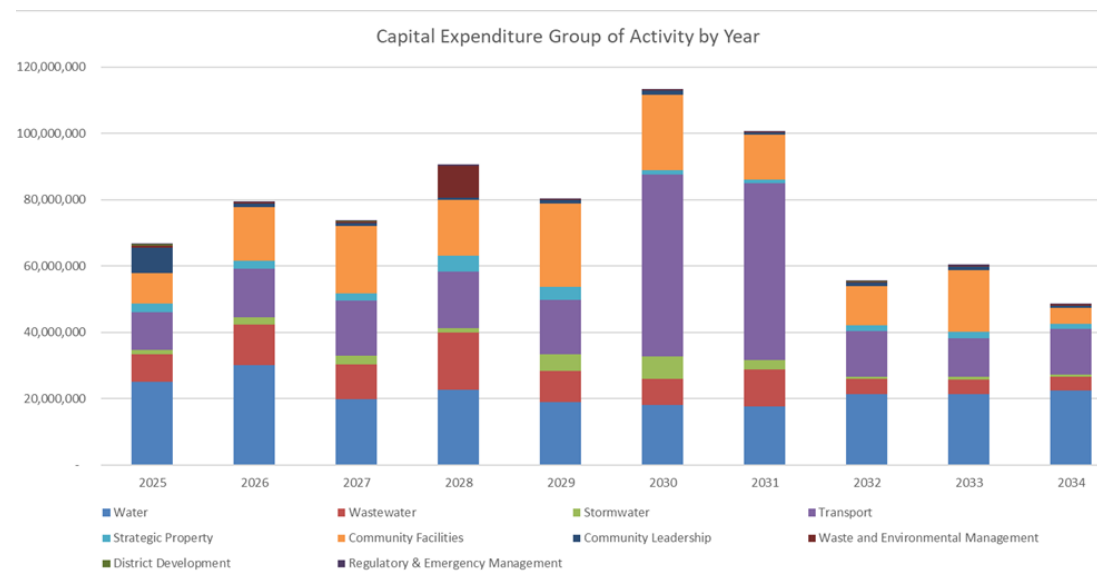
While many submitters sought additional services and new facilities in their community, one of the major themes of submissions was that Council needs to do its best to keep rates down, that things are tight for many people right now, and we should stick to just the basics.

Our programme of capital works is focused on delivering the essential road, drinking water and wastewater services, particularly in the first three years. It's a programme that will ensure that we are looking after our assets and keeping our community safe.

Around 60 percent of submitters agreed with this approach, with 28 percent asking for Council to do less, and 12 percent asking for more.

Given the feedback supporting a focus on the essentials, Councillors made only a few changes or additions to this plan despite requests from submitters.

Council will continue to work with community groups to support them to seek funding outside of Council to achieve their aspirations.



Overview

## Bag It or Bin It

Council consulted the community on a proposal to shift from rubbish bag collection to rates-funded wheelie bins. We received significant feedback from the community on this, with 65 percent of submitters against the proposal.

The key message from the community was that the proposed way of doing wheelie bins wouldn't work for a lot of people. There were also concerns especially from those who made a big effort to minimise their waste, and from holiday home owners, who felt they would have to pay more for a rates-funded system that they would hardly use or benefit from.

Council decided to maintain the current bag service based on the communities' feedback. Those who really want wheelie bins for their rubbish can still choose to get that service from a private provider.

Due to the cost and feedback from the community, Council also decided it won't roll out kerbside food waste collection unless central government mandates it. We will however continue to provide advice and support around home composting.

## Quality housing options for working families

In the previous Long-term Plan 2021-31, the community asked Council to consider what it could do to support more affordable housing. After developing a [Housing Strategy](#) in 2023, Council consulted the community on a proposal to partner with some expert home builders and developers to provide some affordable quality housing options.

Most of the feedback we received was in support (69 percent). Key concerns were about any rates impact, and Council getting involved in business in which it is not an expert.

Council agreed to proceed with the proposal to offer around 42 attractive, quality homes at a relatively low market price which would be suitable for first home buyers by late 2025 or 2026. Our partnership approach will ensure that the expert builders, developers and marketers are managing risks appropriately. There will be no impact on rates and Council can continue to use profits from land sales to pay property-related debt or invest in future housing options.

## Wastewaters – Tūrangi and Taupō

### Tūrangi Wastewater

Councils' current wastewater treatment plant is operating outside of its consent under an extension granted by Waikato Regional Council. It has been made clear to Taupō District Council that no further extensions will be granted and a future consent is likely to be contingent on improvements to wastewater treatment and disposal at the site.

Council agreed to budget \$6.8 million over 2026/27 – 2028/29 for improvements to the existing site to achieve a resource consent, given the uncertainty of whether it will be able to find an alternative land disposal site.

Council is committed to continue working with a local steering group, including local iwi and hapū, to find alternative disposal sites for the long-term.

### Taupō Wastewater

Council has committed to a programme of works to improve resilience and capacity of the wastewater network that connects across the Waikato River to the Taupō wastewater treatment plant. This programme of works, including \$2.8 million to install buffer tanks in 2024/25 – 2025/26, and \$7.7 million for increasing wastewater capacity across the Waikato River in 2028/29 – 2030/31, is intended to support growth on the northern side of the Waikato River through the continued use of the Taupō plant in the short-medium term.

In the long term, Council has committed to continue working with a steering group that will assess potential future options for dealing with wastewater on the northern side of the awa. This group includes local iwi and hapū.

Our key commitments for the next three years			
Drinking water treatment plant upgrades	\$17.3 million over 2024/25 – 2025/56 for plant upgrades to meeting NZ Drinking Water Standards at Motuoapa, Tirohanga, Omori, Whareroa and Hātepe.	Lakefront reserve improvements	Developing a plan with the community for the Mangakino Lakefront Reserve, with \$4.2 million over 2024/25 – 2027/28 for improvements \$4.4 million in 2024/25 – 2026/27 for improvements to the Great Lake Pathway shared path
Boost in renewals and maintenance for roads and water pipes	Major increases from \$3.5 million in 2023/24 to \$9.65 million a year for road repairs and rebuilds to keep on top of potholes and avoid more costly deterioration. Major increase from \$6.2 million in 2023/24 to \$10.0 million a year for water pipe replacements.	Lakeshore erosion management	\$5.8 million over 2025/26 – 2028/29 for investment to address lakeshore erosion, in partnership with Waikato Regional Council (Project Watershed).
Rural road safety (10-year programme)	<del>\$15.4</del> 12.0 million planned over 2024/25 – 2033/34, including: <ul style="list-style-type: none"><li>Improvements and widening of Broadlands Rd, Poihipi Rd, Whangamata Rd, and Tirohanga Rd</li><li>Continued sealing programme for rural roads</li><li>Flag lighting at high-risk rural intersections</li><li>Rural berm drainage widening, guardrails, and other improvements</li></ul>	Intersection improvements	<del>\$1.6</del> 0.8 million in 2024/25 – 2026/27 for Tauhara Rd and AC Baths Ave intersection improvements \$1.7 million in 2024/25 – 2026/27 for Taharepa Rd and Crown Rd intersection improvements
Accessibility, walking and cycling improvements (10-year programme)	<del>\$13.1</del> 14.9million over 2024/25 – 2033/34, including: <ul style="list-style-type: none"><li>Tūrangi underpass improvements (2024/25 – 2025/26)</li><li>Ātiamuri footpath for the top of the lake (2024/25)</li><li>Shared path on Lake Road Mangakino (2024/25 – 25/26)</li><li>Walking and cycling improvements in Wairākei (2028/29 – 2029/30)</li><li>A programme of accessibility and pedestrian crossing improvements</li><li>Norman Smith St cycling improvements</li><li>Safety improvements around schools.</li></ul>	Other key commitments	\$35,000 in 2024/25 for improvements in youth play spaces and \$400,000 a year for playground shade improvements <del>\$999</del> 990,000 in 2024/25 for sealing and drainage of carparks at Tūrangitukua Park \$670,000 in 2025/26 – 2026/27 for public toilet improvements including in Tūrangi town centre \$640,000 for removing the Pukawa wastewater oxidation pond and restoring the site in 2026/27 Connecting the Waipāhīhī Botanical Reserve toilets to the wastewater network in 2024/25 Omori playground parking improvements in 2024/25 Great Lake Centre refurbishment in 2025/26 Taupō netball court resurfacing and light upgrades in 2024/25. Portable changing rooms at Hickling Park in 2024/25
Owen Delany Park	\$9.5 million over 2025/26 – 2026/27 for Owen Delany Park stadium upgrade, including lights upgrade to broadcast standard		
Taupō District Council Long-term Plan 24 - 34			
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### Key plans from 2027 to 2034

Taupō Waikato River crossing	<p>\$76.9 million budgeted over 2024/25 – 2030/31.</p> <p>Over the next three years we'll work with Mercury, iwi and hapū and begin planning for another crossing. In our next Long-term Plan in 2027, we expect to be able to share more detailed design options for you to provide feedback. Detailed design and consenting would start in 2027/28, with construction planned over 2029/30 – 2030/31.</p>	Water meters	<p>For the next few years, there is no intention to charge for water use for normal residential properties. At some point in the next decade as the district continues to grow, we might need to consider installing water meters on existing residential properties to ensure there is enough water for everyone. We will not charge for residential water until we have talked to the community.</p>
Tūrangi town centre and community or recreation facilities	<p>\$17.8 million budgeted for improvements in 2027/28 – 2028/29.</p> <p>Over the next three years, together with the community and hapū, we will develop a structure plan for Tūrangi to get the town centre functioning better and to help figure out what recreation facilities might be needed and where best to place them. Council will also identify who should operate any potential community or recreation facilities, and how external funding of the cost could be achieved.</p>	Lakefront reserve improvements	<p>\$3.8 million budgeted for improvements to Wharewaka Point Reserve over 2024/25 – 2028/29</p> <p><del>\$5.6</del> <u>\$6.1</u> million budgeted for improvements to Kinloch lakefront and domain over 2030/31 – 2032/33. However, we have heard from the community that this timing isn't suitable for the domain issues. We will talk to the community over year one of this Plan and look to review the staging and timing of the project.</p>
Infrastructure resilience	<p>\$27.6 million budgeted for water reservoir resilience improvements over 2024/25 – 2033/34.</p> <p>\$14.2 million budgeted for stormwater flood mitigation improvements over 2024/25 – 2030/31.</p>	Broadlands Road Landfill upgrade and gas flare	<p>\$7.8 million budgeted to install a gas flare to reduce greenhouse gas emissions and a new covered area for the separation and storage of construction and demolition waste in 2025/26 – 2027/28.</p>
	<p><del>\$4.36</del> <u>\$3</u> million budgeted for other resilience improvement works over 2024/25 – 2029/30</p>	Youth play spaces	<p>\$5.8 million budgeted for more play spaces for teenagers, such as skate parks and basketball hoops, over the years 2027/28 – 2032/33.</p>
Taupō Events Centre fourth court	<p>\$12.9 million budgeted for construction of additional court space (either at Taupō Events Centre, or elsewhere in Taupō) in 2029/30</p>	Stormwater improvement devices	<p>\$4.5 million budgeted over 2024/25 – 2033/34 for additional stormwater filters to keep litter and debris out of our lakes, rivers and streams.</p>
Mangakino wastewater treatment plant upgrade	<p>\$7.8 million budgeted for major plant upgrade to reduce environment impacts and support growth over 2026/27 – 2027/28</p>	Intersection improvements	<p>\$3.0 million budgeted for Rifle Range Rd and Mere Rd intersection improvements in 2026/27 – 2028/29</p> <p>\$2.6 million budgeted for Napier Rd and Lake Terrace intersection improvements in 2030/31 – 2032/33.</p>
		Footpath connection to Waitahanui	<ul style="list-style-type: none"><li>• \$3.5 million budgeted for construction over 2028/29 – 2031/32</li></ul>
		Hickling Park – second hockey turf	<ul style="list-style-type: none"><li>• \$2.9 million budgeted for replacement of the existing turf and addition of a second turf in 2030/31 – 2031/32</li></ul>

## YOUR COUNCIL



**Mayor**  
David Trewavas



**Deputy Mayor**  
Kevin Taylor



**Councillor**  
Kirsty Trueman



**Councillor**  
Duncan Campbell



**Councillor**  
Anna Park



**Councillor**  
Christine Rankin



**Councillor**  
Rachel Shepherd



**Councillor**  
Yvonne Westerman



**Councillor**  
John Williamson



**Councillor**  
Kylie Leonard



**Councillor**  
Karam Fletcher



**Councillor**  
Danny Loughlin



**Councillor**  
Sandra Greenslade



## PURPOSE AND COMMUNITY OUTCOMES

### Our vision

We will be a district of connected communities who thrive and embrace opportunities.

### Community outcomes

Our community outcomes describe what we aim to achieve for our community, to promote the social, economic, cultural and environmental wellbeing of our district. They underpin how and why we deliver council activities.

#### 1. Tangata whenua are acknowledged and respected

- We acknowledge tangata whenua and their ancestral connection to the whenua, ngā maunga and ngā wai.
- Hapū and iwi are acknowledged as distinct communities with their own needs and aspirations. We will continue to work in a partnering approach on agreed projects.
- We will engage early and actively listen to and integrate the views of tangata whenua in our project planning, implementation and decision-making processes.
- We will continue to support staff to build their capability and understanding of te reo Māori me ōna tikanga.

#### 2. Vibrant places and connected communities

- We provide vibrant, safe places that support social connections.
- We celebrate the rich history of iwi throughout our public spaces and facilities.
- We provide choices for safe and effective transport connections.
- We connect people with nature through our reserves and public places.
- We provide venues, infrastructure and support for events that bring us together.
- We support arts and culture adding to the quality of life.

#### 3. Resilient communities working in partnership

- We provide resilient infrastructure that meets our community's intergenerational needs.
- We partner and collaborate with other to find shared solutions.
- Our community is empowered to lead initiatives, build connections and increase participation.
- We facilitate access to affordable, good quality and resilient homes.

#### 4. Innovative, thriving economy

- We welcome visitors and create inviting public places.
- Our town centres are places of activity and excitement.
- Our infrastructure helps us connect with the rest of the world.
- We build on our strengths and are open to new ideas.
- We think boldly and drive economic growth through innovation.

#### 5. Flourishing environment

- We think and act with an intergenerational view and embrace our role as kaitiaki.
- Our drive for reuse and regeneration helps build a circular economy.
- Our climate response remains agile as we work to reduce our carbon emissions.
- We manage wastewater and stormwater discharges to protect our water quality.
- We encourage and protect our natural ecosystems.



## TE TIRITI O WAITANGI

Kei te hāngai tika atu Te Kaunihera a Rohe o Taupō ki ngā ture o Te Tiriti o Waitangi me te mau mōhio ko te honongatahi te pūtake o Te Tiriti. E ai ki tēnei kia mahi tahi tātou ki runga i te whakaponono me te ngākaunui ki te whakamana i tēnei hononga. Kei te mōhio mātou he rerekē ngā takohanga kei waenganui i te Karauna hei kawenga ma te Kaunihera a Rohe o Taupō.

Ka hāngai tika atu Te Kaunihera a Rohe o Taupō ki ngā herenga mo te honotahi (ki te mahi tahi i tenei whakakotahitanga) kia uru tahi (te Māori ki ngā mahi a te Kaunihera), te tiaki (te whakatakoto i ngā tikanga me te tiaki i ngā tāonga o te iwi Māori) ki roto i a mātou whakaritenga mahi, ngā manahau me te whakatakoto kaupapa.

Ka mahitahi Te Kaunihera a Rohe o Taupō ki te iwi, me ngā hapū ki te whakamana i te ture mo ngā whakataunga o Te Tiriti me ētehi atu kaupapa ka puta mai i ēnei mahi.

Kei te mau uara Te Kaunihera a Rohe o Taupō mo tō mātou herenga ki te iwi Māori kei roto i tō tātou rohe. He roa ake te wā e pirihia pēnei, ka mau pono mātou ki te whakarei me te atawhaitia ki roto i ā mātou mahi me ngā wā ka hui tahi mātou ki ngā hapū, me te iwi Māori.

Ki te mau mārō o tātou honotahi, ka taea te Kaunihera ki te tukutuku ngā hua ki runga ake o ērā ka taea te tuku me ko te Kaunihera anahe.

E rua ngā reanga e tika ana ki o mātou hononga ki te iwi: ko te rangatira ki te rangatira, me te āpiha ki te āpiha. Ka mau hoki tēnei tikanga ki roto i ngā mahi katoa, kia whakawarea te iwi me ngā hapū i mua i te tīmatatanga o te mahi mo te whakatakoto kaupapa, ehara kei waenganui, kei te mutunga rānei o aua mahi.

Taupō District Council is committed to meeting its statutory Tiriti O Waitangi obligations and acknowledges partnership as the basis of Te Tiriti. This requires both parties to treat and work with each other in good faith and show good will to reflect the partnership relationship. We acknowledge these responsibilities are distinct from the Crown's Treaty obligations and lie within a Taupō District Council context.

Taupō District Council is committed to upholding its obligations of partnership (the duty to act in good faith in the nature of a partnership), participation (of Māori in council processes), protection (the duty to actively protect the rights and interests of Māori) in our services, activities and planning work.

Taupō District Council will work in partnership with iwi and hapū to give effect to Treaty settlement legislation and any provisions that result from these.

Taupō District Council values our relationships with Māori in our district. We have long-standing relationships that we commit to enhance and foster in our day-to-day business; and when we engage hapū, iwi, Māori. Strong strategic partnerships can help the council to deliver outcomes that exceed what it can deliver alone.

Council relationships with our iwi partners operates at two levels: rangatira ki te rangatira (chief-to-chief) and officer-to-officer. This also includes our engagement processes; we will start engaging iwi partners in the early stages of projects and planning processes, rather than only during or near the end of the mahi.

## FINANCIAL STRATEGY OVERVIEW

The financial strategy outlines the financial vision and priorities for the next 10 years. It aims to ensure we are achieving an appropriate balance between the needs of our community, responsible management of our assets, and financial sustainability over the long term. It provides guidance for Council's financial decisions and a means to monitor the financial performance of Council.

To achieve this, we are proposing the following:

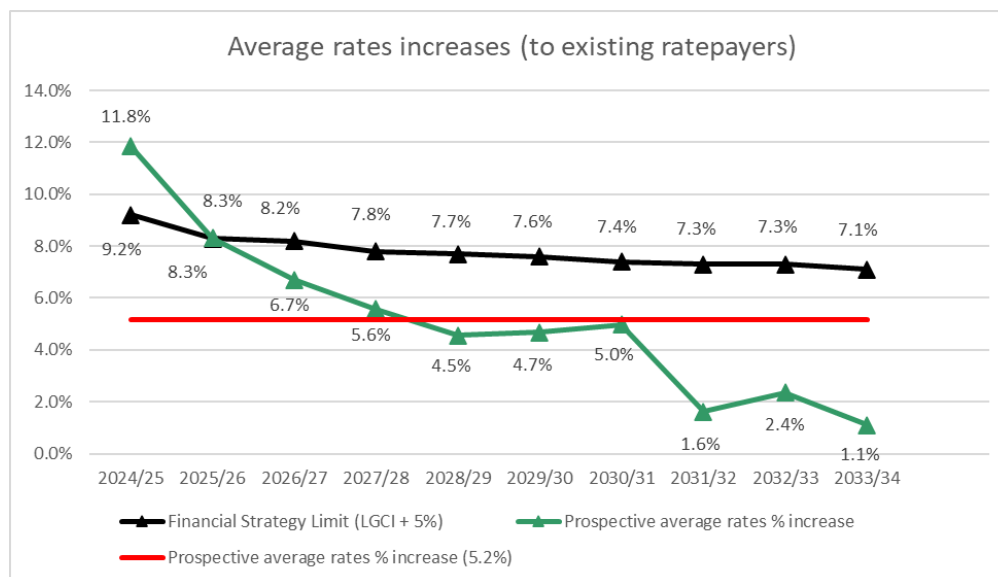
- Maintaining current levels of services.
- Continuing to fund 100 percent of depreciation of council assets over the assets' life cycle.
- Prioritising essential infrastructure, such as water services.
- Prioritising topping up negative reserve balances with rates funding in later years. This will ensure no further pressure is put on future generations and that Council is setting aside funding for the eventual replacement of those assets.
- Continue to use development contributions and development agreements to fund the portion of new assets required as a consequence of growth.

## Rates Affordability

To help ensure rates remain affordable we have set the following limits on rates:

- Total rates revenue must not exceed 80 percent of operating revenue
- Rate increases should not exceed Local Government Cost Index (LGCI) + 5 percent

While Council recognises that in the short-term projected rates increase are outside of the benchmark, keeping them within the benchmark would compromise key priorities. For most of the years in the 10-year period, Council is projecting rates increases well below the benchmark.

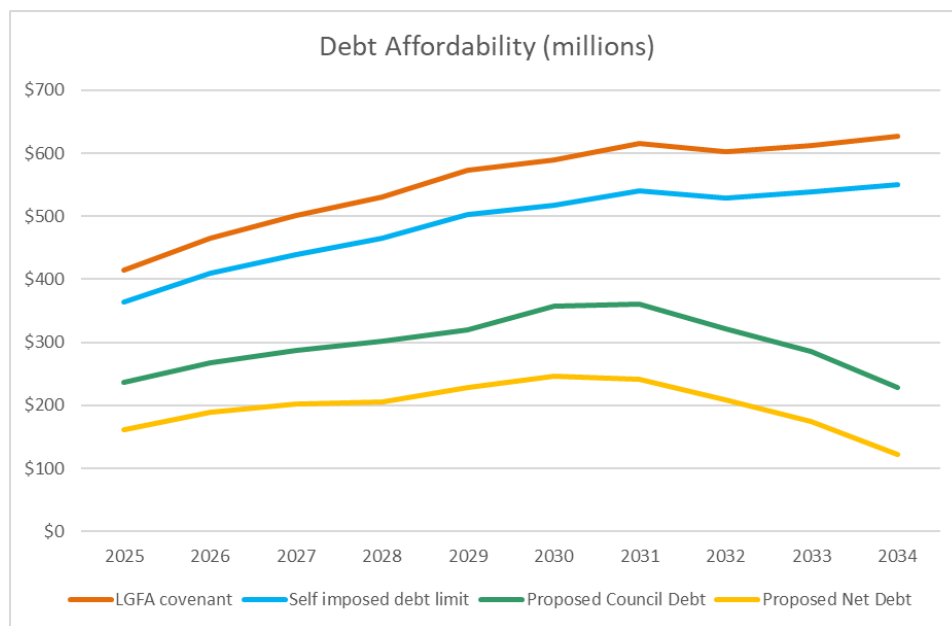


## Debt affordability

The financial strategy sets a debt affordability limit of 250 percent of gross external debt to revenue.

Council also recognises the importance of debt head room as a key part of planning for unexpected events and changes.

Despite the increased pressure on Council's debt and significant increases during this Long-term Plan, it remains at prudent levels. The new limit is well below debt covenants that are set by the New Zealand Local Government Funding Agency, and Council remain comfortably below the increased limit.



The full strategy is available in [Appendix 2: Financial strategy](#).

## INFRASTRUCTURE STRATEGY OVERVIEW

Council manages significant three waters and transport infrastructure on behalf of the community. Most of this infrastructure has a long life, typically many decades. While the Long-term Plan provides Council's delivery plans for the near future, the infrastructure strategy ensures that this planning is done within the context of ensuring sensible, efficient and sustainable management of three waters and transport infrastructure for the long term.

The infrastructure strategy aims to demonstrate that Council is carefully managing these assets by setting out how Council will ensure it meets these objectives:

- Assets are well looked after and in good condition for future generations.
- We are planning and investing to support growth and housing development.
- We are maintaining levels of service and improving public health and environmental outcomes, including working with iwi and hapū to protect and restore the health and mauri of our waterways.
- We are managing natural hazard risks to ensure our infrastructure is resilient.

The infrastructure strategy also sets out the major infrastructure challenges that we expect to face over the next 30 years, the options for addressing these, and when important decisions will need to be made. These are:

- Identifying a solution for transport from the northern side of the Waikato River and through Taupō town.
- Managing wastewater north of the Waikato River.
- Improving wastewater disposal in Tūrangi.
- The infrastructure strategy also sets out 30-year planned revenue and expenditure.

The full strategy is available in [Appendix 3: Infrastructure strategy](#).

## Variation from the Assessment of Water and Sanitary Services (2017)

Infrastructure service proposals in this plan are generally consistent with those contained in the Water and Sanitary Services Assessment (2017). Any variations relate to changes in growth predictions and the consequent timing of capital expenditure, because Council's growth model has been revised since the last long-term plan and the 2017 assessment was conducted.

## Local water done well

Council will be required to produce a Water Service Delivery Plan as part of the Local Water Done Well legislative changes. This plan will require council to demonstrate three key matters.

Financial and asset information	Information about each of council's financial and asset information and performance measures, pricing and other related policies, methodologies, and assumptions
Investment Requirements	Planned levels of investment, approach to operations, and whether these are sufficient to deliver proposed level of service, meet infrastructure standards and meet regulatory standards
Service Delivery Arrangements	Councils' proposed service delivery arrangements – including proposals for joint arrangements, across more than one council

Further guidance on the development of this Water Service Delivery Plan is expected from the Department of Internal Affairs in the third quarter of 2024. It is uncertain what the future looks like for three waters in our district as the final details, guidance, and financial opportunities have not been made clear to local authorities yet. Once these are made clear then Council can start planning what the future arrangements for three waters will look like.

## Capital delivery

The size of the capital work programme in this Long-term Plan is significant compared to historical budgets and delivery. Councils, including Taupō District Council, are continually required to deliver more for their communities through central government legislative changes and to meet increasing service standards. As an example, year one of our draft capital programme is driven by investment in our water assets that we have had to bring forward because of increasing Taumata Arowai standards.

Having work to carry forward from one year to the next is normal for councils, including our own. However, over recent years our carry forward programme has increased and needs to be actively managed. We have a three-year programme to progressively reduce this carry forward.

## WATER

### What we do and why we do it

We supply treated drinking water to 17 urban areas and small communities throughout the district. This involves taking water from lakes, rivers or bores, treating it, storing it and piping it to people's houses and businesses.

We also supply untreated water to the industrial businesses connected to the Centennial Road scheme in Taupō.

Safe, reliable water is a critical service for households and businesses.

We aim to ensure that:

- Drinking water provided by Council is safe to drink (and complies with drinking water regulations).
- There is sufficient capacity to meet current demands and future growth.
- Water treatment plants, water storage reservoirs, pump stations, hydrants and water pipes are maintained in good condition.
- System failures are addressed in a timely fashion.
- Users are satisfied with their water supply (including clarity, taste, odour and pressure).
- Water available for firefighting in urban areas meets required volume and pressure standards.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Environmental
- Cultural

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: people becoming sick if the drinking water is not treated and stored properly.
- Economic well-being: businesses not being able to operate properly if the water supply is unreliable.
- Environmental well-being: harmful effects on the environment if we take too much water.
- Cultural well-being: disregarding of Te Mana o te Wai (the integrated and holistic well-being of the water) could have cultural impacts.

### How we fund these activities

Water is funded primarily by a district-wide rate that applies in areas that have Council water services. See [Funding impact statement – Water](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- water treatment plant upgrades to meet new safe drinking water regulations
- an increased programme of water pipe renewals
- providing for growth
- water reservoir resilience improvements.

See [Schedule of capital expenditure – Water](#) for details of planned capital investment.

## Levels of service and performance measures – Water

Level of Service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 – 34
We provide safe drinking water to communities connected to a Council drinking water scheme.	WS.01	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules: (a) 4.4 T1 Treatment Rules; (b) 4.5 D1.1 Distribution System Rule; (c) 4.7.1 T2 Treatment Monitoring Rules; (d) 4.7.2 T2 Filtration Rules; (e) 4.7.3 T2 UV Rules; (f) 4.7.4 T2 Chlorine Rules; (g) 4.8 D2.1 Distribution System Rule; (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; and (j) 4.11.5 D3.29 Microbiological Monitoring Rule.	New measure	All schemes are compliant with the relevant parts of the drinking water quality assurance rules	All schemes are compliant with the relevant parts of the drinking water quality assurance rules	All schemes are compliant with the relevant parts of the drinking water quality assurance rules	All schemes are compliant with the relevant parts of the drinking water quality assurance rules
Our water reticulation network is efficient	WS.02	Percentage of real water loss from Council's networks reticulation system. Methodology in line with Water NZ "Water Loss guidelines" <sup>1</sup>	Not Achieved. Taupō: 169 l/connection/ day Tūrangi: 654 l/connection/ day Average of Other Urban Networks: 218 l/connection/ day Average of Rural Networks: 6.3 m3/km/day	Urban Schemes – Current Annual Real Loss = 300 l/connection /day Rural Schemes – Current Annual Real Loss = 6.0 m3/km watermain/day	Urban Schemes – Current Annual Real Loss = 250 l/connection /day Rural Schemes – Current Annual Real Loss = 5.5 m3/km watermain/day	Urban Schemes – Current Annual Real Loss = 200 l/connection /day Rural Schemes – Current Annual Real Loss = 5.0 m3/km watermain/day	Urban Schemes – Current Annual Real Loss = 160 l/connection /day Rural Schemes – Current Annual Real Loss = 4.2 m3/km watermain/day

<sup>1</sup> Lambert, A., and Taylor, R., Water New Zealand, "Water Loss Guidelines", February 2010, [https://www.waternz.org.nz/Folder?Action=View%20File&Folder\\_id=101&File=100503\\_waterloss\\_guidelines.pdf](https://www.waternz.org.nz/Folder?Action=View%20File&Folder_id=101&File=100503_waterloss_guidelines.pdf)



Level of Service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 – 34
We respond to faults with our water reticulation network promptly	WS.03	Median time for attendance for urgent call-outs: from the time that Council receives notification to the time that the service personnel reach the site	Achieved (0.8 hours)	Less than 1 hour	Less than 1 hour	Less than 1 hour	Less than 1 hour
	WS.04	Median time for attendance for non-urgent call-outs: from the time that Council receives notification to the time that the service personnel reach the site	Achieved (2.8 days)	Less than 6 days	Less than 6 days	Less than 6 days	Less than 6 days
We resolve faults in our water reticulation network promptly	WS.05	Median time for resolution of urgent call-outs: from the time that the local authority receives notification to the time that the service personnel confirms resolution of the fault or interruption	Not Achieved (5.4 hours)	Less than 4 hours	Less than 4 hours	Less than 4 hours	Less than 4 hours
	WS.06	Median time for resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that the service personnel confirms resolution of the fault or interruption	Achieved (4.2 days)	Less than 7 days	Less than 7 days	Less than 7 days	Less than 7 days
Customers are satisfied with the drinking water that they receive	WS.07	The number of complaints received by Council on: (a) Drinking water clarity. (b) Drinking water taste. (c) Drinking water odour. (d) Drinking water pressure or flow. (e) Continuity of supply. (f) Council response to these issues. This measure is expressed per 1000 connections to Council networked reticulation	Not Achieved (11.3 complaints per 1000 connections)	Less than 14 complaints per 1000 connections	Less than 12 complaints per 1000 connections	Less than 10 complaints per 1000 connections	Less than 8 complaints per 1000 connections
Potable water is used sustainably	WS.08	The average consumption of drinking water per day per resident within the district expressed as m <sup>3</sup> /day/HEU	Achieved (0.9m <sup>3</sup> /day/HEU)	Less than or equal to 1.5m <sup>3</sup> /day/H EU	Less than or equal to 1.5m <sup>3</sup> /day/H EU	Less than or equal to 1.5m <sup>3</sup> /day/H EU	Less than or equal to 1.5m <sup>3</sup> /day/H EU
There is adequate water for firefighting in urban areas	WS.09	Percentage of hydrants tested annually to ensure water pressure in urban areas meets FW2 firefighting code of practice standards	Achieved (9 percent of hydrants tested)	At least 5 percent	At least 5 percent	At least 5 percent	At least 5 percent

Water

## Funding impact statement – Water

Funding Impact Statement - Water	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	40	1	1	-	-	-	-	-	-	-	-
Targeted Rates	14,160	18,006	20,387	23,439	27,588	30,893	32,674	37,731	38,917	41,959	45,315
Subsidies and grants for operating purposes	509	128	-	-	-	-	-	-	-	-	-
Fees and charges	313	350	364	378	391	404	418	430	441	453	465
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	2,355	4,032	4,526	4,643	4,577	4,707	4,877	4,545	4,662	4,755	4,354
<b>Total Operating Funding (A)</b>	<b>17,377</b>	<b>22,516</b>	<b>25,277</b>	<b>28,460</b>	<b>32,556</b>	<b>36,004</b>	<b>37,969</b>	<b>42,705</b>	<b>44,021</b>	<b>47,167</b>	<b>50,134</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	6,291	7,968	9,448	10,094	10,944	11,313	11,759	11,733	11,808	12,211	12,064
Finance Costs	3,989	4,245	4,325	4,513	4,761	5,004	5,248	5,238	5,296	5,623	5,978
Internal charges and overheads applied	2,636	4,425	4,971	5,183	5,204	5,354	5,548	5,319	5,495	5,568	5,292
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>12,915</b>	<b>16,638</b>	<b>18,744</b>	<b>19,790</b>	<b>20,908</b>	<b>21,671</b>	<b>22,555</b>	<b>22,289</b>	<b>22,599</b>	<b>23,402</b>	<b>23,334</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>4,462</b>	<b>5,878</b>	<b>6,533</b>	<b>8,671</b>	<b>11,648</b>	<b>14,333</b>	<b>15,414</b>	<b>20,417</b>	<b>21,422</b>	<b>23,765</b>	<b>26,800</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	1,338	1,161	1,266	1,319	1,463	1,460	1,471	1,472	1,493	1,504	1,522
Increase (decrease) in debt	4,758	12,917	16,824	5,134	1,944	3,057	1,696	(7,703)	5,856	3,562	6,134
Gross proceeds from sale of assets	-	53	37	11	74	21	134	45	29	60	54
<b>Total Sources of Capital Funding (C)</b>	<b>6,095</b>	<b>14,132</b>	<b>18,127</b>	<b>6,464</b>	<b>3,481</b>	<b>4,538</b>	<b>3,302</b>	<b>(6,186)</b>	<b>7,379</b>	<b>5,126</b>	<b>7,710</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	761	2,781	5,712	6,091	7,290	4,799	3,538	722	722	80	1,009
- to improve the level of service	5,235	14,142	15,199	3,731	4,447	3,238	3,261	3,603	10,416	9,181	11,138
- to replace existing assets	5,938	8,052	9,114	10,075	11,000	10,933	11,330	13,291	10,138	12,091	10,366
Increase (decrease) in reserves	(1,377)	(4,965)	(5,365)	(4,762)	(7,609)	(99)	587	(3,386)	7,525	7,540	11,996
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>10,557</b>	<b>20,010</b>	<b>24,660</b>	<b>15,135</b>	<b>15,128</b>	<b>18,871</b>	<b>18,716</b>	<b>14,230</b>	<b>28,801</b>	<b>28,892</b>	<b>34,510</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(4,462)</b>	<b>(5,878)</b>	<b>(6,533)</b>	<b>(8,671)</b>	<b>(11,648)</b>	<b>(14,333)</b>	<b>(15,414)</b>	<b>(20,417)</b>	<b>(21,422)</b>	<b>(23,765)</b>	<b>(26,800)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Water

## Schedule of capital expenditure – Water

### Water

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>Growth</b>											
District - chlorine dosing and pH correction improvements		-	-	810	1,957	-	-	-	-	-	-
District - fire flow improvements		100	416	-	-	-	-	-	-	-	-
District - universal smart water metering		500	1,040	540	3,355	3,466	3,580	-	-	-	-
Kinloch - low zone reservoir construction		-	2,600	1,783	-	-	-	-	-	-	-
Kinloch - treatment compliance upgrade		4,000	936	-	-	-	-	-	-	-	-
Kinloch Water low zone reservoir construction	212										
Tauhara Ridge Reservoir & Airport - connection to Taupo Water	761										
Taupō - Brentwood reservoir construction		-	-	-	-	-	-	-	-	194	2,456
Taupō - Napier Road reservoir construction		-	312	4,647	1,007	-	-	-	-	-	-
Taupō - Tauhara Ridge reservoir and Airport connection		1,500	520	-	-	-	-	-	-	-	-
Taupō - Taupō WTP capacity upgrade		-	416	-	-	-	-	-	-	-	-
Taupō - Wairakei area capacity upgrade		-	-	-	-	-	-	123	1,198	-	-
<b>Growth Total</b>	<b>974</b>	<b>6,100</b>	<b>6,240</b>	<b>7,780</b>	<b>6,319</b>	<b>3,466</b>	<b>3,580</b>	<b>123</b>	<b>1,198</b>	<b>194</b>	<b>2,456</b>
<b>LOS</b>											
Backflow protection on tanker fill points	350										
Burst valves, level switches - reservoir resilience, renewals and strengthening		150	135	546							
Centennial - treatment compliance upgrade		500	6,344	-	-	-	-	-	-	-	-
Centennial treated water DWSNZ upgrade	725										
Chlorine dosing improvements - large schemes	200										
District - backflow protection on tanker fill points		700	-	-	-	-	-	-	-	-	-
District - fire flow improvements Whakamaru				54	447						
District - fluoridation programme		-	-	-	-	404	2,088	-	-	-	-
District - reservoir resilience, renewals and strengthening		-	-	-	-	-	-	-	8,009	9,066	9,691
Hatepe - treatment compliance upgrade (DWSNZ)		1,000	5,200	-	-	-	-	-	-	-	-
Hatepe Water DWSNZ upgrade	500										
Mangakino Water treatment improvements	80										
Motuoapa - treatment compliance upgrade (DWSNZ)		4,255	3,016	-	-	-	-	-	-	-	-
Motuoapa Water DWSNZ upgrade	1,912										
Motutere - treatment compliance upgrade		-	-	-	-	-	-	307	2,207	-	-
Omori - treatment compliance upgrade		1,600	-	-	-	-	-	-	-	-	-
River Road - chlorine contact tank		-	-	324	-	-	-	-	-	-	-
Taupō - low pressure improvements		-	-	-	-	-	358	2,702	-	-	-
Taupō - Mapara area capacity increase		1,000	1,456	1,351	-	-	-	-	-	-	-
Taupō - Poihipi reservoir construction		-	-	1,081	5,033	3,755	-	-	-	-	-
Taupō - treatment plant cyanotoxin upgrade		100	-	-	-	-	597	2,333	-	-	-
Taupō - treatment plant resilience upgrade		160	874	-	-	-	-	-	-	-	-
Taupo Water Operations Team new vehicles		120	62		67	69					
Tirohanga - treatment compliance upgrade		1,500	146	-	-	-	-	-	-	-	-
Tirohanga Water UV Upgrade	250										
Turangi Water treatment improvements	106										
Waihaha - continuity of supply upgrade		350	-	-	-	-	-	-	-	-	-
Waihaha Water - Security of Supply	250										
Water Loss Strategy implementation	350										
Whareroa - treatment compliance upgrade		560	-	-	-	-	-	-	-	-	-
Whareroa Water UV Upgrade	50										
<b>LOS Total</b>	<b>4,773</b>	<b>11,995</b>	<b>17,233</b>	<b>3,355</b>	<b>5,547</b>	<b>4,228</b>	<b>3,043</b>	<b>5,342</b>	<b>10,216</b>	<b>9,066</b>	<b>9,691</b>
<b>Renewal</b>	<b>6,188</b>	<b>6,880</b>	<b>6,552</b>	<b>8,762</b>	<b>10,871</b>	<b>11,276</b>	<b>11,506</b>	<b>12,151</b>	<b>9,863</b>	<b>12,091</b>	<b>10,366</b>
<b>Grand Total</b>	<b>11,935</b>	<b>24,975</b>	<b>30,025</b>	<b>19,897</b>	<b>22,737</b>	<b>18,970</b>	<b>18,129</b>	<b>17,616</b>	<b>21,276</b>	<b>21,351</b>	<b>22,513</b>

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Water

## WASTEWATER

### What we do and why we do it

We supply wastewater services to 12 urban areas and small communities throughout the district. We pipe wastewater from people's houses and businesses, treat it, and dispose of it in a safe and environmentally sustainable manner.

Sanitary and reliable wastewater is a critical service for households and businesses. The safe treatment and disposal of wastewater is essential to protect the health of our environment and communities.

We aim to ensure that:

- Our wastewater treatment and disposal systems comply with environmental standards, regulations and resource consents.
- Our wastewater treatment and disposal does not increase nitrogen levels in the Lake Taupō catchment.
- There is sufficient wastewater capacity to meet current demands and future growth.
- Wastewater treatment plants, pump stations, and pipes are maintained in good condition.
- System failures are addressed in a timely fashion.
- Users are satisfied with their wastewater service.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Environmental
- Cultural

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: people can become sick if wastewater is not treated and disposed of safely.
- Economic well-being: businesses may not be able to operate if their wastewater is unable to be disposed of.
- Environmental well-being: harmful effects on the environment if we don't dispose of our wastewater appropriately.
- Cultural well-being: disposing of wastewater inappropriately can have significant cultural impacts particularly when wastewater enters waterways.

### How we fund these activities

Wastewater is funded primarily by a district-wide rate that applies in areas that have Council wastewater services. See [Funding impact statement – Wastewater](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- providing for growth, including wastewater treatment plant and reticulation upgrades for Kinloch and Taupō, and increasing wastewater capacity for Taupō North
- improving the treatment and disposal of wastewater in Tūrangi and Mangakino with major plant upgrades.

See [Schedule of capital expenditure – Wastewater](#) for details of planned capital investment.

## Levels of service and performance measures – Wastewater

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
Our sewerage system is maintained to prevent sewerage overflows.	WW.01	Number of dry weather sewerage overflows from Council's sewerage system, expressed per 1000 connections.	Achieved (1.4 dry weather overflows per thousand connections)	Less than 3.	Less than 3.	Less than 3.	Less than 3.
We comply with the resource consents conditions relating to our sewerage systems.	WW.02	Number of abatement notices received by Council in relation to sewerage system resource consents.	Achieved	≤ 1 abatement notices	≤ 1 abatement notices	≤ 1 abatement notices	≤ 1 abatement notices
	WW.03	Number of infringement notices received by Council in relation to sewerage system resource consents.	Achieved	0 infringements	0 infringements	0 infringements	0 infringements
	WW.04	Number of enforcement orders received by Council in relation to sewerage system resource consents.	Achieved	0 enforcement orders	0 enforcement orders	0 enforcement orders	0 enforcement orders
	WW.05	Number of successful convictions received by Council in relation to sewerage system resource consents.	Achieved	0 successful convictions	0 successful convictions	0 successful convictions	0 successful convictions
We respond to faults with our sewerage system promptly.	WW.06	Median attendance time: from the time that Council receives notification of a sewerage overflow resulting from a blockage or other fault in Council's sewerage system to the time that service personnel reach the site of the overflow or other fault.	Achieved (0.18 hours)	Less than 1 hour	Less than 1 hour	Less than 1 hour	Less than 1 hour
We resolve faults with our sewerage system promptly.	WW.07	Median resolution time: from the time that Council receives notification of a sewerage overflow resulting from a blockage or other fault in Council's sewerage system, to the time that service personnel confirm resolution of the fault or blockage.	Not achieved (4.14 hours)	Less than 4 hours	Less than 4 hours	Less than 4 hours	Less than 4 hours
Our customers are satisfied with the sewerage network.	WW.08	The number of complaints received by Council on: a) Sewage odour, b) Sewerage system faults, c) Sewerage system blockages; and d) Council's response to issues with its sewerage system. This is expressed per 1000 connections to the sewerage system.	Not Achieved (10.54 per 1000 connections)	Less than 10	Less than 10	Less than 10	Less than 10

Wastewater

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
We will maintain the reduction in nitrogen discharged from wastewater treatment plants in the Lake Taupō catchment.	WW.09	Maintain the reduction of total nitrogen discharged from wastewater treatment plants within the Lake Taupō catchment. Reduction of 20 percent of the benchmark average has been achieved.	Not achieved (2.2 percent)	Maintain the reduction	Maintain the reduction	Maintain the reduction	Maintain the reduction

## Funding impact statement – Wastewater

Funding Impact Statement - Wastewater	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
Targeted Rates	17,068	21,100	22,163	23,317	24,749	24,872	26,376	26,869	27,074	27,665	27,742
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	301	380	395	411	425	439	453	467	479	492	504
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>17,369</b>	<b>21,480</b>	<b>22,558</b>	<b>23,727</b>	<b>25,174</b>	<b>25,311</b>	<b>26,830</b>	<b>27,335</b>	<b>27,554</b>	<b>28,157</b>	<b>28,247</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	7,199	8,257	8,549	9,633	10,569	9,890	10,986	11,325	10,918	11,382	11,599
Finance Costs	2,652	2,872	2,652	2,504	2,596	2,817	2,800	2,854	2,864	2,657	2,513
Internal charges and overheads applied	1,541	2,205	2,482	2,546	2,452	2,520	2,605	2,366	2,426	2,459	2,165
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>11,392</b>	<b>13,333</b>	<b>13,683</b>	<b>14,682</b>	<b>15,617</b>	<b>15,227</b>	<b>16,391</b>	<b>16,546</b>	<b>16,208</b>	<b>16,498</b>	<b>16,277</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>5,977</b>	<b>8,146</b>	<b>8,875</b>	<b>9,045</b>	<b>9,558</b>	<b>10,084</b>	<b>10,439</b>	<b>10,790</b>	<b>11,346</b>	<b>11,659</b>	<b>11,970</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	1,723	1,584	1,741	1,830	2,031	2,007	2,016	2,013	2,042	2,055	2,069
Increase (decrease) in debt	2,124	1,952	5,888	(4,991)	6,763	(21)	(4,168)	3,577	(5,527)	(5,382)	(2,725)
Gross proceeds from sale of assets	-	8	-	22	9	19	15	-	30	15	28
<b>Total Sources of Capital Funding (C)</b>	<b>3,847</b>	<b>3,544</b>	<b>7,629</b>	<b>(3,139)</b>	<b>8,804</b>	<b>2,005</b>	<b>(2,137)</b>	<b>5,590</b>	<b>(3,455)</b>	<b>(3,312)</b>	<b>(628)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	3,064	6,743	5,145	2,640	711	1,537	5,393	-	-	-
- to improve the level of service	8,540	1,697	1,937	1,388	9,475	4,258	35	1,451	-	-	-
- to replace existing assets	3,723	3,625	3,648	3,890	4,958	4,422	6,139	4,294	4,555	4,451	4,063
Increase (decrease) in reserves	(2,440)	3,305	4,176	(4,518)	1,289	2,699	591	5,241	3,336	3,897	7,279
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>9,823</b>	<b>11,691</b>	<b>16,504</b>	<b>5,906</b>	<b>18,362</b>	<b>12,089</b>	<b>8,302</b>	<b>16,379</b>	<b>7,891</b>	<b>8,347</b>	<b>11,342</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(5,977)</b>	<b>(8,146)</b>	<b>(8,875)</b>	<b>(9,045)</b>	<b>(9,558)</b>	<b>(10,084)</b>	<b>(10,439)</b>	<b>(10,790)</b>	<b>(11,346)</b>	<b>(11,659)</b>	<b>(11,970)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Wastewater



## Schedule of capital expenditure – Wastewater

Wastewater	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>Growth</b>											
Control gates bridge buffer storage tanks		200	2,600	-	-	-	-	-	-	-	-
Kinloch second membrane bio reactor upgrade		-	104	1,621	-	-	-	-	-	-	-
Taupo North wastewater solution		-	-	-	-	173	179	7,368	-	-	-
Taupō primary settling tank #3		-	2,600	-	-	-	-	-	-	-	-
Taupō side stream - solids filtrate treatment		100	1,560	3,242	-	-	-	-	-	-	-
Taupo southern trunk main upgrade		3,911	-	-	-	-	-	-	-	-	-
Taupō transfer pump station upgrade		-	936	-	-	-	-	-	-	-	-
Taupo Wastewater - WWTP Primary Clarifier 3	1,000										
Taupo Wastewater Southern Trunk Main upgrade (stage 1)	4,779										
Whereroa irrigation expansion		-	-	-	-	-	358	-	-	-	-
<b>Growth Total</b>	<b>5,779</b>	<b>4,211</b>	<b>7,800</b>	<b>4,863</b>	<b>-</b>	<b>173</b>	<b>537</b>	<b>7,368</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LOS</b>											
Acacia Bay connection to Taupō (Acacia Bay WWTP retained)		-	-	540	2,237	-	-	-	-	-	-
Acacia Bay WAS tank #2		350	-	-	-	-	-	-	-	-	-
Atiamuri WWTP upgrade		-	624	-	-	-	-	-	-	-	-
Mangakino WWTP upgrade		-	-	540	7,270	-	-	-	-	-	-
Taupō WWTP building alteration		200	-	-	-	-	-	-	-	-	-
Taupo WWTP Odour Control		-	-	-	280	1,444	-	-	-	-	-
Tūrangi WW discharge improvements		-	-	381	3,158	3,262	-	-	-	-	-
View Road Land Disposal System expansion	2,761										
Wastewater Connection Botanical Gardens Toilet		-	260	-	-	-	-	-	-	-	-
Water and Wastewater portable generator and storage shed		-	-	270	-	-	-	-	-	-	-
<b>LOS Total</b>	<b>2,761</b>	<b>550</b>	<b>884</b>	<b>1,732</b>	<b>12,944</b>	<b>4,706</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Renewal</b>	<b>3,723</b>	<b>3,625</b>	<b>3,644</b>	<b>3,829</b>	<b>4,129</b>	<b>4,511</b>	<b>7,174</b>	<b>3,770</b>	<b>4,555</b>	<b>4,451</b>	<b>4,063</b>
<b>Grand Total</b>	<b>12,263</b>	<b>8,386</b>	<b>12,328</b>	<b>10,424</b>	<b>17,073</b>	<b>9,391</b>	<b>7,711</b>	<b>11,138</b>	<b>4,555</b>	<b>4,451</b>	<b>4,063</b>

## STORMWATER

### What we do and why we do it

We provide stormwater collection and disposal networks to prevent regular flooding of our transport networks, houses, properties and businesses. We do this by providing a primary network of pipes and channels sufficient to cope with the run-off from our roads from frequent rainfall events. We provide a secondary stormwater system including swales, gullies, roads, kerb and channel and both formal and informal overland flow paths sufficient to control stormwater from less frequent rainfall events. We provide pollutant traps and other treatment devices to reduce debris and prevent contaminants from entering our lakes and rivers.

Sanitary, environmentally sustainable, and reliable disposal of stormwater from regular rainfall events is a critical service for households and businesses. The safe management and disposal of stormwater is essential to protect the health of people and the environment.

We aim to ensure that:

- our stormwater networks minimise regular flooding.
- we minimise erosion from the stormwater network.
- stormwater discharges comply with environmental standards, regulations and resource consents.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Environmental
- Cultural

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: an inefficient stormwater network may result in flooding of homes and businesses.
- Economic well-being: An inefficient stormwater network may result flooding of the transport network, affecting access to and from households and businesses.
- Environmental well-being: contaminants in stormwater could result in harmful effects on our lakes and rivers.
- Cultural well-being: The inappropriate disposal of stormwater could have cultural impacts.

### How we fund these activities

Council's stormwater activities are funded from the general rate applied to all properties in the district. See [Funding impact statement – Stormwater](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- Stormwater flood mitigation improvements
- Installation of additional stormwater improvement devices

See [Schedule of capital expenditure – Stormwater](#) for details of planned capital investment.

## Levels of service and performance measures – Stormwater

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 – 34
We manage the stormwater network to protect public health and property without compromising the environment	ST.01	The number of flooding events that occur in a territorial authority district	Achieved (0 flooding events)	0 flooding events	0 flooding events	0 flooding events	0 flooding events
	ST.02	For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system)	N / A (0 flooding events)	0 properties affected by flooding inside the habitable dwelling	0 properties affected by flooding inside the habitable dwelling	0 properties affected by flooding inside the habitable dwelling	0 properties affected by flooding inside the habitable dwelling
	ST.03	The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site	N / A (0 flooding events)	≤1hr	≤1hr	≤1hr	≤1hr
	ST.04	The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority's stormwater system <i>Please note that Council's stormwater network drains the roading network so there are no properties that connect to the stormwater network. For the purposes of this performance measure, we have considered that each property within the district benefits from the stormwater network and is therefore "connected" to our stormwater network</i>	Achieved (1.06 per 1000 properties)	Less than or equal to 8	Less than or equal to 8	Less than or equal to 8	Less than or equal to 8
We will comply with our resource consent for discharge from our stormwater system	ST.05	Number of abatement notices received by Council in relation to resource consents for discharge from our stormwater system	Achieved	0 abatement notices	0 abatement notices	0 abatement notices	0 abatement notices
	ST.06	Number of infringement notices received by Council in relation to resource consents for discharge from our stormwater system	Achieved	0 infringement notices	0 infringement notices	0 infringement notices	0 infringement notices
	ST.07	Number of enforcement orders received by Council in relation to resource consents for discharge from our stormwater system	Achieved	0 enforcement orders	0 enforcement orders	0 enforcement orders	0 enforcement orders
	ST.08	Number of convictions received by Council in relation to resource consents for discharge from our stormwater system	Achieved	0 convictions	0 convictions	0 convictions	0 convictions

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Stormwater

## Funding impact statement – Stormwater

Funding Impact Statement - Stormwater	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	2,340	2,907	3,220	3,436	3,500	3,869	4,638	4,828	5,680	5,222	5,261
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>2,340</b>	<b>2,907</b>	<b>3,220</b>	<b>3,436</b>	<b>3,500</b>	<b>3,869</b>	<b>4,638</b>	<b>4,828</b>	<b>5,680</b>	<b>5,222</b>	<b>5,261</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	574	1,195	1,315	1,386	1,017	1,157	1,323	1,382	1,430	1,479	1,527
Finance Costs	126	141	183	256	329	455	701	894	929	911	908
Internal charges and overheads applied	555	498	575	597	558	574	596	519	533	544	449
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>1,254</b>	<b>1,834</b>	<b>2,073</b>	<b>2,239</b>	<b>1,903</b>	<b>2,186</b>	<b>2,620</b>	<b>2,795</b>	<b>2,892</b>	<b>2,935</b>	<b>2,884</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>1,085</b>	<b>1,073</b>	<b>1,147</b>	<b>1,197</b>	<b>1,597</b>	<b>1,683</b>	<b>2,018</b>	<b>2,033</b>	<b>2,788</b>	<b>2,287</b>	<b>2,376</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(243)	998	1,768	2,262	880	4,469	5,859	1,756	(1,002)	(462)	(463)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(243)</b>	<b>998</b>	<b>1,768</b>	<b>2,262</b>	<b>880</b>	<b>4,469</b>	<b>5,859</b>	<b>1,756</b>	<b>(1,002)</b>	<b>(462)</b>	<b>(463)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	329	1,109	1,913	2,483	1,201	4,837	6,593	2,572	508	429	440
- to replace existing assets	107	165	172	178	185	191	210	230	250	271	292
Increase (decrease) in reserves	406	798	830	798	1,092	1,125	1,073	988	1,028	1,126	1,181
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>842</b>	<b>2,072</b>	<b>2,915</b>	<b>3,459</b>	<b>2,477</b>	<b>6,152</b>	<b>7,876</b>	<b>3,790</b>	<b>1,786</b>	<b>1,825</b>	<b>1,913</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(1,085)</b>	<b>(1,073)</b>	<b>(1,147)</b>	<b>(1,197)</b>	<b>(1,597)</b>	<b>(1,683)</b>	<b>(2,018)</b>	<b>(2,033)</b>	<b>(2,788)</b>	<b>(2,287)</b>	<b>(2,376)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Stormwater

## Schedule of capital expenditure – Stormwater

Stormwater											
	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>											
Acacia Bay stormwater culvert and lake outlet		-	-	-	101	445	-	-	-	-	-
Brice Street stormwater flood mitigation		-	-	-	-	362	1,515	82	-	-	-
Crown Rd stormwater pond reticulation		-	-	-	-	28	583	-	-	-	-
Downstream defender - District	308										
Elizabeth Street flood mitigation		-	-	-	-	64	131	2,026	-	-	-
Hawai reserve detention pond	21	234	-	-	-	-	-	-	-	-	-
Huia Street improvement device		-	-	-	-	-	-	-	508	-	-
Kaimanawa Street improvement device		-	-	357	-	-	-	-	-	-	-
Kimberly reserve flood mitigation		-	59	46	546	2,853	-	-	-	-	-
Kinloch improvement device		-	-	-	-	-	-	-	-	-	440
Lake Terrace / Napier Rd improvement device		-	-	-	-	-	-	-	-	429	-
Mangakino flood mitigation		212	394	-	-	-	-	-	-	-	-
Miro street industrial area reticulation upgrade		48	127	1,979	-	-	-	-	-	-	-
Mobil station improvement device		377	-	-	-	-	-	-	-	-	-
Motuoapa stormwater flood mitigation around wastewater pump station		55	143	30	-	-	-	-	-	-	-
Motutahae Road stormwater flood mitigation		-	-	-	62	286	33	-	-	-	-
Norman Smith Street/control gates improvement device		-	-	-	-	-	627	-	-	-	-
Pihanga climate change pipe capacity upgrade		-	-	-	5	191	459	-	-	-	-
Puataata Road improvement device		-	-	-	-	-	465	-	-	-	-
Pukawa flood mitigation		100	520	-	-	-	-	-	-	-	-
Rifle Range Road improvement device		-	-	-	422	-	-	-	-	-	-
Spa Road improvement device		-	-	-	-	436	-	-	-	-	-
Tamatea Road flood protection		-	-	-	65	173	2,779	-	-	-	-
Tui Street improvement device		-	-	-	-	-	-	463	-	-	-
Tūrangi stormwater flood mitigation (SH1)		55	400	71	-	-	-	-	-	-	-
Two Mile Bay flood mitigation		26	270	-	-	-	-	-	-	-	-
<b>LOS Total</b>	<b>329</b>	<b>1,109</b>	<b>1,913</b>	<b>2,483</b>	<b>1,201</b>	<b>4,837</b>	<b>6,593</b>	<b>2,572</b>	<b>508</b>	<b>429</b>	<b>440</b>
<b>Renewal</b>	<b>107</b>	<b>165</b>	<b>172</b>	<b>178</b>	<b>185</b>	<b>191</b>	<b>210</b>	<b>230</b>	<b>250</b>	<b>271</b>	<b>292</b>
<b>Grand Total</b>	<b>436</b>	<b>1,274</b>	<b>2,085</b>	<b>2,661</b>	<b>1,385</b>	<b>5,027</b>	<b>6,803</b>	<b>2,801</b>	<b>757</b>	<b>700</b>	<b>732</b>

Stormwater

## TRANSPORT

### What we do and why we do it

Council provides a comprehensive local transport network to allow people and goods to move around the district safely and efficiently. This network includes the provision of local roads, footpaths, streetlights, cycle paths, bridges, bus shelters, traffic signals, carparking and signage.

We also provide education and promotion activities to improve road safety and ensure people enjoy easy access to different modes of transport, such as walking and cycling.

Public transport in the district is operated by Waikato Regional Council, however we determine the appropriate service levels and provide the required Council funding to ensure it is accessible for our residents.

We work in partnership with other transport agencies including the New Zealand Transport Agency, which is responsible for managing the state highways within the Taupō district, and the New Zealand Police, which is responsible for enforcing road rules.

Provision of transport networks to allow for the safe and efficient movement of people and goods is a critical service for households and businesses.

We aim to ensure that:

- our transport networks are safe
- our transport networks are maintained in good condition
- our transport networks are efficient, reliable, and easy to use
- our transport networks are walking and cycling friendly to support sustainable transport choices.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Environmental
- Cultural

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: the social costs associated with crashes on our roading network.
- Economic well-being: businesses not being able to transport goods and services efficiently.
- Environmental well-being: effects on the environment from vehicle emissions and contaminants on our transport network entering the stormwater network.

## How we fund these activities

Council's transport activities are funded from the general rate applied to all properties in the district. Additionally, the NZ Transport Agency contributes funding towards the delivery of transport services from national fuel taxes and road user charges. See [Funding impact statement – Transport](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- rural road safety improvements
- intersection improvements
- providing for growth through the Northern Access Solution for Taupō (second bridge)
- an increased programme of road maintenance and renewals
- accessibility, walking, and cycling improvements

Our transport investment programme relies heavily on co-funding from the NZ Transport Agency (51%) and council has received a shortfall in the amount of funding it had sought. Council has resolved to adjust the planned investment projects for the first three years of this Long-term Plan based on the NZ Transport Agency's funding approval, this reduced funding will not significantly impact on Levels of Service.

The availability of the NZ Transport Agency's funding is subject to change, based on progress of projects across the whole country. We have retained council's share for transport projects in this Long-term Plan that did not receive NZ Transport Agency funding, in case funding becomes available. We will continue to pursue additional NZ Transport Agency funding. The annual plan process will be used to scope and prioritise these projects to match available funding.

For years 4 – 10 we have retained the full costs of planned projects, and the assumption of 51% funding being achieved.

See [Schedule of capital expenditure – Transport](#) for details of planned capital investment.



## Levels of service and performance measures – Transport

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
The number of serious and fatal crashes on Council roads is falling	TR.01	Reduction from the previous financial year in the number of fatalities and serious injury crashes on the local road network	Achieved (A reduction of five serious crashes / deaths from the previous year. There were four deaths and 10 serious crashes)	Decrease from previous year	Decrease from previous year	Decrease from previous year	Decrease from previous year
That our roading network is adequately maintained and in good condition	TR.02	The average quality of ride on a sealed road network, measured by percentage of smooth travel exposure Methodology in line with NZTA Smooth Travel Exposure (STE) Index for sealed roads.	Achieved 95 percent for all roads (rural and urban)	At least 90 percent	At least 90 percent	At least 90 percent	At least 90 percent
	TR.03	The percentage of the sealed local road network that is resurfaced.	Not achieved 1.5 percent for all roads (rural and urban)	At least 3 percent	At least 3 percent	At least 3 percent	At least 3 percent
Footpaths are adequately maintained and in good condition	TR.04	Percentage of footpaths in the district that fall within the level of service or service standard for the condition of footpaths that is set out in the Territorial Local Authority's Asset Management Plans (maintenance intervention when displacement is greater than 10mm for Taupō CBD, Taupō urban areas and Tūrangi and other urban areas). Please note that we plan to undertake this survey every two years	Not assessed (91 percent in 2021/22)	<del>80 percent</del> Not assessed	80 percent	<del>80 percent</del> Not assessed	80 percent (in the years assessed)
We will respond to customer service requests.	TR.05	Percentage of customer service requests relating to council roads and footpaths that are responded to within five working days	Achieved (90 percent)	At least 90 percent	At least 90 percent	At least 90 percent	At least 90 percent

Transport

## Funding impact statement – Transport

Funding Impact Statement - Transport	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	9,633	13,055	14,169	14,619	14,899	15,576	17,556	21,085	25,937	28,051	29,133
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	2,417	2,811	2,992	3,104	3,250	3,322	3,451	3,538	3,651	3,780	3,860
Fees and charges	172	171	176	182	188	193	198	204	209	214	219
Local authorities fuel tax, fines, infringement fees, and other receipts	421	920	949	980	1,009	1,038	1,068	1,096	1,125	1,153	1,180
Internal charges and overheads recovered	510	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>13,152</b>	<b>16,957</b>	<b>18,287</b>	<b>18,884</b>	<b>19,346</b>	<b>20,130</b>	<b>22,273</b>	<b>25,923</b>	<b>30,922</b>	<b>33,199</b>	<b>34,392</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	5,929	7,615	8,393	8,638	8,621	8,794	9,109	9,346	9,639	9,939	10,162
Finance Costs	1,450	1,302	1,268	1,367	1,574	1,802	2,851	4,734	5,088	4,241	3,695
Internal charges and overheads applied	1,541	1,744	1,952	2,036	1,894	1,949	2,025	1,853	1,901	1,920	1,709
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>8,920</b>	<b>10,661</b>	<b>11,613</b>	<b>12,041</b>	<b>12,089</b>	<b>12,545</b>	<b>13,984</b>	<b>15,933</b>	<b>16,628</b>	<b>16,099</b>	<b>15,566</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>4,232</b>	<b>6,296</b>	<b>6,673</b>	<b>6,843</b>	<b>7,257</b>	<b>7,585</b>	<b>8,288</b>	<b>9,990</b>	<b>14,294</b>	<b>17,100</b>	<b>18,825</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	3,374	3,006	4,105	4,824	6,255	5,888	6,496	5,263	5,564	5,091	5,864
Development and financial contributions	1,102	2,331	2,933	3,101	3,418	3,416	3,424	3,412	3,453	3,473	3,497
Increase (decrease) in debt	(2,101)	2,046	4,444	4,086	4,227	4,175	40,134	38,403	(27,290)	(12,086)	(13,779)
Gross proceeds from sale of assets	-	23	10	-	-	22	46	-	11	-	11
<b>Total Sources of Capital Funding (C)</b>	<b>2,375</b>	<b>7,406</b>	<b>11,492</b>	<b>12,010</b>	<b>13,899</b>	<b>13,501</b>	<b>50,100</b>	<b>47,078</b>	<b>(18,262)</b>	<b>(3,522)</b>	<b>(4,407)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	354	792	1,140	1,278	1,391	33,063	33,823	380	213	606
- to improve the level of service	6,646	3,216	4,821	4,317	5,964	6,149	11,236	9,217	3,110	1,214	1,170
- to replace existing assets	3,543	7,811	9,176	11,028	9,745	8,876	10,503	10,389	10,207	10,178	11,915
Increase (decrease) in reserves	(3,581)	2,321	3,376	2,368	4,169	4,670	3,587	3,639	(17,664)	1,972	728
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>6,607</b>	<b>13,701</b>	<b>18,165</b>	<b>18,854</b>	<b>21,156</b>	<b>21,086</b>	<b>58,389</b>	<b>57,068</b>	<b>(3,968)</b>	<b>13,578</b>	<b>14,419</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(4,232)</b>	<b>(6,296)</b>	<b>(6,673)</b>	<b>(6,843)</b>	<b>(7,257)</b>	<b>(7,585)</b>	<b>(8,288)</b>	<b>(9,990)</b>	<b>(14,294)</b>	<b>(17,100)</b>	<b>(18,825)</b>
<b>Funding Balance ((A - B) + (C - D))</b>											

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Transport

Schedule of capital expenditure – Transport

Transport

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>Growth</b>											
Crown Road and Napier Road intersection		-	-	-	-	113	1,392	1,788	-	-	-
Footpath link at Nga Roto Estate		37	-	-	-	-	-	-	-	-	-
Footpath Napier Road to Crown Road		-	152	157	-	-	-	-	-	-	-
Northern Gateway		150	155	160	439	452	37,249	38,254	-	-	-
Wairakei Drive and Karetoto Road intersection		25	202	-	-	-	-	-	-	-	-
Whangamata Road improvements	1,726										
<b>Growth Total</b>	<b>1,726</b>	<b>211</b>	<b>509</b>	<b>316</b>	<b>439</b>	<b>564</b>	<b>38,641</b>	<b>40,041</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LOS</b>											
Accessibility audit improvements (Including Lake Settlements)		200	206	213	110	113	116	119	-	-	-
Arrowsmith Avenue and Shephard Road intersection		-	-	-	55	564	580	-	-	-	-
Broadlands Road improvements		147	152	157	-	-	-	-	-	-	-
Broadlands Road into off road highway &/or Centennial Drive		-	-	43	165	169	-	-	-	-	-
Broadlands Road Yrs 5-7improvements		-	-	-	-	56	406	417	-	-	-
Bus infrastructure	64										
Bus infrastructure Yrs 1-3 (urban bus services)		25	25	13	-	-	-	-	-	-	-
Bus infrastructure Yrs 4-8 (urban bus services)		-	-	-	11	28	12	30	12	-	-
Bus shelters on school bus routes		10	10	11	-	11	-	12	-	13	-
Crossing facilities on Spa Road		39	76	-	-	-	-	-	-	-	-
Crossing point on Tongariro St at Victorias		25	-	-	-	-	-	-	-	-	-
Cycle facilities	170										
Cycling facilities		25	25	26	55	56	58	60	61	63	64
Flag lighting at high risk rural intersections		12	13	13	-	-	-	-	-	-	-
Footpath connection airport to Waitahanui		-	-	-	-	847	870	894	917	-	-
Footpath construction		-	-	-	274	282	290	298	61	63	64
Footpath construction Yrs 2-3		-	126	130	-	-	-	-	-	-	-
Footpath extension along south side of Redoubt Street Tongariro Street to Tennis Club		-	25	26	-	-	-	-	-	-	-
Footpath link on Ingle Avenue		17	-	-	-	-	-	-	-	-	-
Footpaths & connections through accessways (Kuratau)		-	-	-	-	226	174	179	-	-	-
Guardrail & drainage improvements on Forest Road		15	152	-	-	-	-	-	-	-	-
Guardrail installation - district wide		-	155	160	-	-	-	-	-	-	-
Harbour area/marina - Parakiri		-	206	213	-	-	-	-	-	-	-
Huka Falls Footpath Stage 3	558										
Infill lighting		40	41	43	-	-	-	-	-	-	-
Install bus shelters and associated infrastructure	60										
Kinloch footbridge		-	-	-	329	-	-	-	-	-	-
Lake Terrace and Mere Street activation		-	-	37	-	-	116	596	611	-	-
Lake Terrace and Ruapehu Street platform		-	-	160	165	-	-	-	-	-	-
Lighting along footpaths	175										
Local road improvements	155										
Low cost low risk programme	21										
Minor safety improvements	229										
Mokai Marae safety improvements - Forest Road & Tirohanga Road		50	52	-	-	-	-	-	-	-	-
Napier Road and Lake Terrace intersection		-	-	-	-	-	-	95	1,223	1,253	-
New footpaths Yr 4-5 in Kinloch		-	-	-	110	113	-	-	-	-	-
New footpaths Yrs 1-3 in Kinloch		49	51	52	-	-	-	-	-	-	-
New road marking & signs - (including new Marae signage)		60	52	64	27	51	29	30	31	31	58
New signs & road marking	48										
Off road highway gate		-	155	-	-	-	-	-	-	-	-
Omori / Kuratau slip		-	354	-	-	-	-	-	-	-	-
Omori playground parking		132	-	-	-	-	-	-	-	-	-
On street parking	42										
Parking area opposite Two Mile Bay		40	41	43	44	45	46	48	49	50	51
		-	124	213	-	-	-	-	-	-	-

Pedestrian facilities	200	-	-	-	-	-	-	-	-	125	641
Pedestrian/cycle bridge Riverside Park to Woolworths	-	-	-	-	77	-	-	-	-	-	-
Pihanga Road and Waipapa Road, Kuratau	-	-	-	-	-	-	-	-	-	-	-
Poihipi Road improvements	338	253	261	-	-	-	-	-	-	-	-
Pukenamu Road/Wharewaka Road closure	-	26	-	-	-	-	-	-	-	-	-
Rakanui industrial area lighting improvements	-	-	-	110	113	-	-	-	-	-	-
Resilience improvements Yr 1-3 - Slips & embankments investigation	-	152	157	-	-	-	-	-	-	-	-
Resilience improvements Yr 4- Slips & embankments investigation	-	-	-	329	-	-	-	-	-	-	-
Resilient connection to Omori Road & Kuratau	-	-	-	55	226	232	-	-	-	-	-
Rifle Range Road and Mere Street intersection	-	-	213	1,646	1,129	-	-	-	-	-	-
Rural berm drainage widening & improvements	30	31	32	-	-	-	-	-	-	-	-
School travel Yr 4 plan infrastructure	-	-	-	494	-	-	-	-	-	-	-
School travel Yrs 1-3 plan infrastructure	196	228	235	-	-	-	-	-	-	-	-
Seal extension	584	600	619	639	658	677	696	715	734	-	-
Second bridge requirements analysis and concept solutions	250	-	-	-	-	-	-	-	-	-	-
Shared path on Lake Road, Mangakino	250	258	-	-	-	-	-	-	-	-	-
Speed management Yrs 1-3 infrastructure	98	101	104	-	-	-	-	-	-	-	-
Speed management Yrs 4-6 infrastructure	-	-	-	219	226	232	-	-	-	-	-
Streetlight lighting Anzac Memorial Drive	120	-	-	-	-	-	-	-	-	-	-
Streetlight lighting Lake Terrace between Wharewaka Road and Ernest Kemp Rise	147	-	-	-	-	-	-	-	-	-	-
Taharepa Road and Crown Road intersection	100	516	1,065	-	-	-	-	-	-	-	-
Tauhara Road and AC Baths Avenue intersection	39	202	522	-	-	-	-	-	-	-	-
Tauhara Road and Spa Road intersection	-	-	-	-	-	-	-	-	-	63	1,282
Taupō CBD enhancements for Ruapehu and Horomatangi Streets	-	-	107	549	564	580	596	-	-	-	-
Tirohanga Road improvements	164	25	354	365	-	-	-	-	-	-	-
Tirohanga Road Yr 4improvements	-	-	-	768	-	-	-	-	-	-	-
Titirapunga Street and Roberts Street intersection	350	206	-	-	-	-	-	-	-	-	-
Turangi Kerb & Channel	2,200	-	-	-	-	-	-	-	-	-	-
Two Mile Bay parking improvements	50	-	-	-	-	-	-	-	-	-	-
Underpass enhancement	50	52	-	-	-	-	-	-	-	-	-
Vehicles for pedal safe/road safety team	65	-	-	-	-	75	-	-	-	-	-
Waikato Street resurfacing at Taupō nui a Tia college	-	52	-	-	-	-	-	-	-	-	-
Wairakei Drive and Lake Terrace cycle lanes	39	51	52	-	-	-	-	-	-	-	-
Wairakei Drive footpath	-	-	-	-	282	580	-	-	-	-	-
Wairakei Drive shared path (control gates hill)	-	-	-	55	564	870	-	-	-	-	-
Wairakei Drive steam bridge cycle & pedestrian connection	-	-	-	55	339	580	-	-	-	-	-
Whangamata Road safety improvements	49	329	339	-	-	-	-	-	-	-	-
Whangamata Road Yrs 4-5 Safety Improvements	-	-	-	713	734	-	-	-	-	-	-
Yrs 1-3 Zebra crossing improvements	39	40	42	-	-	-	-	-	-	-	-
Zebra crossing Yrs 4-6 improvements	-	-	-	88	90	93	-	-	-	-	-
<b>LOS Total</b>	<b>4,920</b>	<b>3,495</b>	<b>5,535</b>	<b>5,774</b>	<b>7,158</b>	<b>7,507</b>	<b>6,637</b>	<b>4,088</b>	<b>3,699</b>	<b>1,661</b>	<b>2,160</b>
<b>Renewal</b>	<b>3,543</b>	<b>7,675</b>	<b>8,745</b>	<b>10,395</b>	<b>9,390</b>	<b>8,345</b>	<b>9,522</b>	<b>9,300</b>	<b>9,998</b>	<b>9,945</b>	<b>11,530</b>
<b>Grand Total</b>	<b>10,188</b>	<b>11,380</b>	<b>14,789</b>	<b>16,486</b>	<b>16,987</b>	<b>16,416</b>	<b>54,801</b>	<b>53,429</b>	<b>13,697</b>	<b>11,606</b>	<b>13,690</b>

## WASTE AND ENVIRONMENTAL MANAGEMENT

### What we do and why we do it

We provide a comprehensive solid waste management system for refuse and recyclables, including the following services:

Litter control	the provision of public bins and litter collection.
Solid waste collection	kerbside rubbish collection in our urban areas
Solid waste disposal	kerbside recycling collection in our urban areas, and the operation of five transfer stations around the district and Council's landfill and resource recovery centre at Broadlands Road.

We provide these services to ensure that our district looks attractive and prevent harm to our communities and environment from the inappropriate disposal of our waste.

Sanitary and environmentally-responsible waste collection and disposal is a critical service for households and businesses.

We aim to ensure that:

- we provide suitable rubbish collection and disposal services across the whole district
- our rubbish collection and disposal services are environmentally sustainable and support the minimisation of waste
- our rubbish collection and disposal services are efficient, reliable, safe, and easy to use
- our landfill and transfer stations comply with environmental standards, regulations and resource consents.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Environmental
- Cultural

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: our residents could be harmed if our waste isn't disposed of properly.
- Economic well-being: local businesses may not be able to operate efficiently if they are unable to dispose of their waste.
- Environmental well-being: the inappropriate disposal of waste can have harmful effects on our environment.
- Cultural well-being: the inappropriate disposal of waste can have negative cultural impacts.

## How we fund these activities

Litter control is funded from the general rate applied to all properties in the district.

Kerbside rubbish collection is funded from fees and charges placed on the bags.

Solid waste disposal, including kerbside recycling collection, and the provision of council's landfill and transfer stations, is majority funded by disposal fees and charges, with the rest funded by a district-wide rate on all properties in the district.

See [Funding impact statement – Waste and environmental management](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- Installing a gas flare for Broadlands Road Landfill to reduce greenhouse gas emissions
- Improvements to the Broadlands Road transfer station, including a new covered area for the separation and storage of reusable materials including wood and construction and demolition waste.

See [Schedule of capital expenditure – Waste and environmental management](#) for details of planned capital investment.

### Levels of service and performance measures – Waste and environmental management

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
We will divert suitable waste from landfill	WM.01	The quantity of material (tonnes) diverted from landfill as a percentage of the total waste stream	Not Achieved (46.7 percent)	48 percent	48 percent	49 percent	50 percent
We comply with the resource consent conditions for our landfills	WM.01	Percentage of resource consent conditions for our landfills that are complied with	Achieved (100 percent compliance)	100 percent	100 percent	100 percent	100 percent

Waste and environmental management

## Funding impact statement –Waste and environmental management

Funding Impact Statement - Waste and Environmental Management	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	822	854	875	900	923	945	967	985	1,006	1,025	1,043
Targeted Rates	3,474	3,825	5,717	5,690	4,725	5,700	5,796	5,857	5,935	5,982	5,916
Subsidies and grants for operating purposes	540	640	656	674	691	707	723	739	756	771	787
Fees and charges	5,275	6,550	7,005	7,194	7,374	7,551	7,724	7,895	8,068	8,238	8,402
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	552	584	621	638	656	681	688	705	720	728
<b>Total Operating Funding (A)</b>	<b>10,111</b>	<b>12,421</b>	<b>14,837</b>	<b>15,078</b>	<b>14,349</b>	<b>15,559</b>	<b>15,892</b>	<b>16,164</b>	<b>16,469</b>	<b>16,736</b>	<b>16,876</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	9,128	10,721	13,077	12,925	11,984	12,526	12,818	13,105	13,395	13,676	13,955
Finance Costs	90	88	75	67	215	357	338	318	296	273	258
Internal charges and overheads applied	587	1,091	1,164	1,222	1,249	1,286	1,343	1,347	1,382	1,412	1,423
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>9,805</b>	<b>11,900</b>	<b>14,316</b>	<b>14,213</b>	<b>13,448</b>	<b>14,169</b>	<b>14,500</b>	<b>14,770</b>	<b>15,073</b>	<b>15,361</b>	<b>15,636</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>306</b>	<b>521</b>	<b>521</b>	<b>865</b>	<b>901</b>	<b>1,390</b>	<b>1,392</b>	<b>1,394</b>	<b>1,396</b>	<b>1,375</b>	<b>1,240</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	2,158	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(401)	89	(141)	(13)	6,863	(654)	(616)	(613)	(605)	(571)	(290)
Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(401)</b>	<b>89</b>	<b>(141)</b>	<b>(13)</b>	<b>9,021</b>	<b>(654)</b>	<b>(616)</b>	<b>(613)</b>	<b>(605)</b>	<b>(571)</b>	<b>(290)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	11	336	119	174	9,191	-	-	-	-	-	-
- to replace existing assets	139	227	255	239	288	269	281	287	293	313	319
Increase (decrease) in reserves	(245)	48	7	439	444	467	496	494	498	491	631
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>(95)</b>	<b>610</b>	<b>381</b>	<b>852</b>	<b>9,922</b>	<b>736</b>	<b>777</b>	<b>781</b>	<b>791</b>	<b>804</b>	<b>950</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(306)</b>	<b>(521)</b>	<b>(521)</b>	<b>(865)</b>	<b>(901)</b>	<b>(1,390)</b>	<b>(1,392)</b>	<b>(1,394)</b>	<b>(1,396)</b>	<b>(1,375)</b>	<b>(1,240)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Waste and environmental management



## Schedule of capital expenditure – Waste and environmental management

### Waste and Environmental Management

	2023/24	AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>												
Gas Flare			-	51	53	2,698	-	-	-	-	-	-
Leachate pipe upgrade			-	-	-	273	-	-	-	-	-	-
Mangakino transfer station upgrade			-	90	-	-	-	-	-	-	-	-
New lined cell			-	-	-	1,306	-	-	-	-	-	-
New street recycling bins		11										
Power upgrade Broadlands transfer station			220	-	-	-	-	-	-	-	-	-
Taupo Refuse Transfer Station upgrade			-	-	121	4,839	-	-	-	-	-	-
Tūrangi recyclables storage shed extension			77	-	-	-	-	-	-	-	-	-
Waste compactor bin			39	-	-	-	-	-	-	-	-	-
Whareroa transfer station upgrade			-	-	-	101	-	-	-	-	-	-
<b>LOS Total</b>		<b>11</b>	<b>336</b>	<b>141</b>	<b>174</b>	<b>9,216</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Renewal</b>		<b>139</b>	<b>227</b>	<b>232</b>	<b>239</b>	<b>262</b>	<b>269</b>	<b>281</b>	<b>287</b>	<b>293</b>	<b>313</b>	<b>319</b>
<b>Grand Total</b>		<b>150</b>	<b>562</b>	<b>374</b>	<b>412</b>	<b>9,479</b>	<b>269</b>	<b>281</b>	<b>287</b>	<b>293</b>	<b>313</b>	<b>319</b>

Waste and environmental management

## COMMUNITY FACILITIES

### What we do and why we do it

We provide a range of community facilities across the district to provide opportunities for arts, culture, recreation and sporting activities that support Taupō district being a great place to live, work, and visit. These facilities include:

- Libraries in Taupō, Tūrangi and Mangakino
- Heritage, Culture & Public Art – including the Taupō Museum and Art Gallery
- The Great Lake Centre, Taupō Events Centre, Waiora House and community halls
- AC Baths, the Tūrangi Turtle Pools and the Mangakino Community Pool
- Sportsgrounds, parks, reserves, playgrounds and gardens
- Public conveniences
- Cemeteries

We aim to ensure that:

- Our community facilities are highly used, valued, and meet the community's needs
- Our community facilities are safe, well maintained, and attractive for users.
- Our community facilities are inclusive and accessible so everyone in our community can get out and enjoy them.
- Our community facilities support a range of activities for different interests, ages, and abilities.
- Our community reserves enhance the local environment.
- These are mostly non-critical services, but we provide them to support our district being an enjoyable and attractive place to live with good amenities. These services support the wellbeing of residents, support attracting visitors, and support attracting and retaining workers and businesses.

### Contribution to Community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Innovative, thriving economy
- Resilient communities working in partnership
- Tangata whenua are acknowledged and respected

and well-beings:

- Economic
- Social
- Cultural

## Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: our residents may not be able to provide for their mental and physical well-being if our facilities do not meet the needs of our communities.
- Environmental well-being: there may be harmful effects on our environment if our facilities such as cemeteries aren't managed properly.

## How we fund these activities

Community facilities are majority funded by the general rate applied to all properties in the district. A small proportion of the required funding comes from fees and charges paid by users. See [Funding impact statement – Community facilities](#) for forecast annual funding and expenditure.

## Planned investment to improve services

Key focus areas for investment in this plan are:

- New and improved community facilities for Tūrangi.
- Improvements to lakefront reserves at Mangakino, Kinloch, and Wharewaka.
- Upgrades to Owen Delany Park.
- Lakeshore erosion management.
- Increased indoor court space in Taupō.
- An investment in new and improved play spaces for older kids.

See [Schedule of capital expenditure – Community facilities](#) for details of planned capital investment.

## Levels of service and performance measures – Community Facilities

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
The library is accessible and offers a range of services for the community	CF.01	The total number of physical items loaned to library members is maintained or increased	Achieved (236,406 physical items)	At least 227,303 physical items	At least 227,303 physical items	At least 227,303 physical items	At least 227,303 physical items
	CF.02	The total number of e-books loaned to library members is maintained or increased	Achieved (54,471 e-books/e-audio items loaned)	At least 30,367 e-books/e-audio items loaned	At least 30,367 e-books/e-audio items loaned	At least 30,367 e-books/e-audio items loaned	At least 30,367 e-books/e-audio items loaned
	CF.03	The number of active library card users is maintained or increased	Not achieved (7,346 members used their library cards against a target of 8,285)	At least 7,346 members used their library card	At least 7,346 members used their library card	At least 7,346 members used their library card	At least 7,346 members used their library card
	CF.04	<a href="#">The percentage of library users who indicated that they were satisfied with their experience.</a>	<a href="#">New measure</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>
The Great Lake Centre and Taupō Events Centre are accessible and provide the community with a range of services	CF.05	The occupancy rate of the Great Lake Centre and Taupō Events Centre	Achieved (Taupō Events Centre – 109 percent Great Lake Centre – 95 percent)	The Great Lake Centre and Taupō Events Centre are occupied at least 84 percent of the time	The Great Lake Centre and Taupō Events Centre are occupied at least 84 percent of the time	The Great Lake Centre and Taupō Events Centre are occupied at least 84 percent of the time	The Great Lake Centre and Taupō Events Centre are occupied at least 84 percent of the time
Residents and visitors are satisfied with the exhibitions at the Taupō Museum and Art Gallery	CF.06	Total number of visitors (physical and virtual) to the museum is maintained or increased	Achieved (There were 22,937 physical visitors, 12,313 unique pageviews on website and 3,980 Facebook visits)	Visits are maintained or increased	Visits are maintained or increased	Visits are maintained or increased	Visits are maintained or increased

Community facilities

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
	CF.07	Number of exhibitions is maintained or increased	Achieved (three in-house exhibitions; seven local /visitor exhibitions; one touring exhibition)	Exhibitions are maintained or increased	Exhibitions are maintained or increased	Exhibitions are maintained or increased	Exhibitions are maintained or increased
	CF.08	<a href="#">The percentage of Taupō Museum and Art Gallery users who indicated that they were satisfied with their experience.</a>	<a href="#">New measure</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>
Residents and visitors are satisfied with the parks, open spaces, playgrounds and sports grounds	CF.09	Percentage of service requests responded to relating to Council-owned parks and open space	Achieved (95 percent)	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days
	CF.10	Percentage of service requests responded to relating to Council playgrounds	Achieved (100 percent)	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days
	CF.11	Percentage of service requests responded to relating to sportsgrounds	Not achieved (84.2 percent)	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days
Our pools are safe, well maintained, and attractive for users	CF.12	We maintain Pool Safe accreditation at AC Baths and Tūrangi Turtle Pools	Achieved	Pool safe accreditation maintained	Pool safe accreditation maintained	Pool safe accreditation maintained	Pool safe accreditation maintained
	CF.13	<a href="#">The percentage of pool users who indicated that they were satisfied with their experience.</a>	<a href="#">New measure</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>	<a href="#">75%</a>

Community facilities

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
Public toilets are clean, safe and fit for purpose	CF.14	Percentage of service requests responded to relating to public toilets	Achieved (100 percent)	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days	At least 90 percent responded to within 5 working days

## Funding impact statement – Community facilities

Funding Impact Statement - Community Facilities	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	21,969	25,112	26,496	29,558	32,786	34,757	37,044	35,195	36,000	37,277	38,390
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	140	113	116	119	122	125	128	130	133	136	139
Fees and charges	2,141	2,875	3,047	3,133	3,214	3,297	3,379	3,458	3,538	3,618	3,657
Local authorities fuel tax, fines, infringement fees, and other receipts	2	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	768	1,496	1,575	1,688	1,707	1,762	1,829	1,832	1,885	1,933	1,939
<b>Total Operating Funding (A)</b>	<b>25,020</b>	<b>29,596</b>	<b>31,235</b>	<b>34,498</b>	<b>37,829</b>	<b>39,941</b>	<b>42,380</b>	<b>40,616</b>	<b>41,557</b>	<b>42,965</b>	<b>44,125</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	12,864	15,767	16,575	17,840	18,833	19,137	20,014	20,560	21,136	21,650	21,945
Finance Costs	1,947	1,579	1,587	1,891	2,082	2,266	2,476	2,724	2,630	2,816	2,847
Internal charges and overheads applied	5,239	6,863	7,179	7,565	7,671	7,893	8,101	8,161	8,363	8,473	8,451
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>20,050</b>	<b>24,210</b>	<b>25,341</b>	<b>27,296</b>	<b>28,585</b>	<b>29,296</b>	<b>30,591</b>	<b>31,445</b>	<b>32,129</b>	<b>32,939</b>	<b>33,243</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>4,970</b>	<b>5,386</b>	<b>5,894</b>	<b>7,202</b>	<b>9,243</b>	<b>10,645</b>	<b>11,789</b>	<b>9,171</b>	<b>9,427</b>	<b>10,026</b>	<b>10,882</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	525	-	678	-	1,720	4,203	552	218	1,133	1,132	-
Development and financial contributions	916	2,681	3,117	3,339	3,688	3,688	3,689	3,668	3,710	3,730	3,749
Increase (decrease) in debt	3,248	1,825	8,258	11,048	(4,011)	9,731	873	(993)	(1,040)	6,691	(7,833)
Gross proceeds from sale of assets	-	118	76	32	142	39	183	110	45	136	111
<b>Total Sources of Capital Funding (C)</b>	<b>4,689</b>	<b>4,624</b>	<b>12,130</b>	<b>14,418</b>	<b>1,539</b>	<b>17,661</b>	<b>5,296</b>	<b>3,003</b>	<b>3,848</b>	<b>11,689</b>	<b>(3,973)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	1,642	1,678	2,559	5,920	4,445	8,640	6,699	6,974	1,925	6,999	1,082
- to improve the level of service	5,836	3,944	8,775	9,173	7,865	12,323	10,174	1,444	3,834	5,422	857
- to replace existing assets	1,909	3,594	4,850	5,404	4,488	4,173	5,701	5,022	5,888	6,221	2,779
Increase (decrease) in reserves	272	794	1,839	1,123	(6,016)	3,170	(5,488)	(1,265)	1,629	3,074	2,191
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>9,659</b>	<b>10,010</b>	<b>18,023</b>	<b>21,620</b>	<b>10,782</b>	<b>28,306</b>	<b>17,086</b>	<b>12,174</b>	<b>13,276</b>	<b>21,715</b>	<b>6,909</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(4,970)</b>	<b>(5,386)</b>	<b>(5,894)</b>	<b>(7,202)</b>	<b>(9,243)</b>	<b>(10,645)</b>	<b>(11,789)</b>	<b>(9,171)</b>	<b>(9,427)</b>	<b>(10,026)</b>	<b>(10,882)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Community facilities

## Schedule of capital expenditure – Community facilities

### Community Facilities

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>Growth</b>											
New playgrounds on neighbourhood reserves	126										
Cemeteries interment infrastructure	95										
Community Reserve improvements Taupo North		-	-	-	-	221	-	-	-	-	246
Local and/or community reserve improvements				-	324	221	170	347		362	307
New neighbourhood reserves	1,421										
Playground improvements on reserves land 24-34 Taupo North							486	497			
Playground improvements on reserves land 24-34 Taupo South			441		464		486		508		529
Secombe Park development plan		40	492	84	432	-	-	-	-	-	-
Taupo North - reserve land purchases for new local parks							1,227	1,254			
Taupo South - reserve land purchases for new local parks		1,631		4,292		4,504		4,709		4,914	
Wharewaka Point reserve development plan		40	41	505	2,590	619	-	-	-	-	-
<b>Growth Total</b>	<b>1,642</b>	<b>1,711</b>	<b>974</b>	<b>4,881</b>	<b>3,809</b>	<b>5,565</b>	<b>2,368</b>	<b>6,807</b>	<b>508</b>	<b>5,276</b>	<b>1,082</b>
<b>LOS</b>											
Atiamuri footpath		46	-	-	-	-	-	-	-	-	-
Community art space		22	-	-	-	-	-	-	-	-	-
Community heritage space redevelopment		180	-	-	-	-	-	-	-	-	-
Crown Park sports equipment		110	-	-	-	-	-	-	-	-	-
Digitisation of local history material	21										
Erosion Control - Kuratau foreshore	75										
Erosion Control - Taupo Bay including Lake Terrace Cliffs	1,002										
Extension to Kinloch Hall		120	738	-	-	-	-	-	-	-	-
Fencing contributions (Fencing Act requirement)	21										
Great Lake Taupō shared path		80	82	4,211	-	-	-	-	-	-	-
Hickling park - 2nd hockey turf		-	-	-	-	-	-	332	2,580	-	-
Investment in Turangi Town informed by Turangi Spatial Plan (previously Tūrangi Event Centre)		-	-	-	7,692	10,098	-	-	-	-	-
Kinloch lakefront development plan		-	-	-	-	-	-	92	189	5,786	-
Library books	316	315	323	332	340	348	356	364	372	380	387
Mangakino lakefront development plan		304	886	2,105	863	-	-	-	-	-	-
Minor Building Projects	250										
Northcroft Reserve provision for market operations		256	-	-	-	-	-	-	-	-	-
Off-lead dog exercise areas		-	-	-	-	265	-	-	-	-	-
Owen Delany Park machinery & plant		116	-	-	-	-	-	-	-	-	-
Owen Delany Park sports equipment		15	-	-	-	-	-	-	-	-	-
Owen Delany Park upgrade	3,543	-	5,125	4,421	-	-	-	-	-	-	-
Playground improvements	263										
Playground shade improvements		300	615	632	324	331	339	347	354	362	369
Portable changeroom infrastructure		330	-	-	-	-	-	-	-	-	-
Project Watershed/Lakeshore erosion		-	1,507	-	289	3,674	22	288	-	-	-
Public Art	25										
Public conveniences		-	164	505	-	-	-	-	-	-	-
Recycling, rubbish and dog litter bins		149	-	-	-	-	-	-	-	-	-
Reserve resilience		37	15	11	-	-	-	-	-	-	-
Reserve security and safety		64	66	67	69	71	72	74	76	77	79
Riverside Park/Amphitheatre - power and lighting switchboard upgrade		91	-	-	-	-	-	-	-	-	-
Sculpture Trail		20	10	-	13	-	16	-	19	-	22
Taupō Event Centre 4th court				-	-	-	12,885	-	-	-	-
Taupō Event Centre install anchor points on TEC roof		37	-	-	-	-	-	-	-	-	-
Tongariro Street, Tongariro North Domain power and Northcroft Reserve upgrades		490	221	-	-	-	-	-	-	-	-
Turangi Turtle Pools - dual HVAC/pool heating upgrade	320										
Tūrangitukua Park - Hirangi Rd carpark drainage		500	-	-	-	-	-	-	-	-	-
Tūrangitukua Park - Te Aonini carpark seal		385	-	-	-	-	-	-	-	-	-
Two Mile Bay parking improvements		50	923	-	-	-	-	-	-	-	-
Youth play spaces		35	-	-	86	884	904	148	1,889	1,886	-
<b>LOS Total</b>	<b>5,836</b>	<b>4,051</b>	<b>10,675</b>	<b>12,284</b>	<b>9,675</b>	<b>15,671</b>	<b>14,595</b>	<b>1,645</b>	<b>5,478</b>	<b>8,491</b>	<b>857</b>
<b>Renewal</b>	<b>1,909</b>	<b>3,455</b>	<b>4,536</b>	<b>3,332</b>	<b>3,314</b>	<b>3,899</b>	<b>5,610</b>	<b>4,988</b>	<b>5,661</b>	<b>4,875</b>	<b>2,779</b>
<b>Grand Total</b>	<b>9,387</b>	<b>9,217</b>	<b>16,184</b>	<b>20,497</b>	<b>16,799</b>	<b>25,135</b>	<b>22,573</b>	<b>13,440</b>	<b>11,646</b>	<b>18,641</b>	<b>4,717</b>



## REGULATORY AND EMERGENCY MANAGEMENT

### What we do and why we do it

We undertake the following activities:

Regulatory services	<p>Council undertakes regulatory activities to ensure that our residents are safe and protected from nuisance. This includes:</p> <ul style="list-style-type: none"> <li>• Animal and noise control</li> <li>• Processing building consent applications, inspecting buildings, and enforcing the Building Act 2004.</li> <li>• Processing resource consents and ensuring compliance with the District Plan and resource consent conditions.</li> <li>• Registering, and ensuring compliance with regulations for food and health premises, alcohol outlets, and electronic gaming machines.</li> <li>• Parking enforcement</li> </ul>
Emergency management	<p>Council undertakes Civil Defence and Emergency Management activities to ensure that our local communities and businesses are prepared for when an emergency happens. This includes undertaking public awareness and educational campaigns, training exercises and local response planning.</p>

These are mostly mandated functions of Council that support the safety and wellbeing of residents.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy

and well-beings:

- Economic
- Social

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Economic well-being: unnecessary regulation could make it difficult for new and existing businesses to operate.
- Social well-being: effective management and delivery is needed to ensure public safety. Poor emergency management may also mean any emergencies take longer to resolve, placing further pressure on our communities.

### How we fund these activities

Regulatory services are funded from a mix of registration and application fees and charges, district-wide rates, and the general rate applied to all properties in the district. Emergency management activities are funded by district-wide rates applied to all properties in the district See [Funding impact statement – Regulatory and emergency management](#) for forecast annual funding and expenditure.

## Planned investment to improve services

See [Schedule of capital expenditure – Regulatory and emergency management](#) for details of planned capital investment.

## Levels of service and performance measures – Regulatory and emergency management

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
We process resource consents within legislative timeframes which ensures that property developments are in line with District Plan policy goals	RE.01	Percentage of resource consents processed within statutory timeframes as specified under the Resource Management Act 1991	Not achieved (96.3 percent)	<del>400-90</del> percent	<del>400-90</del> percent	<del>400-90</del> percent	<del>400-90</del> percent
	RE.02	Percentage of resource consents monitored to ensure they comply with the conditions of consent	Achieved (100 percent)	100 percent	100 percent	100 percent	100 percent
We process building consents within legislative timeframes	RE.03	Percentage of all building consents applications processed within 20 working days as specified under the Building Act 2004 Section 48(1)	Not achieved (79.13 percent)	<del>400-90</del> percent	<del>400-90</del> percent	<del>400-90</del> percent	<del>400-90</del> percent
	RE.04	Percentage of Building Warrants of Fitness audited yearly	Achieved (52 percent)	At least 55 percent	At least 60 percent	At least 65 percent	2027/28 - at least 70 percent 2028/29 - at least 75 percent 2029/30 onwards - at least 80 percent
	RE.05	<a href="#">Council will maintain accreditation as a Building Consent Authority</a>	<a href="#">N/A (New measure)</a>	<a href="#">Maintain accreditation</a>	<a href="#">Maintain accreditation</a>	<a href="#">Maintain accreditation</a>	<a href="#">Maintain accreditation</a>
We maintain a register of dogs in the district	RE.06	Percentage of known dogs that are registered each year	Achieved (99.2 percent)	At least 99 percent	At least 99 percent	At least 99 percent	At least 99 percent
We respond promptly to food safety, dogs and noise complaints	RE.07	Percentage of noise complaints that are responded to within two hours	Achieved (100 percent)	At least 95 percent	At least 95 percent	At least 95 percent	At least 95 percent
	RE.08	Food safety – Percentage of food complaints responded to within two working days	Achieved (100 percent)	At least 80 percent	At least 80 percent	At least 80 percent	At least 80 percent
	RE.09	Dog control – percentage of initial response within 24 hours for dog control complaints	Achieved (100 percent)	95 percent	95 percent	95 percent	95 percent

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
We inspect health, alcohol and food premises regularly	RE.10	Percentage of health (funeral homes, camping grounds, hairdressers) premises that are registered and inspected annually to ensure they meet minimum legislative standards	Achieved (100 percent)	100 percent	100 percent	100 percent	100 percent
	RE.11	Percentage of food premises that are registered and inspected/audited as required to ensure they meet minimum legislative standards	Achieved (100 percent)	100 percent	100 percent	100 percent	100 percent
	RE.12	Percentage of alcohol premises that are registered and inspected annually to ensure they meet the legislative minimum standards	Achieved (100 percent)	100 percent	100 percent	100 percent	100 percent
We are prepared for emergencies	RE.13	The evaluation of annual exercise as a measure of effectiveness of training delivery	Achieved (67 percent)	Increasing trend from previous year	Increasing trend from previous year	Increasing trend from previous year	Increasing trend from previous year

## Funding impact statement – Regulatory and emergency management

Funding Impact Statement - Regulatory and Emergency Management	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	6,105	5,479	5,690	6,261	6,462	6,554	6,713	6,826	6,965	6,988	7,117
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	2,791	4,152	4,445	4,578	4,697	4,810	4,921	5,029	5,134	5,237	5,342
Local authorities fuel tax, fines, infringement fees, and other receipts	466	551	569	586	601	615	630	643	657	670	683
Internal charges and overheads recovered	-	576	607	664	683	707	745	758	784	815	833
<b>Total Operating Funding (A)</b>	<b>9,362</b>	<b>10,759</b>	<b>11,310</b>	<b>12,089</b>	<b>12,443</b>	<b>12,686</b>	<b>13,008</b>	<b>13,256</b>	<b>13,541</b>	<b>13,710</b>	<b>13,975</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	9,318	5,558	5,843	6,339	6,556	6,636	6,811	6,977	7,138	7,261	7,437
Finance Costs	44	50	39	32	31	31	26	22	17	13	10
Internal charges and overheads applied	-	4,534	4,709	4,902	5,037	5,185	5,333	5,407	5,543	5,590	5,680
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>9,362</b>	<b>10,143</b>	<b>10,591</b>	<b>11,273</b>	<b>11,623</b>	<b>11,852</b>	<b>12,170</b>	<b>12,407</b>	<b>12,698</b>	<b>12,864</b>	<b>13,126</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>-</b>	<b>616</b>	<b>719</b>	<b>815</b>	<b>820</b>	<b>834</b>	<b>837</b>	<b>850</b>	<b>843</b>	<b>846</b>	<b>849</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	111	(101)	(100)	(100)	34	(110)	(108)	(113)	(98)	(98)	(59)
Gross proceeds from sale of assets	-	26	20	51	67	42	68	-	42	96	47
<b>Total Sources of Capital Funding (C)</b>	<b>111</b>	<b>(75)</b>	<b>(80)</b>	<b>(49)</b>	<b>101</b>	<b>(68)</b>	<b>(40)</b>	<b>(113)</b>	<b>(56)</b>	<b>(2)</b>	<b>(12)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	111	-	-	-	131	-	-	-	-	-	-
- to replace existing assets	226	183	103	190	406	240	214	12	203	360	251
Increase (decrease) in reserves	(226)	358	536	576	384	527	583	725	585	484	585
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>111</b>	<b>540</b>	<b>638</b>	<b>766</b>	<b>921</b>	<b>767</b>	<b>797</b>	<b>737</b>	<b>787</b>	<b>845</b>	<b>837</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>-</b>	<b>(616)</b>	<b>(719)</b>	<b>(815)</b>	<b>(820)</b>	<b>(834)</b>	<b>(837)</b>	<b>(850)</b>	<b>(843)</b>	<b>(846)</b>	<b>(849)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Regulatory and emergency management

## Schedule of capital expenditure – Regulatory and emergency management

### Regulatory and Emergency Management

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>											
Dog Pound refurbishment	111										
Parking monitoring devices for Taupō CBD		-	-	-	131	-	-	-	-	-	-
<b>LOS Total</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Renewal</b>	<b>226</b>	<b>183</b>	<b>103</b>	<b>190</b>	<b>406</b>	<b>240</b>	<b>214</b>	<b>12</b>	<b>203</b>	<b>360</b>	<b>251</b>
<b>Grand Total</b>	<b>337</b>	<b>183</b>	<b>103</b>	<b>190</b>	<b>537</b>	<b>240</b>	<b>214</b>	<b>12</b>	<b>203</b>	<b>360</b>	<b>251</b>

Regulatory and emergency management

## COMMUNITY LEADERSHIP

### What we do and why we do it

The Local Government Act 2002 provides Council with a broad purpose to make decisions and act on behalf of the community. We undertake the following activities:

Leadership, governance and advocacy	<ul style="list-style-type: none"> <li>Facilitating Council and committee meetings.</li> <li>Processing information requests.</li> <li>Running local government elections</li> <li>Acting as the district's advocate with regional and national governments, and other stakeholders.</li> </ul>
Community engagement and development	<ul style="list-style-type: none"> <li>Engaging with local communities, including iwi and hapū, to understand their needs and ensure they are supported and connected by council services.</li> <li>Providing grants on behalf of ratepayers for community groups and organisations.</li> </ul>
Policy and planning	<ul style="list-style-type: none"> <li>Developing and maintaining a District Plan, growth plan, reserve management plans, corporate planning documents, bylaws and policies as required under various legislation.</li> <li>Developing and maintaining other Council strategies and policies.</li> <li>Advocating to regional councils and central government on various legislative changes and reform.</li> </ul>
Communications	<ul style="list-style-type: none"> <li>Keeping people informed of what's going on and how it might impact them</li> </ul>
Customer services	<ul style="list-style-type: none"> <li>Receiving and responding to customer queries or complaints about any of Council's services or facilities.</li> </ul>
Rates	<ul style="list-style-type: none"> <li>Managing the rates invoicing and collection process and assessing the revenue requirement.</li> </ul>
Project management	<ul style="list-style-type: none"> <li>Supporting the planning and delivery of infrastructure investment projects.</li> </ul>
Investments	<ul style="list-style-type: none"> <li>Prudently managing Council's financial investments on behalf of the community.</li> </ul>

Council undertakes these activities to ensure the effective delivery of Council's statutory roles and to promote effective community engagement, and transparent conduct and decision-making on behalf of our communities.

## Contribution to community outcomes

These services support the following [Community outcomes](#):

- Tangata whenua are acknowledged and respected
- Vibrant places and connected communities
- Resilient communities working in partnership
- Innovative, thriving economy
- Flourishing environment

and well-beings:

- Economic
- Environmental
- Social
- Cultural

## Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Social well-being: Poor community leadership can lead to communities that feel disenfranchised, unheard, and uniformed. This harms community cohesion and undermines our sense of community and our resilience.
- Environmental well-being: there may be harmful effects on our residents and the environment if poor governance or policy is implemented without fully understanding the consequences of a given course of action.

## How we fund these activities

Community leadership is funded from district-wide rates, and the general rate applied to all properties in the district. See [Funding impact statement – Community leadership](#) for forecast annual funding and expenditure.

## Planned investment to improve services

See [Schedule of capital expenditure – Community leadership](#) for details of planned capital investment.



## Levels of service and performance measures – Community leadership

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 – 34
We manage investment assets in accordance with the Treasury Management Policy		<del>Council's primary investment objective is capital protection. It utilises its surplus funds through internal lending to various activity centres within Council and through external investment to approved counterparties.</del> Within the above credit constraints, Council will measure investment performance as follows: <ul style="list-style-type: none"> <li>— Cash is held in liquid investments</li> <li>— Investment maturities are matched to projected cashflow requirements</li> <li>— Investment returns are maximised by obtaining quotes across the four major banks</li> <li>• Realisation of investments prior to maturity is avoided unless absolutely necessary</li> </ul>	N/A (New measure)	Achieved	Achieved	Achieved	Achieved
	CL.01	<u>The value of the TEL Fund is maintained relative to inflation.</u>	<u>Value of TEL Fund was \$65.1 million at 30 June 2023</u>	<u>Actual 2023/24 value plus inflation</u>	<u>Actual 2024/25 value plus inflation</u>	<u>Actual 2025/26 value plus inflation</u>	<u>Actual 2026/27 value plus inflation</u>
Growth and development is planned while our natural and physical resources are managed in a sustainable manner	CL.02	Plan Changes, initiated by Council and privately, to the District Plan are undertaken in accordance with legislative processes and timeframes	N/A (New measure)	100 percent	100 percent	100 percent	100 percent
Corporate planning documents, long-term plans, annual plans and annual reports are delivered for our community	CL.03	Corporate plans meet legislative timeframes	N/A (New measure)	100 percent	100 percent	100 percent	100 percent

Community leadership

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
Council operates an open and honest decision-making process that generates confidence and trust in the democratic system	CL.04	Bylaw reviews are undertaken in accordance with legislative timeframes	Achieved (100 percent)	100 percent	100 percent	100 percent	100 percent
	CL.05	Percentage of requests for official information that are responded to within 20 working days	Not Achieved (99.4 percent against a target of 100%)	99 percent	99 percent	99 percent	99 percent

Community Leadership

## Funding impact statement – Community leadership

Funding Impact Statement - Community Leadership	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	11,345	11,573	12,833	13,356	13,611	14,174	14,001	13,332	12,494	11,646	10,100
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	611	592	589	553	567	635	593	607	679	632	645
Local authorities fuel tax, fines, infringement fees, and other receipts	7,106	7,092	6,823	7,133	7,604	8,097	8,728	9,964	11,264	12,615	14,732
Internal charges and overheads recovered	21,318	26,286	28,260	29,713	29,918	30,542	31,780	31,565	32,195	32,544	32,123
<b>Total Operating Funding (A)</b>	<b>40,380</b>	<b>45,543</b>	<b>48,504</b>	<b>50,754</b>	<b>51,700</b>	<b>53,448</b>	<b>55,102</b>	<b>55,468</b>	<b>56,631</b>	<b>57,438</b>	<b>57,600</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	23,030	28,154	30,108	31,405	31,830	32,729	33,875	33,857	34,933	35,448	35,319
Finance Costs	578	1,226	681	586	539	482	430	387	334	286	244
Internal charges and overheads applied	12,347	10,597	11,532	12,230	12,441	12,568	13,280	13,377	13,526	13,721	13,770
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>35,955</b>	<b>39,977</b>	<b>42,322</b>	<b>44,221</b>	<b>44,810</b>	<b>45,778</b>	<b>47,586</b>	<b>47,621</b>	<b>48,793</b>	<b>49,455</b>	<b>49,333</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>4,425</b>	<b>5,566</b>	<b>6,183</b>	<b>6,533</b>	<b>6,890</b>	<b>7,669</b>	<b>7,516</b>	<b>7,846</b>	<b>7,838</b>	<b>7,983</b>	<b>8,267</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(2,422)	5,610	(1,129)	(1,376)	(1,420)	(1,856)	(6,424)	(27,419)	(8,633)	(27,727)	(37,955)
Gross proceeds from sale of assets	8,506	4,231	134	23	517	95	52	29	75	3,372	3,368
<b>Total Sources of Capital Funding (C)</b>	<b>6,084</b>	<b>9,842</b>	<b>(995)</b>	<b>(1,353)</b>	<b>(903)</b>	<b>(1,761)</b>	<b>(6,372)</b>	<b>(27,390)</b>	<b>(8,558)</b>	<b>(24,354)</b>	<b>(34,587)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	1,225	6,748	315	141	42	43	479	109	46	47	48
- to replace existing assets	173	961	839	660	617	912	895	480	1,113	1,017	721
Increase (decrease) in reserves	9,111	6,100	3,234	4,380	5,328	4,953	(230)	(20,132)	(1,879)	(17,436)	(27,089)
Increase (decrease) of investments	-	1,600	800	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>10,509</b>	<b>15,408</b>	<b>5,188</b>	<b>5,181</b>	<b>5,987</b>	<b>5,908</b>	<b>1,145</b>	<b>(19,544)</b>	<b>(720)</b>	<b>(16,371)</b>	<b>(26,320)</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(4,425)</b>	<b>(5,566)</b>	<b>(6,183)</b>	<b>(6,533)</b>	<b>(6,890)</b>	<b>(7,669)</b>	<b>(7,516)</b>	<b>(7,846)</b>	<b>(7,838)</b>	<b>(7,983)</b>	<b>(8,267)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Community leadership

## Schedule of capital expenditure – Community leadership

### Community Leadership

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>											
Central Administration Building fitout		4,950	-	-	-	-	-	-	-	-	-
Civic Administration Building - fitout	178										
Core network and infrastructure modernisation programme		22	-	-	-	-	-	-	-	-	-
Cybersecurity improvement programme		17	-	-	-	-	-	-	-	-	-
Digital customer experience		-	74	63	-	-	-	-	-	-	-
Digital solutions hardware		33	40	78	42	43	44	45	46	47	48
Digital Solutions Hardware - New - New building		23	42	-	-	-	-	-	-	-	-
Expand engagement assets		35	-	-	-	-	-	-	-	-	-
Fleet EV charging infrastructure new building		80	5	-	-	-	-	-	-	-	-
Project Quantum phase 3+	1,005	1,271	154	-	-	-	-	-	-	-	-
Rebranding project		-	-	-	-	-	435	64	-	-	-
Safer communities - CCTV		403	-	-	-	-	-	-	-	-	-
Storage space for project related materials (including fragile art works)		110	-	-	-	-	-	-	-	-	-
Storytelling - connecting Iwi/Hapu to our customer and visitor spaces		12	-	-	-	-	-	-	-	-	-
Technology hardware refresh programme	42										
<b>LOS Total</b>	<b>1,225</b>	<b>6,956</b>	<b>315</b>	<b>141</b>	<b>42</b>	<b>43</b>	<b>479</b>	<b>109</b>	<b>46</b>	<b>47</b>	<b>48</b>
<b>Renewal</b>	<b>173</b>	<b>753</b>	<b>839</b>	<b>660</b>	<b>617</b>	<b>912</b>	<b>895</b>	<b>480</b>	<b>1,113</b>	<b>1,017</b>	<b>721</b>
<b>Grand Total</b>	<b>1,398</b>	<b>7,709</b>	<b>1,154</b>	<b>801</b>	<b>659</b>	<b>955</b>	<b>1,374</b>	<b>588</b>	<b>1,159</b>	<b>1,064</b>	<b>769</b>

Community Leadership

## STRATEGIC PROPERTY

### What we do and why we do it

We are working with construction partners to provide some quality first home options to working families. In partnership we will produce new, quality, attractive houses to buy that are similar to the market homes in this area – but are smaller and more affordable for everyday people who would then be able to service a mortgage.

We provide 57 ratepayer-subsidised housing for the elderly units in Taupō, Tūrangi and Mangakino.

Council also owns some commercial and residential land, where we seek to maximise the return to ratepayers, pay down debt, and support the appropriate provision of land supply to meet housing development needs.

These are non-critical services, but we provide them to allow some limited affordable options for our elderly, local businesses' staff and working families, to promote development of housing to meet demand, and to ensure good financial management of residential and commercial land assets. These services support the wellbeing of residents and support business to attract and retain workers.

### Contribution to community outcomes

These services support the following Community outcomes:

- Vibrant places and connected communities
- Innovative, thriving economy
- Resilient communities working in partnership

and well-beings:

- Economic
- Social

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Economic well-being: Council land management and development may come at the cost of other local industries or businesses if not managed appropriately.
- Social well-being: Poor planning, development, or management of community funded housing may cause social issues.

### How we fund these activities

Council's property activities are predominantly funded through property rents and sale revenues, some initial investment is funded by the general rate applied to all properties in the district. Investment returns are reinvested or used to pay back debt. Housing for the elderly is funded from a mix of rents from tenants and the general rate applied to all properties in the district. See [Funding impact statement – Strategic property](#) for forecast annual funding and expenditure.

### Planned investment to improve services

See [Schedule of capital expenditure – Strategic property](#) for details of planned capital investment.

### Levels of service and performance measures – Strategic property

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
Council facilitates the actions identified in the Housing Strategy	SP.01	The number of actions undertaken which were identified in the Housing Strategy	N/A (New measure)	At least one for each focus area Note: there are 5 focus areas identified in the strategy	At least one for each focus area Note: there are 5 focus areas identified in the strategy	At least one for each focus area Note: there are 5 focus areas identified in the strategy	At least one for each focus area Note: there are 5 focus areas identified in the strategy

Note: A copy of Council's Housing Strategy can be found on our website [www.taupo.govt.nz](http://www.taupo.govt.nz)

Strategic property

## Funding impact statement – Strategic property

Funding Impact Statement - Strategic Property	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	1,145	1,418	1,355	1,446	1,276	1,461	1,494	4,012	1,213	1,297	1,015
Targeted Rates	-	-	-	-	-	-	-	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	608	6,935	12,394	14,393	9,617	15,802	15,067	15,082	3,708	722	737
Local authorities fuel tax, fines, infringement fees, and other receipts	-	128	132	135	139	142	145	148	152	155	158
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>1,753</b>	<b>8,482</b>	<b>13,881</b>	<b>15,974</b>	<b>11,031</b>	<b>17,405</b>	<b>16,706</b>	<b>19,242</b>	<b>5,072</b>	<b>2,174</b>	<b>1,910</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	953	5,259	4,451	3,019	9,310	7,528	3,292	525	560	211	(58)
Finance Costs	800	671	391	329	413	401	390	315	238	230	222
Internal charges and overheads applied	-	635	651	709	670	688	708	666	682	696	649
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>1,753</b>	<b>6,564</b>	<b>5,493</b>	<b>4,056</b>	<b>10,393</b>	<b>8,618</b>	<b>4,389</b>	<b>1,506</b>	<b>1,480</b>	<b>1,137</b>	<b>813</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>-</b>	<b>1,917</b>	<b>8,388</b>	<b>11,918</b>	<b>638</b>	<b>8,788</b>	<b>12,318</b>	<b>17,736</b>	<b>3,592</b>	<b>1,036</b>	<b>1,098</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	11,954	(2,506)	(5,899)	4,094	(495)	(570)	(425)	(3,229)	(268)	(268)	(268)
Gross proceeds from sale of assets	-	-	20	-	3,235	-	-	-	3,235	-	3,235
<b>Total Sources of Capital Funding (C)</b>	<b>11,954</b>	<b>(2,506)</b>	<b>(5,879)</b>	<b>4,094</b>	<b>2,740</b>	<b>(570)</b>	<b>(425)</b>	<b>(3,229)</b>	<b>2,967</b>	<b>(268)</b>	<b>2,967</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	11,954	2,133	1,973	1,880	4,694	3,722	1,228	693	986	723	1,027
- to replace existing assets	140	412	264	287	252	186	252	435	894	1,194	543
Increase (decrease) in reserves	(140)	(3,133)	272	13,846	(1,568)	4,311	10,413	13,380	4,679	(1,149)	2,495
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>11,954</b>	<b>(588)</b>	<b>2,509</b>	<b>16,012</b>	<b>3,378</b>	<b>8,218</b>	<b>11,893</b>	<b>14,507</b>	<b>6,559</b>	<b>768</b>	<b>4,064</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>-</b>	<b>(1,917)</b>	<b>(8,388)</b>	<b>(11,918)</b>	<b>(638)</b>	<b>(8,788)</b>	<b>(12,318)</b>	<b>(17,736)</b>	<b>(3,592)</b>	<b>(1,036)</b>	<b>(1,098)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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Strategic property

## Schedule of capital expenditure – Strategic property<sup>2</sup>

### Strategic Property

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>											
204 Crown Road - subdivision earthworks & civil	3,500										
Contribution to water and wastewater infrastructure		646									
Digger McEwen Park - resource consent	200										
EUL affordable housing - Block Sales					254				277		289
EUL affordable housing - Stage 1 & 2		852	1,358	1,248	3,793	3,059	550	-	-	-	-
EUL Stage 1 Lot 20 - earthworks & civil	7,646										
Housing for Elderly Taupo - security screen doors		35	-	-	-	-	-	-	-	-	-
Investment Property Opportunity Fund		600	615	632	647	663	678	693	708	723	738
Land development	608										
<b>LOS Total</b>	<b>11,954</b>	<b>2,133</b>	<b>1,973</b>	<b>1,880</b>	<b>4,694</b>	<b>3,722</b>	<b>1,228</b>	<b>693</b>	<b>986</b>	<b>723</b>	<b>1,027</b>
<b>Renewal</b>	<b>140</b>	<b>412</b>	<b>264</b>	<b>287</b>	<b>252</b>	<b>186</b>	<b>252</b>	<b>435</b>	<b>894</b>	<b>1,194</b>	<b>543</b>
<b>Grand Total</b>	<b>12,094</b>	<b>2,545</b>	<b>2,238</b>	<b>2,166</b>	<b>4,946</b>	<b>3,907</b>	<b>1,479</b>	<b>1,128</b>	<b>1,880</b>	<b>1,917</b>	<b>1,569</b>

<sup>2</sup> External advice regarding the accounting treatment relating to the East Urban Lands has resulted in changes. The costs associated with projects for the development of the East Urban Lands are no longer classified as capital expenditure and now is shown in the Funding Impact Statement for Strategic Property in Payments to Staff and Suppliers. The costs have been removed from the Capital Expenditure List.



## DISTRICT DEVELOPMENT

### What we do and why we do it

To support our district's economy and vibrancy we provide a range of district development, visitor support, and events services. We have an in-house events team that supports event organisers to run both community and commercial events. We promote Taupō district as a holiday and visitor destination through Destination Great Lake Taupō (a Council controlled organisation), visitor centres in Taupō, Tūrangi and an information desk in Mangakino. We contract Amplify, an independent trust, to provide business development services throughout the district. We support Towncentre Taupō – a member-based organisation focusing on the development of a vibrant, well-managed and innovative Taupō central business district.

These are non-critical services, but we provide them to support our district being an enjoyable and attractive place to live with good amenities. These services support the wellbeing of residents, support attracting visitors, the local economy and support attracting and retaining workers and businesses.

### Contribution to community outcomes

These services support the following [Community outcomes](#):

- Vibrant places and connected communities
- Flourishing environment
- Innovative, thriving economy

and well-beings:

- Economic
- Social

### Significant negative effects

If not managed properly, these activities could have potential significant negative effects on:

- Economic well-being: Reduced economic activity may lead a loss of local businesses and jobs.
- Environmental well-being: Events can be significant generators of waste or damage outdoor spaces. Events need to be managed to avoid unnecessary impacts on our environment. Events can also have major impacts on our transportation network and need to be managed to enable the continued functioning of the network.

### How we fund these activities

Support for Towncentre Taupō is funded through a rate on all properties in the Taupō central business district. All other district development services are funded through the general rate applied to all properties in the district. See [Funding impact statement – District development](#) for forecast annual funding and expenditure.

### Planned investment to improve services

See [Schedule of capital expenditure – District development](#) for details of planned capital investment.

## Levels of service and performance measures – District development

Level of service	Ref	Performance Measure	Latest Result 2022/23	Long-term Plan 24 – 34 Targets			
				2024/25	2025/26	2026/27	2027 –34
We facilitate and support economic development in the district	DD.01	Enterprise Great Lake Taupo (trading as Amplify), Destination Great Lake Taupō and Towncentre Taupō report at least half-yearly to Taupō District Council on the manner of distribution of the grant as well as performance measures in line with their contracts for service and statements of intent	Achieved (100 percent report at least half yearly)	100 percent report at least half yearly	100 percent report at least half yearly	100 percent report at least half yearly	100 percent report at least half yearly
<a href="#">We attract, support and encourage sporting, cultural and other events around the district.</a>	<a href="#">DD.02</a>	<a href="#">The district will have a minimum number of events in Tūrangi and Mangakino each year. Reporting to Council will consist of narratives on actual events including location and economic impact figures</a>	<a href="#">Achieved - There were 12 events in held in Mangakino and 18 events held in Tūrangi</a>	<a href="#">At least 3 events Tūrangi. At least 3 events Mangakino</a>	<a href="#">At least 3 events Tūrangi. At least 3 events Mangakino</a>	<a href="#">At least 3 events Tūrangi. At least 3 events Mangakino</a>	<a href="#">At least 3 events Tūrangi. At least 3 events Mangakino</a>

District development

## Funding impact statement – District development

Funding Impact Statement - District Development	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	4,289	4,394	4,908	5,051	5,194	4,878	4,992	5,036	5,147	5,246	5,348
Targeted Rates	185	198	203	208	214	219	224	229	234	239	243
Subsidies and grants for operating purposes	280	375	-	-	-	-	-	-	-	-	-
Fees and charges	16	30	31	32	33	34	34	35	36	37	37
Local authorities fuel tax, fines, infringement fees, and other receipts	-	-	-	-	-	-	-	-	-	-	-
Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	-
<b>Total Operating Funding (A)</b>	<b>4,770</b>	<b>4,997</b>	<b>5,142</b>	<b>5,291</b>	<b>5,441</b>	<b>5,130</b>	<b>5,250</b>	<b>5,300</b>	<b>5,417</b>	<b>5,521</b>	<b>5,629</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	4,813	4,602	4,702	4,842	4,979	4,660	4,769	4,876	4,984	5,086	5,191
Finance Costs	5	13	17	18	21	20	19	17	16	15	14
Internal charges and overheads applied	506	350	337	339	347	357	374	371	382	385	389
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>5,324</b>	<b>4,964</b>	<b>5,055</b>	<b>5,199</b>	<b>5,346</b>	<b>5,036</b>	<b>5,161</b>	<b>5,264</b>	<b>5,381</b>	<b>5,486</b>	<b>5,594</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>(554)</b>	<b>33</b>	<b>87</b>	<b>92</b>	<b>94</b>	<b>94</b>	<b>89</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(5)	286	(30)	141	(35)	(35)	(35)	(35)	(35)	(31)	(31)
Gross proceeds from sale of assets	-	-	14	-	-	13	-	-	13	-	-
<b>Total Sources of Capital Funding (C)</b>	<b>(5)</b>	<b>286</b>	<b>(16)</b>	<b>141</b>	<b>(35)</b>	<b>(22)</b>	<b>(35)</b>	<b>(35)</b>	<b>(22)</b>	<b>(31)</b>	<b>(31)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:											
- to meet additional demand	-	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	-	293	-	168	-	-	-	-	-	-	-
- to replace existing assets	-	129	51	-	-	55	-	-	59	-	-
Increase (decrease) in reserves	(560)	(102)	19	65	59	17	53		(46)	5	5
Increase (decrease) of investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>(560)</b>	<b>319</b>	<b>71</b>	<b>233</b>	<b>59</b>	<b>72</b>	<b>53</b>		<b>13</b>	<b>5</b>	<b>5</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>554</b>	<b>(33)</b>	<b>(87)</b>	<b>(92)</b>	<b>(94)</b>	<b>(94)</b>	<b>(89)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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District development

## Schedule of capital expenditure – District development

### District Development

	2023/24	AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>LOS</b>												
Installation of Flagtrax System for Town Centre and Event Promotion			293	-	-	-	-	-	-	-	-	-
Roberts Street removable bollards installation				-	168	-	-	-	-	-	-	-
<b>LOS Total</b>			<b>293</b>	-	<b>168</b>	-	-	-	-	-	-	-
<b>Renewal</b>			<b>129</b>	<b>51</b>	-	-	<b>55</b>	-	-	<b>59</b>	-	-
<b>Grand Total</b>			<b>421</b>	<b>51</b>	<b>168</b>	-	<b>55</b>	-	-	<b>59</b>	-	-

District development

## FORECAST FINANCIAL STATEMENTS

### Prospective Schedule of Rates

Prospective Schedule of Rates	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Total District</b>											
General Rates	58,004	65,348	70,130	75,242	79,298	82,891	88,111	92,034	95,207	97,544	98,227
Targeted Rates	35,168	41,331	46,600	50,712	55,266	59,608	62,926	68,478	69,894	73,517	76,831
<b>Total Rates</b>	<b>93,172</b>	<b>106,679</b>	<b>116,731</b>	<b>125,955</b>	<b>134,564</b>	<b>142,499</b>	<b>151,037</b>	<b>160,512</b>	<b>165,100</b>	<b>171,061</b>	<b>175,058</b>
Less internal rates	1,098	-	-	-	-	-	-	-	-	-	-
Less rates remission	1,155	1,155	1,184	1,216	1,246	1,276	1,305	1,334	1,364	1,392	1,420
Add Water by Meter	-	1,797	1,869	1,942	2,010	2,076	2,145	2,207	2,266	2,327	2,386
Add rates penalties	500	600	600	600	600	600	600	600	600	600	600
<b>Rates revenue per statement of comprehensive revenue and expense</b>	<b>91,419</b>	<b>107,921</b>	<b>118,016</b>	<b>127,280</b>	<b>135,927</b>	<b>143,899</b>	<b>152,476</b>	<b>161,985</b>	<b>166,603</b>	<b>172,596</b>	<b>176,624</b>
% Change Total Rates	11.66%	14.50%	9.42%	7.90%	6.84%	5.90%	5.99%	6.27%	2.86%	3.61%	2.34%
% Change General Rates	11.43%	12.66%	7.32%	7.29%	5.39%	4.53%	6.30%	4.45%	3.45%	2.46%	0.70%
% Change Targeted Rates	12.04%	17.52%	12.75%	8.82%	8.98%	7.86%	5.57%	8.82%	2.07%	5.18%	4.51%
Number of Properties	23,881	24,075	24,297	24,548	24,822	25,118	25,442	25,761	26,081	26,401	26,724
Growth in Property Numbers	167	222	251	274	296	324	319	320	320	323	324
<b>Number of Properties to be rated</b>	<b>24,048</b>	<b>24,297</b>	<b>24,548</b>	<b>24,822</b>	<b>25,118</b>	<b>25,442</b>	<b>25,761</b>	<b>26,081</b>	<b>26,401</b>	<b>26,724</b>	<b>27,048</b>
Costs to be recovered (GST excl)	93,172	106,679	116,731	125,955	134,564	142,499	151,037	160,512	165,100	171,061	175,058
Average rates per property	3,874	4,391	4,755	5,074	5,357	5,601	5,863	6,154	6,254	6,401	6,472
<b>Average property % increase</b>	<b>9.1%</b>	<b>11.8%</b>	<b>8.3%</b>	<b>6.7%</b>	<b>5.6%</b>	<b>4.5%</b>	<b>4.7%</b>	<b>5.0%</b>	<b>1.6%</b>	<b>2.4%</b>	<b>1.1%</b>
Average Property increase GST excl	322	516	365	319	283	244	262	291	99	147	71
Average Property increase GST incl	371	594	419	367	325	280	301	335	114	170	82

#### RATINGS BASE INFORMATION

The projected number of rating units within the district for 30 June 2025 is 24,297

## Prospective Statement of Comprehensive Revenue and Expenses

Statement of Comprehensive Revenue Expenditure	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Revenue and Expense											
<b>Revenue</b>											
Rates	91,419	107,921	118,016	127,280	135,927	143,899	152,476	161,985	166,603	172,596	176,624
Subsidies and grants	7,785	7,072	8,546	8,720	14,195	14,245	11,350	9,889	11,237	10,911	10,649
Development and financial contributions	5,079	7,757	9,057	9,589	10,600	10,571	10,601	10,565	10,699	10,763	10,837
Fees and charges	12,228	22,664	29,094	31,521	27,192	33,872	33,514	33,950	23,055	20,426	20,808
Finance revenue	6,849	7,010	6,739	7,046	7,516	8,006	8,513	9,017	9,509	10,010	10,511
Other revenue	8,153	6,765	7,541	8,129	11,977	9,310	9,850	9,792	12,793	10,573	13,329
<b>Total operating revenue</b>	<b>131,513</b>	<b>159,189</b>	<b>178,993</b>	<b>192,286</b>	<b>207,407</b>	<b>219,903</b>	<b>226,303</b>	<b>235,197</b>	<b>233,897</b>	<b>235,279</b>	<b>242,759</b>
<b>Expenditure</b>											
Personnel costs	30,311	30,615	33,781	36,571	37,333	38,503	39,542	39,117	40,032	40,722	40,006
Depreciation and amortisation expense	29,804	34,561	37,379	40,005	42,490	45,260	47,957	50,623	53,240	55,039	56,746
Finance costs	11,681	12,193	11,225	11,569	12,566	13,642	15,163	16,657	16,058	14,565	12,575
Other expenses	48,632	65,107	71,058	72,909	75,203	77,133	80,594	80,866	76,247	77,621	79,135
<b>Total operating expenditure</b>	<b>120,428</b>	<b>142,476</b>	<b>153,443</b>	<b>161,055</b>	<b>167,592</b>	<b>174,538</b>	<b>183,256</b>	<b>187,263</b>	<b>185,576</b>	<b>187,948</b>	<b>188,462</b>
<b>Income tax (expense)/credit</b>											
Income tax (expense)/credit	-	-	-	-	-	-	-	-	-	-	-
<b>Income tax (expense)/credit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating Surplus/(Deficit)</b>	<b>11,085</b>	<b>16,713</b>	<b>25,550</b>	<b>31,231</b>	<b>39,815</b>	<b>45,365</b>	<b>43,047</b>	<b>47,933</b>	<b>48,321</b>	<b>47,332</b>	<b>54,297</b>
Other comprehensive revenue and expense											
<b>Gain/(loss) on assets</b>											
Property, plant & equipment revaluations	35,690	64,364	52,052	54,772	51,785	49,871	50,151	48,192	51,736	50,278	46,642
<b>Gain/(loss) on assets</b>	<b>35,690</b>	<b>64,364</b>	<b>52,052</b>	<b>54,772</b>	<b>51,785</b>	<b>49,871</b>	<b>50,151</b>	<b>48,192</b>	<b>51,736</b>	<b>50,278</b>	<b>46,642</b>
<b>Other Comprehensive Revenue and Expenses</b>	<b>35,690</b>	<b>64,364</b>	<b>52,052</b>	<b>54,772</b>	<b>51,785</b>	<b>49,871</b>	<b>50,151</b>	<b>48,192</b>	<b>51,736</b>	<b>50,278</b>	<b>46,642</b>
<b>Total comprehensive revenue and expense/(deficit) for the year attributable to Council</b>	<b>46,775</b>	<b>81,077</b>	<b>77,602</b>	<b>86,003</b>	<b>91,600</b>	<b>95,236</b>	<b>93,198</b>	<b>96,125</b>	<b>100,057</b>	<b>97,610</b>	<b>100,940</b>

Forecast financial statements

Statement of Comprehensive Revenue Expenditure	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Reconciliation to Summary Funding Impact Statement											
<b>Sources of operating funding</b>											
General rates, uniform annual general charges, rates penalties	57,687	64,793	69,547	74,626	78,652	82,215	87,405	91,300	94,443	96,752	97,407
Targeted rates	34,887	43,128	48,469	52,654	57,275	61,684	65,070	70,685	72,160	75,844	79,217
<b>Total rates revenue</b>	<b>92,574</b>	<b>107,921</b>	<b>118,016</b>	<b>127,280</b>	<b>135,927</b>	<b>143,899</b>	<b>152,476</b>	<b>161,985</b>	<b>166,603</b>	<b>172,596</b>	<b>176,624</b>
<b>Operating Funding</b>											
Subsidies and grants for operating purposes	3,886	4,066	3,763	3,896	4,062	4,154	4,302	4,408	4,540	4,688	4,786
Fees and charges	12,228	22,035	28,447	30,853	26,505	33,166	32,788	33,206	22,292	19,644	20,009
Interest and dividends from investments	6,849	7,010	6,739	7,046	7,516	8,006	8,513	9,017	9,509	10,010	10,511
Local authorities fuel tax, fines, infringement fees, and other receipts	1,145	1,681	1,734	1,787	1,837	1,886	1,935	1,983	2,030	2,077	2,122
<b>Total operating funding</b>	<b>24,108</b>	<b>34,793</b>	<b>40,682</b>	<b>43,583</b>	<b>39,920</b>	<b>47,212</b>	<b>47,538</b>	<b>48,613</b>	<b>38,372</b>	<b>36,419</b>	<b>37,428</b>
<b>Add asset development and other gains / (losses)</b>											
Subsidies and grants for capital expenditure	3,899	3,006	4,783	4,824	10,133	10,091	7,048	5,481	6,697	6,223	5,864
Development and financial contributions	5,079	7,757	9,057	9,589	10,600	10,571	10,601	10,565	10,699	10,763	10,837
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-
Add vested and first time recognition of assets	3,068	5,435	6,144	6,870	7,763	7,879	8,143	8,370	8,672	8,924	9,137
Add gain on sale	3,273	277	311	139	3,064	251	498	184	2,854	354	2,869
Add unrealised gains/(losses)	668	-	-	-	-	-	-	-	-	-	-
<b>Total asset development and other gains / (losses)</b>	<b>15,987</b>	<b>16,475</b>	<b>20,295</b>	<b>21,422</b>	<b>31,560</b>	<b>28,792</b>	<b>26,289</b>	<b>24,599</b>	<b>28,922</b>	<b>26,264</b>	<b>28,708</b>
<b>Applications of operating funding</b>											
Payments to staff and suppliers	80,098	90,065	98,268	103,397	105,452	106,982	111,628	113,101	115,344	118,126	118,919
Finance costs	11,681	12,187	11,219	11,563	12,560	13,636	15,156	16,650	16,051	14,559	12,569
<b>Total applications of operating funding (B)</b>	<b>91,779</b>	<b>102,252</b>	<b>109,487</b>	<b>114,960</b>	<b>118,012</b>	<b>120,618</b>	<b>126,784</b>	<b>129,751</b>	<b>131,396</b>	<b>132,685</b>	<b>131,488</b>
<b>Operating Expenses</b>											
Add depreciation expense	29,804	34,741	37,564	40,194	42,684	45,459	48,160	50,831	53,452	55,256	56,967
Less loss on sale of asset	-	-	-	-	-	-	-	-	-	-	-
Add Interest Provision for Landfill	-	6	6	6	6	6	6	6	6	6	6
Add Cost Of Section Sales	-	5,477	6,386	5,894	6,890	8,455	8,305	6,674	722	-	-
<b>Total operating expenses</b>	<b>29,804</b>	<b>40,224</b>	<b>43,956</b>	<b>46,095</b>	<b>49,581</b>	<b>53,920</b>	<b>56,472</b>	<b>57,512</b>	<b>54,180</b>	<b>55,263</b>	<b>56,974</b>
<b>Add other comprehensive revenue and expenses</b>											
Add other comprehensive revenue and expenses	35,690	64,364	52,052	54,772	51,785	49,871	50,151	48,192	51,736	50,278	46,642
<b>Total comprehensive revenue and expense</b>	<b>46,775</b>	<b>81,077</b>	<b>77,602</b>	<b>86,003</b>	<b>91,600</b>	<b>95,236</b>	<b>93,198</b>	<b>96,125</b>	<b>100,057</b>	<b>97,610</b>	<b>100,940</b>
Reconciliation to Summary Funding Impact Statement											
	-	-	-	-	-	-	-	-	-	-	-

Forecast financial statements

## Prospective Statement of Financial Position

Statement of Financial Position	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	3,099	6,132	6,791	7,492	8,125	8,729	9,325	9,912	10,487	11,051	11,574
Other financial assets	124,759	43,822	48,266	57,174	49,011	64,880	70,286	63,377	56,124	48,813	41,109
Trade and other receivables	6,381	10,358	10,358	10,358	10,358	10,358	10,358	10,358	10,358	10,358	10,358
Inventories	226	20,880	18,502	15,140	17,246	17,710	12,331	6,032	238	238	238
Prepayments	1,239	1,635	1,635	1,635	1,635	1,635	1,635	1,635	1,635	1,635	1,635
<b>Total Current Assets</b>	<b>135,704</b>	<b>82,826</b>	<b>85,551</b>	<b>91,799</b>	<b>86,374</b>	<b>103,312</b>	<b>103,934</b>	<b>91,314</b>	<b>78,842</b>	<b>72,094</b>	<b>64,913</b>
<b>Non-current assets</b>											
Other Financial Assets	15,933	72,592	77,071	81,819	86,853	92,189	97,846	103,843	110,200	116,940	124,084
Investment in CCO and other similar entities	8,773	10,008	10,808	10,808	10,808	10,808	10,808	10,808	10,808	10,808	10,808
Non current assets held for sale	10,831	-	-	-	-	-	-	-	-	-	-
Intangible assets	7,394	11,338	10,975	10,440	9,904	9,369	9,269	8,804	8,297	8,016	7,877
Investment properties	22,184	27,888	29,140	29,755	29,761	28,932	29,595	30,273	35,798	36,783	36,847
Investment in associates	-	-	-	-	-	-	-	-	-	-	-
Biological assets - forestry	7,952	8,087	8,913	9,778	10,231	11,055	12,009	12,972	14,186	11,732	9,119
Property, Plant and Equipment	1,815,313	2,040,280	2,138,711	2,233,107	2,339,862	2,431,528	2,553,712	2,658,914	2,720,207	2,783,199	2,829,559
<b>Total Non-current assets</b>	<b>1,888,380</b>	<b>2,170,192</b>	<b>2,275,618</b>	<b>2,375,707</b>	<b>2,487,420</b>	<b>2,583,881</b>	<b>2,713,240</b>	<b>2,825,613</b>	<b>2,899,496</b>	<b>2,967,476</b>	<b>3,018,294</b>
<b>Total Assets</b>	<b>2,024,084</b>	<b>2,253,019</b>	<b>2,361,169</b>	<b>2,467,505</b>	<b>2,573,793</b>	<b>2,687,193</b>	<b>2,817,174</b>	<b>2,916,927</b>	<b>2,978,338</b>	<b>3,039,570</b>	<b>3,083,206</b>
<b>Liabilities</b>											
<b>Current liabilities</b>											
Tax payable	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	20,796	21,249	21,908	21,950	21,882	21,853	21,845	21,835	21,824	21,812	21,772
Employee benefit liabilities	3,225	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855	3,855
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-	-
Borrowings	50,251	48,000	52,798	56,054	58,423	59,342	59,248	59,831	59,627	55,788	46,593
<b>Total Current Liabilities</b>	<b>74,272</b>	<b>73,104</b>	<b>78,560</b>	<b>81,859</b>	<b>84,159</b>	<b>85,050</b>	<b>84,948</b>	<b>85,521</b>	<b>85,307</b>	<b>81,455</b>	<b>72,220</b>
<b>Non-current liabilities</b>											
Provisions	168	213	219	226	232	238	245	251	257	264	270
Derivative financial instruments	519	52	52	52	52	52	52	52	52	52	52
Borrowings	150,000	188,687	213,772	230,801	243,183	260,449	297,329	300,377	261,939	229,406	181,331
Employee benefit liabilities	173	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Liabilities</b>	<b>150,860</b>	<b>188,952</b>	<b>214,043</b>	<b>231,078</b>	<b>243,466</b>	<b>260,739</b>	<b>297,625</b>	<b>300,679</b>	<b>262,248</b>	<b>229,722</b>	<b>181,653</b>
<b>Total Liabilities</b>	<b>225,132</b>	<b>262,055</b>	<b>292,603</b>	<b>312,937</b>	<b>327,626</b>	<b>345,789</b>	<b>382,573</b>	<b>386,201</b>	<b>347,554</b>	<b>311,177</b>	<b>253,873</b>
<b>Net Assets</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>

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Equity											
Reserves											
Accumulated funds	943,700	992,580	1,009,187	1,026,102	1,068,345	1,091,971	1,117,954	1,140,067	1,181,355	1,202,009	1,219,251
Council created reserves	129,752	112,617	121,560	135,876	133,447	155,186	172,250	198,071	205,103	231,781	268,837
Revaluation reserves	725,500	885,767	937,818	992,590	1,044,376	1,094,246	1,144,397	1,192,589	1,244,325	1,294,603	1,341,246
<b>Reserves</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>
<b>Total Equity</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>
<b>Total Equity</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>

Forecast financial statements

## Prospective Statement of Changes in Net Assets/Equity

Statement of Changes in Equity	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Equity balance at 30 June</b>											
Equity balance at 1 July	1,752,177	1,909,887	1,990,963	2,068,565	2,154,568	2,246,168	2,341,403	2,434,601	2,530,726	2,630,783	2,728,393
Comprehensive income for year	46,775	81,077	77,602	86,003	91,600	95,236	93,198	96,125	100,057	97,610	100,940
<b>Equity balance at 30 June</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>
<b>Components of Equity</b>											
<b>Retained earnings 30 June</b>											
Retained Earnings at 1 July	934,634	981,388	992,580	1,009,187	1,026,102	1,068,345	1,091,971	1,117,954	1,140,067	1,181,355	1,202,009
Net Surplus/(Deficit)	11,085	16,713	25,550	31,231	39,815	45,365	43,047	47,933	48,321	47,332	54,297
Transfers (to)/from reserves	(2,019)	(5,522)	(8,943)	(14,315)	2,429	(21,739)	(17,064)	(25,821)	(7,032)	(26,678)	(37,055)
<b>Retained earnings 30 June</b>	<b>943,700</b>	<b>992,580</b>	<b>1,009,187</b>	<b>1,026,102</b>	<b>1,068,345</b>	<b>1,091,971</b>	<b>1,117,954</b>	<b>1,140,067</b>	<b>1,181,355</b>	<b>1,202,009</b>	<b>1,219,251</b>
<b>Revaluation Reserves 30 June</b>											
Revaluation Reserves at 1 July	689,810	821,403	885,767	937,818	992,590	1,044,376	1,094,246	1,144,397	1,192,589	1,244,325	1,294,603
Revaluation Gains	35,690	64,364	52,052	54,772	51,785	49,871	50,151	48,192	51,736	50,278	46,642
<b>Revaluation Reserves 30 June</b>	<b>725,500</b>	<b>885,767</b>	<b>937,818</b>	<b>992,590</b>	<b>1,044,376</b>	<b>1,094,246</b>	<b>1,144,397</b>	<b>1,192,589</b>	<b>1,244,325</b>	<b>1,294,603</b>	<b>1,341,246</b>
<b>Council created Reserves 30 June</b>											
Council Created Reserves at 1 July	127,733	107,095	112,617	121,560	135,876	133,447	155,186	172,250	198,071	205,103	231,781
Transfers to/(from) reserves	2,019	5,522	8,943	14,315	(2,429)	21,739	17,064	25,821	7,032	26,678	37,055
<b>Council created Reserves 30 June</b>	<b>129,752</b>	<b>112,617</b>	<b>121,560</b>	<b>135,876</b>	<b>133,447</b>	<b>155,186</b>	<b>172,250</b>	<b>198,071</b>	<b>205,103</b>	<b>231,781</b>	<b>268,837</b>
<b>Components of Equity</b>	<b>1,798,952</b>	<b>1,990,963</b>	<b>2,068,565</b>	<b>2,154,568</b>	<b>2,246,168</b>	<b>2,341,403</b>	<b>2,434,601</b>	<b>2,530,726</b>	<b>2,630,783</b>	<b>2,728,393</b>	<b>2,829,333</b>

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## Prospective Statement of Cashflows

Statement of Cashflow	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Net Cashflow Operating Activities</b>											
<b>Cash was provided from:</b>											
Rates	91,419	107,921	118,016	127,280	135,927	143,899	152,476	161,985	166,603	172,596	176,624
Subsidies and grants	3,886	4,066	3,763	3,896	4,062	4,154	4,302	4,408	4,540	4,688	4,786
Interest Revenue	6,849	5,058	4,669	4,853	5,190	5,541	5,900	6,246	6,572	6,896	7,210
Fees and charges	12,228	22,035	28,447	30,853	26,505	33,166	32,788	33,206	22,292	19,644	20,009
Other Revenue	1,142	3,633	3,803	3,981	4,163	4,352	4,548	4,753	4,967	5,190	5,422
<b>Cash was provided from:</b>	<b>115,524</b>	<b>142,714</b>	<b>158,698</b>	<b>170,864</b>	<b>175,847</b>	<b>191,111</b>	<b>200,014</b>	<b>210,597</b>	<b>204,975</b>	<b>209,015</b>	<b>214,051</b>
<b>Cash was applied to:</b>											
Payment to suppliers	(48,632)	(61,659)	(65,103)	(65,632)	(73,338)	(71,907)	(71,191)	(70,458)	(71,683)	(73,377)	(74,850)
Payment to employees	(30,311)	(33,437)	(36,852)	(39,944)	(40,832)	(42,024)	(43,139)	(42,813)	(43,859)	(44,585)	(43,954)
Interest on public debt	(11,674)	(12,187)	(11,219)	(11,563)	(12,560)	(13,636)	(15,156)	(16,650)	(16,051)	(14,559)	(12,569)
<b>Cash was applied to:</b>	<b>(90,617)</b>	<b>(107,282)</b>	<b>(113,174)</b>	<b>(117,138)</b>	<b>(126,730)</b>	<b>(127,567)</b>	<b>(129,487)</b>	<b>(129,921)</b>	<b>(131,594)</b>	<b>(132,521)</b>	<b>(131,373)</b>
<b>Net Cashflow Operating Activities</b>	<b>24,907</b>	<b>35,432</b>	<b>45,524</b>	<b>53,725</b>	<b>49,117</b>	<b>63,544</b>	<b>70,527</b>	<b>80,676</b>	<b>73,380</b>	<b>76,494</b>	<b>82,678</b>
<b>Net Cashflow Investment Activities</b>											
<b>Cash was provided from:</b>											
Development Contributions	5,079	7,757	9,057	9,589	10,600	10,571	10,601	10,565	10,699	10,763	10,837
Net decrease in investments	-	7,894	-	-	2,590	-	-	489	487	179	183
Proceeds from sale of property, plant, equipment & bio assets	8,841	4,459	311	139	4,044	251	498	184	3,480	3,679	6,854
Capital Subsidies	3,899	3,006	4,783	4,824	10,133	10,091	7,048	5,481	6,697	6,223	5,864
<b>Cash was provided from:</b>	<b>17,819</b>	<b>23,117</b>	<b>14,151</b>	<b>14,552</b>	<b>27,367</b>	<b>20,913</b>	<b>18,147</b>	<b>16,718</b>	<b>21,363</b>	<b>20,844</b>	<b>23,739</b>
<b>Cash was applied to:</b>											
Purchase & development of property, plant & equipment	(58,188)	(66,651)	(79,330)	(73,703)	(90,601)	(80,365)	(113,366)	(100,439)	(55,526)	(60,403)	(48,624)
Net increase in investments	(2,500)	-	(9,570)	(14,158)	-	(21,674)	(11,497)	-	-	-	-
<b>Cash was applied to:</b>	<b>(60,688)</b>	<b>(66,651)</b>	<b>(88,900)</b>	<b>(87,861)</b>	<b>(90,601)</b>	<b>(102,039)</b>	<b>(124,863)</b>	<b>(100,439)</b>	<b>(55,526)</b>	<b>(60,403)</b>	<b>(48,624)</b>
<b>Net Cashflow Investment Activities</b>	<b>(42,868)</b>	<b>(43,534)</b>	<b>(74,749)</b>	<b>(73,309)</b>	<b>(63,234)</b>	<b>(81,126)</b>	<b>(106,717)</b>	<b>(83,720)</b>	<b>(34,163)</b>	<b>(39,559)</b>	<b>(24,886)</b>
<b>Net Cashflow Finance Activities</b>											
<b>Cash was provided from:</b>											
Loans raised	45,378	46,343	53,971	44,167	48,164	39,973	73,769	63,864	19,271	22,027	15,731
<b>Cash was provided from:</b>	<b>45,378</b>	<b>46,343</b>	<b>53,971</b>	<b>44,167</b>	<b>48,164</b>	<b>39,973</b>	<b>73,769</b>	<b>63,864</b>	<b>19,271</b>	<b>22,027</b>	<b>15,731</b>
<b>Cash was applied to:</b>											
Repayment of public debt	(28,350)	(23,226)	(24,088)	(23,882)	(33,414)	(21,787)	(36,984)	(60,233)	(57,913)	(58,399)	(73,001)
<b>Cash was applied to:</b>	<b>(28,350)</b>	<b>(23,226)</b>	<b>(24,088)</b>	<b>(23,882)</b>	<b>(33,414)</b>	<b>(21,787)</b>	<b>(36,984)</b>	<b>(60,233)</b>	<b>(57,913)</b>	<b>(58,399)</b>	<b>(73,001)</b>
<b>Net Cashflow Finance Activities</b>	<b>17,028</b>	<b>23,118</b>	<b>29,883</b>	<b>20,285</b>	<b>14,750</b>	<b>18,186</b>	<b>36,786</b>	<b>3,631</b>	<b>(38,642)</b>	<b>(36,372)</b>	<b>(57,270)</b>
<b>Cash Balance</b>											
Total cash resources at start of the year	4,032	(8,884)	6,132	6,791	7,492	8,125	8,729	9,325	9,912	10,487	11,051
Net increase/(decrease) in cash held	(933)	15,016	659	701	633	604	596	587	576	563	523
<b>Cash Balance</b>	<b>3,099</b>	<b>6,132</b>	<b>6,791</b>	<b>7,492</b>	<b>8,125</b>	<b>8,729</b>	<b>9,325</b>	<b>9,912</b>	<b>10,487</b>	<b>11,051</b>	<b>11,574</b>

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## Prospective Schedule of Reserve Funds

Statement of Movement in Reserves	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Depreciation Reserves</b>											
Buildings & Operational assets - District	10,168	1,789	389	844	1,381	2,144	3,223	4,429	5,600	6,607	11,630
Solid Waste - District	876	472	464	903	1,346	1,712	2,207	2,700	3,197	3,687	4,317
Transport & Stormwater - District	6,174	2,897	4,183	4,278	6,167	8,623	9,960	11,328	14,586	18,567	22,111
Wastewater - District	1,566	3,157	5,586	7,892	9,850	12,542	13,617	16,845	20,440	24,582	29,792
Water - District	1,646	(4,746)	(11,375)	(16,871)	(20,772)	(22,337)	(23,214)	(21,171)	(14,816)	(8,773)	1,694
<b>Total Depreciation Reserves Closing Balance</b>	<b>20,430</b>	<b>3,569</b>	<b>(752)</b>	<b>(2,954)</b>	<b>(2,028)</b>	<b>2,685</b>	<b>5,794</b>	<b>14,132</b>	<b>29,007</b>	<b>44,671</b>	<b>69,544</b>
<b>Development Contribution reserves</b>											
Community Infrastructure District	895	698	698	698	698	698	698	698	698	698	698
District wide Parks	1,188	3,205	6,322	9,355	3,854	6,684	1,350	(721)	558	3,032	469
Parks & reserves land (residential)	3,800	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731	2,731
Stormwater - District	-	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Transport - District	1,400	5,232	8,165	11,266	14,684	18,100	21,524	24,936	5,389	4,863	3,360
Wastewater - Atiamuri	2	2	2	2	2	2	2	2	2	2	2
Wastewater - Kinloch	606	1,575	1,987	2,384	2,845	1,296	1,759	2,230	2,713	3,203	3,706
Wastewater - Mangakino	-	52	119	192	254	309	362	413	465	514	559
Wastewater - Taupo	809	7,680	8,909	1,567	312	1,767	721	2,167	1,329	497	1,976
Wastewater - Turangi	-	14	47	95	158	205	250	296	341	389	431
Water - Kinloch	2,305	2,702	3,066	3,418	1,866	2,265	2,676	602	1,030	1,464	1,909
Water - Mapara Road	389	472	544	616	688	760	832	904	976	1,048	1,120
Water - Omori/Pukawa/Kuratau	154	142	184	238	292	347	401	455	509	563	617
Water - River Road	5	5	5	5	5	5	5	5	5	5	5
Water - Taupo	2,724	2,627	3,414	4,255	2,152	3,087	4,022	576	1,515	2,460	3,410
Water - Turangi/Tongariro	14	14	14	14	14	14	14	14	14	14	14
<b>Total Development Contribution Reserves Closing Balance</b>	<b>14,291</b>	<b>27,148</b>	<b>36,205</b>	<b>36,835</b>	<b>30,553</b>	<b>38,266</b>	<b>37,344</b>	<b>35,305</b>	<b>18,272</b>	<b>21,478</b>	<b>21,004</b>
<b>Other Reserves</b>											
Disaster Recovery Fund	2,398	2,839	3,339	3,939	4,539	5,139	5,739	6,339	6,939	7,539	8,139
District Airport Reserve	37	41	41	41	41	41	41	41	41	41	41
Forestry	5,585	2,198	2,216	2,285	2,923	3,131	3,269	3,471	3,180	6,359	9,493
Government Funding Reserve	-	484	484	484	484	484	484	484	484	484	484
Parking	69	69	69	69	69	69	69	69	69	69	69
Strategic Property Purchase - District	18,143	3,678	2,887	13,358	10,013	13,182	21,664	34,387	36,910	34,201	35,979
TEL	68,800	72,592	77,071	81,819	86,853	92,189	97,846	103,843	110,200	116,940	124,084
<b>Total Other Reserves Closing Balance</b>	<b>95,032</b>	<b>81,901</b>	<b>86,108</b>	<b>101,995</b>	<b>104,922</b>	<b>114,235</b>	<b>129,112</b>	<b>148,634</b>	<b>157,824</b>	<b>165,632</b>	<b>178,289</b>
<b>Total Reserves</b>	<b>129,753</b>	<b>112,617</b>	<b>121,560</b>	<b>135,875</b>	<b>133,447</b>	<b>155,186</b>	<b>172,250</b>	<b>198,071</b>	<b>205,103</b>	<b>231,781</b>	<b>268,837</b>

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Statement of Movement in Reserves	PROJECTED OPENING BALANCE 2024 (\$000)	EXPECTED DEPOSITS 2024- 2034 (\$000)	EXPECTED WITHDRAWALS 20 24-2034 (\$000)	EXPECTED BALANCE @ 2034 (\$000)	PURPOSE OF THE FUND
<b>Depreciation Reserves</b>					
Buildings & Operational assets - District	(612)	124,157	(111,915)	11,630	To fund for renewals, capital expenditure & loan repayments for Operational assets - District
Solid Waste - District	437	11,559	(7,680)	4,317	To fund for renewals, capital expenditure & loan repayments for District Solid Waste
Transport & Stormwater - District	1,409	114,896	(94,194)	22,111	To fund for renewals, capital expenditure & loan repayments for Transport & Stormwater - District
Wastewater - District	1,442	102,489	(74,140)	29,792	To fund for renewals, capital expenditure & loan repayments for Wastewater - District
Water - District	900	155,645	(154,850)	1,694	To fund for renewals, capital expenditure & loan repayments for Water - District
<b>Depreciation Reserves</b>	<b>3,577</b>	<b>508,746</b>	<b>(442,779)</b>	<b>69,544</b>	
<b>Development Contribution reserves</b>					
Community Infrastructure District	698	-	-	698	To fund for District Development Contribution capital expenditure, loan repayments & interest for Community Infrastructure
District wide Parks	2,153	35,059	(36,743)	469	To fund for District Wide Parks Development Contribution capital expenditure, loan repayments & interest
Parks & reserves land (residential)	2,731	-	-	2,731	To fund for Residential Parks Reserve Land Development Contribution capital expenditure, loan repayments & interest
Stormwater - District	(4)	-	-	(4)	To fund for District Wide Stormwater Development Contribution capital expenditure, loan repayments & interest
Transport - District	3,611	32,459	(32,711)	3,360	To fund for District Wide Transport Development Contribution capital expenditure, loan repayments & interest
Wastewater - Atiamuri	2	-	-	2	To fund for Atiamuri Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Kinloch	1,157	4,549	(2,000)	3,706	To fund for Kinloch Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Mangakino	-	559	-	559	To fund for Mangakino Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Taupo	6,581	13,849	(18,454)	1,976	To fund for Taupo Wastewater Development Contribution capital expenditure, loan repayments & interest
Wastewater - Turangi	-	431	-	431	To fund for Turangi Wastewater Development Contribution capital expenditure, loan repayments & interest
Water - Kinloch	2,347	4,012	(4,450)	1,909	To fund for Kinloch Water Development Contribution capital expenditure, loan repayments & interest
Water - Mapara Road	444	676	-	1,120	To fund for Mapara Road Water Development Contribution capital expenditure, loan repayments & interest
Water - Omori/Pukawa/Kuratau	113	503	-	617	To fund for Omori/Pukawa/Kuratau Water Development Contribution capital expenditure, loan repayments & interest
Water - River Road	5	-	-	5	To fund for River Road Water Development Contribution capital expenditure, loan repayments & interest
Water - Taupo	2,377	8,941	(7,907)	3,410	To fund for Taupo Water Development Contribution capital expenditure, loan repayments & interest
Water - Turangi/Tongariro	14	-	-	14	To fund for Turangi/Tokaanu Water Development Contribution capital expenditure, loan repayments & interest
<b>Development Contribution reserves</b>	<b>22,231</b>	<b>101,039</b>	<b>(102,266)</b>	<b>21,004</b>	

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**Other Reserves**

Disaster Recovery Fund	2,439	5,700	-	8,139	To provide readily available funds in the case of a significant natural disaster
District Airport Reserve	41	-	-	41	To provide for heavy periodic maintenance charges on assets such as buildings, roads etc & for future capital works of this nature
Forestry	1,517	11,150	(3,174)	9,493	To be used in the establishment, maintenance & operation of Councils forestry blocks
Government Funding Reserve	484	-	-	484	
Parking	69	-	-	69	For the purchase or development of parking
Strategic Property Purchase - District	8,371	97,557	(69,949)	35,979	To fund specific strategically based property purchases & associated projects - District
TEL	68,367	55,717	-	124,084	As per Treasury Management Policy
<b>Other Reserves</b>	<b>81,288</b>	<b>170,124</b>	<b>(73,123)</b>	<b>178,289</b>	

## Prospective Schedule of Depreciation by Activity Group

Prospective Schedule of Depreciation by Activity Group	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
Stormwater	1,263	1,276	1,360	1,467	1,597	1,683	1,844	2,033	2,196	2,287	2,376
Regulatory and Emergency Management	198	210	213	215	220	234	237	240	243	246	249
District Development	27	32	86	92	94	94	89	35	35	35	35
Transport	11,772	11,946	12,579	13,133	13,756	14,301	14,862	15,482	16,757	17,279	17,787
Wastewater	7,946	8,071	8,600	9,045	9,558	10,084	10,558	10,912	11,346	11,659	11,970
Water	5,339	5,541	6,058	6,767	7,151	7,545	7,988	8,641	8,948	9,380	9,796
Strategic Property	701	702	771	835	902	997	1,085	1,145	1,197	1,251	1,306
Waste and Environmental Management	342	346	355	358	395	784	786	788	790	769	534
Community Leadership	766	1,103	1,477	1,565	1,643	1,669	1,651	1,646	1,594	1,397	1,281
Community Facilities	5,118	5,335	5,883	6,527	7,176	7,868	8,856	9,700	10,134	10,736	11,411

### Prospective Schedule of Targeted Water Rates

Targeted Water Rate	12,673	16,209	18,518	21,497	25,578	28,817	30,530	35,524	36,651	39,632	42,929
Water by Meter	1,768	1,797	1,869	1,942	2,010	2,076	2,145	2,207	2,266	2,327	2,386
Total Targeted Water Rates	14,441	18,006	20,387	23,439	27,588	30,893	32,674	37,731	38,917	41,959	45,315

## Whole of Council Schedule of Capital Expenditure

### WHOLE OF COUNCIL SCHEDULE OF CAPITAL EXPENDITURE

	2023/24 AP	LTP 2024/25	LTP 2025/26	LTP 2026/27	LTP 2027/28	LTP 2028/29	LTP 2029/30	LTP 2030/31	LTP 2031/32	LTP 2032/33	LTP 2033/34
<b>Growth</b>											
Community Facilities	1,642	1,711	974	4,881	3,809	5,565	2,368	6,807	508	5,276	1,082
Transport	1,726	211	509	316	439	564	38,641	40,041	-	-	-
Wastewater	5,779	4,211	7,800	4,863	-	173	537	7,368	-	-	-
Water	974	6,100	6,240	7,780	6,319	3,466	3,580	123	1,198	194	2,456
<b>Growth Total</b>	<b>10,120</b>	<b>12,233</b>	<b>15,523</b>	<b>17,840</b>	<b>10,567</b>	<b>9,769</b>	<b>45,127</b>	<b>54,339</b>	<b>1,706</b>	<b>5,470</b>	<b>3,538</b>
<b>LOS</b>											
Community Facilities	5,836	4,051	10,675	12,284	9,675	15,671	14,595	1,645	5,478	8,491	857
Community Leadership	1,225	6,956	315	141	42	43	479	109	46	47	48
District Development		293	-	168	-	-	-	-	-	-	-
Regulatory and Emergency Management	111	-	-	-	131	-	-	-	-	-	-
Stormwater	329	1,109	1,913	2,483	1,201	4,837	6,593	2,572	508	429	440
Strategic Property	11,954	2,133	1,973	1,880	4,694	3,722	1,228	693	986	723	1,027
Transport	4,920	3,495	5,535	5,774	7,158	7,507	6,637	4,088	3,699	1,661	2,160
Waste and Environmental Management	11	336	141	174	9,216	-	-	-	-	-	-
Wastewater	2,761	550	884	1,732	12,944	4,706	-	-	-	-	-
Water	4,773	11,995	17,233	3,355	5,547	4,228	3,043	5,342	10,216	9,066	9,691
<b>LOS Total</b>	<b>31,920</b>	<b>30,916</b>	<b>38,670</b>	<b>27,991</b>	<b>50,609</b>	<b>40,714</b>	<b>32,575</b>	<b>14,448</b>	<b>20,932</b>	<b>20,417</b>	<b>14,223</b>
<b>Renewal</b>											
Community Facilities	1,909	3,455	4,536	3,332	3,314	3,899	5,610	4,988	5,661	4,875	2,779
Community Leadership	173	753	839	660	617	912	895	480	1,113	1,017	721
District Development		129	51	-	-	55	-	-	59	-	-
Regulatory and Emergency Management	226	183	103	190	406	240	214	12	203	360	251
Stormwater	107	165	172	178	185	191	210	230	250	271	292
Strategic Property	140	412	264	287	252	186	252	435	894	1,194	543
Transport	3,543	7,675	8,745	10,395	9,390	8,345	9,522	9,300	9,998	9,945	11,530
Waste and Environmental Management	139	227	232	239	262	269	281	287	293	313	319
Wastewater	3,723	3,625	3,644	3,829	4,129	4,511	7,174	3,770	4,555	4,451	4,063
Water	6,188	6,880	6,552	8,762	10,871	11,276	11,506	12,151	9,863	12,091	10,366
<b>Renewal Total</b>	<b>16,148</b>	<b>23,502</b>	<b>25,138</b>	<b>27,871</b>	<b>29,426</b>	<b>29,883</b>	<b>35,664</b>	<b>31,653</b>	<b>32,888</b>	<b>34,516</b>	<b>30,863</b>
<b>Grand Total</b>	<b>58,188</b>	<b>66,651</b>	<b>79,330</b>	<b>73,703</b>	<b>90,601</b>	<b>80,365</b>	<b>113,366</b>	<b>100,439</b>	<b>55,526</b>	<b>60,403</b>	<b>48,624</b>

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## Prospective Statement of Borrowing

	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>Debt Balances</b>											
Opening debt	183,223	213,569	236,687	266,570	286,855	301,605	319,791	356,577	360,208	321,566	285,194
New borrowing requirements	45,378	46,343	53,971	44,167	48,164	39,973	73,769	63,864	19,271	22,027	15,731
Lease Liability	-	-	-	-	-	-	-	-	-	-	-
Prior year borrowing requirements	-	-	-	-	-	-	-	-	-	-	-
Debt repayments	(28,350)	(23,226)	(24,088)	(23,882)	(33,414)	(21,787)	(36,984)	(60,233)	(57,913)	(58,399)	(73,001)
<b>Closing external debt</b>	<b>200,251</b>	<b>236,687</b>	<b>266,570</b>	<b>286,855</b>	<b>301,605</b>	<b>319,791</b>	<b>356,577</b>	<b>360,208</b>	<b>321,566</b>	<b>285,194</b>	<b>227,925</b>
<b>Debt Servicing Costs</b>											
Debt repayments	28,350	23,226	24,088	23,882	33,414	21,787	36,984	60,233	57,913	58,399	73,001
Interest	11,681	12,193	11,225	11,569	12,566	13,642	15,163	16,657	16,058	14,565	12,575
<b>Total external debt servicing costs</b>	<b>40,031</b>	<b>35,418</b>	<b>35,313</b>	<b>35,451</b>	<b>45,980</b>	<b>35,429</b>	<b>52,147</b>	<b>76,890</b>	<b>73,971</b>	<b>72,964</b>	<b>85,576</b>

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## APPENDIX 1: FINANCIAL PRUDENCE DISCLOSURE STATEMENT

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## APPENDIX 1: FINANCIAL PRUDENCE DISCLOSURE STATEMENT

### Long-term Plan Disclosure Statement for period commencing 1 July 2024

#### What is the purpose of this statement?

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

Council is required to include this statement in its Long-term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

#### Rates affordability benchmarks

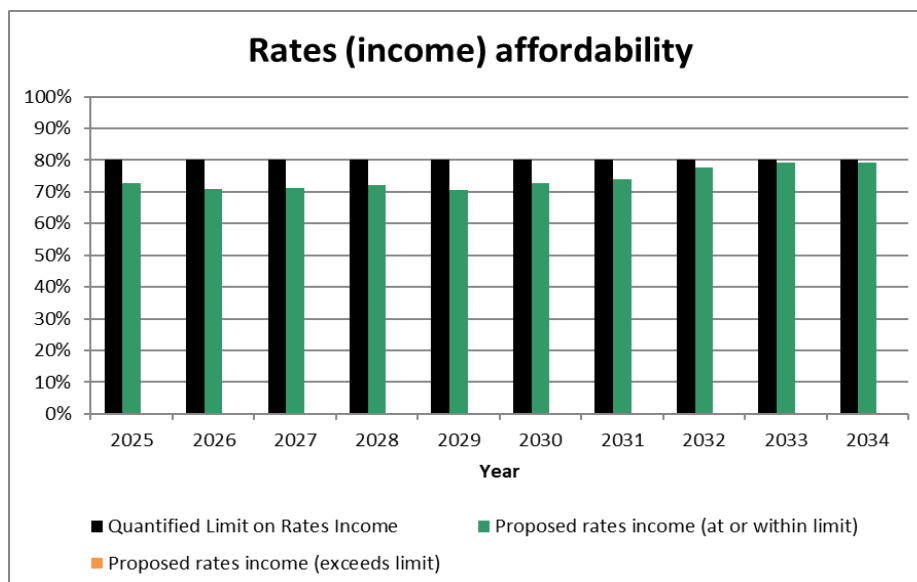
Council meets the rates affordability benchmark if:

- Its planned rates income equals or is less than each quantified limit on rates; and
- Its planned rates increases equal or are less than each quantified limit on rates increases.

#### Rates (income) affordability

The following graph compares the Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long-term Plan. The quantified limit is that total rates revenue must not exceed 80 per cent of operating revenues.

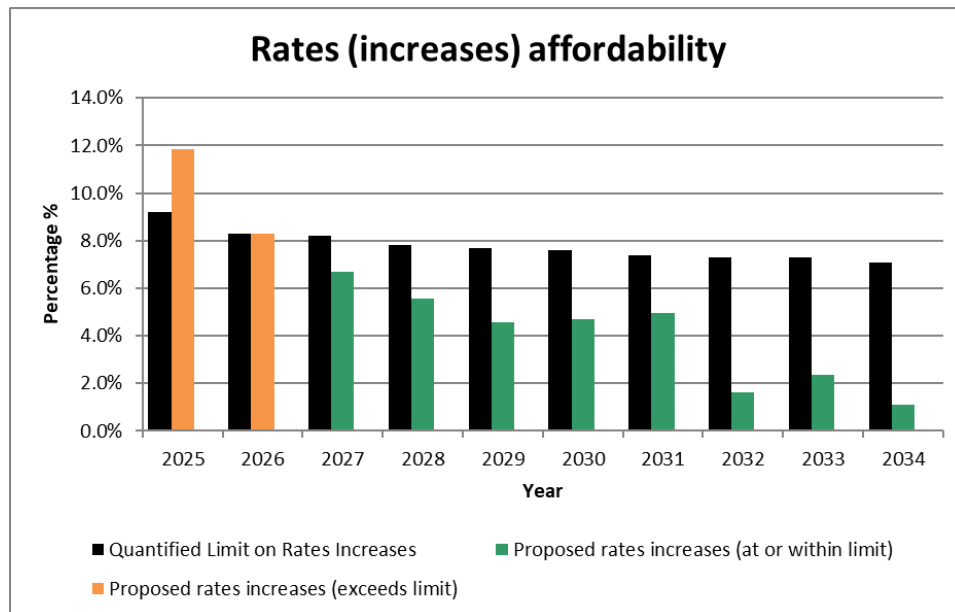
Council meets this benchmark for the ten years of the plan. The later years are reflective of the availability of alternative funding streams, such as external funding, which is considered more challenging than previous Long-term Plan's and therefore Council will see an increased reliance on rates revenue during this 10-year period.



### Rates (increases) affordability

The following graph compares the council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this Long-term Plan. The quantified limit is LGCI + 5.0 per cent.

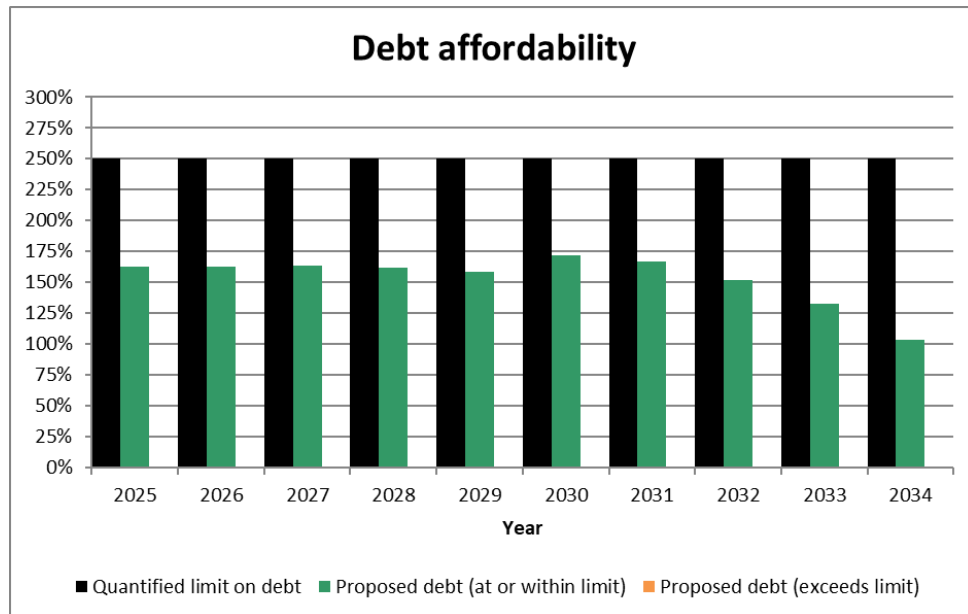
Council meets this benchmark for the 8 out of 10 years of the plan. Council will breach the rates limit in years 1 & 2 of this Long-term Plan due to recent inflationary pressures, non-controllable cost increases, and increased interest costs. Council recognises that although these short-term rates increases are fundamentally outside of Council's control without compromising Council's priorities, they are also likely to be challenging for the community. Council have recognised this by not adjusting the benchmark for the two years but instead showing these two years as a short-term breach to the affordability limit.



### Debt affordability benchmarks

The council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The following graph compares the Council's planned debt with a quantified limit on borrowing contained in the financial strategy included in this Long-term Plan. The quantified limit is that gross external borrowing may not be more than 250% of annual operating income.

Council meets this benchmark for the 10 years of the plan.

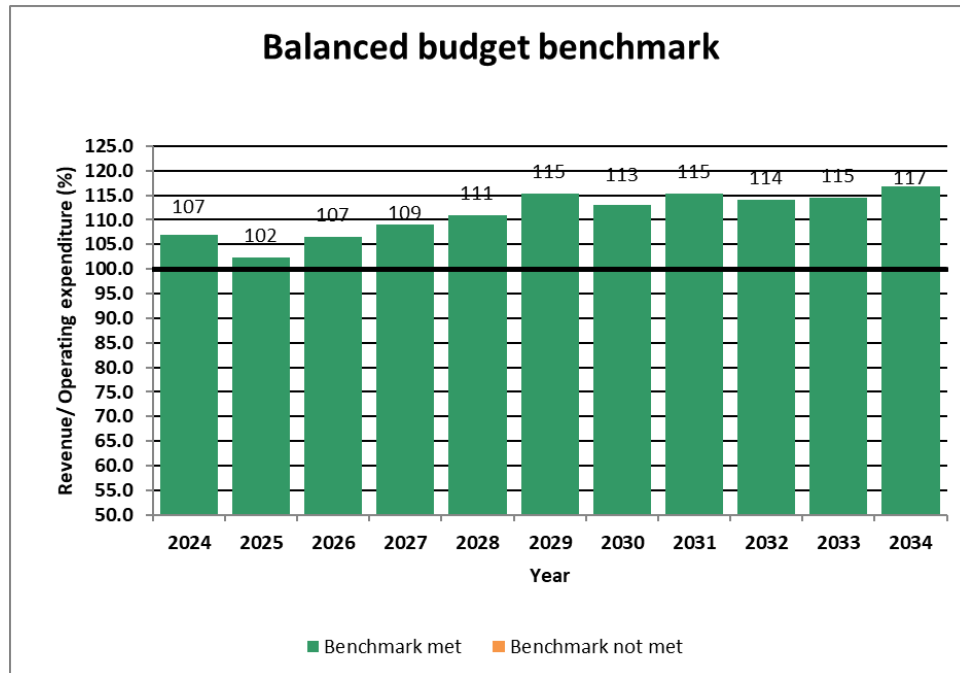


### Balanced budget benchmark

The following graph displays the council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

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

Council meets this benchmark for the 10 years of the plan.

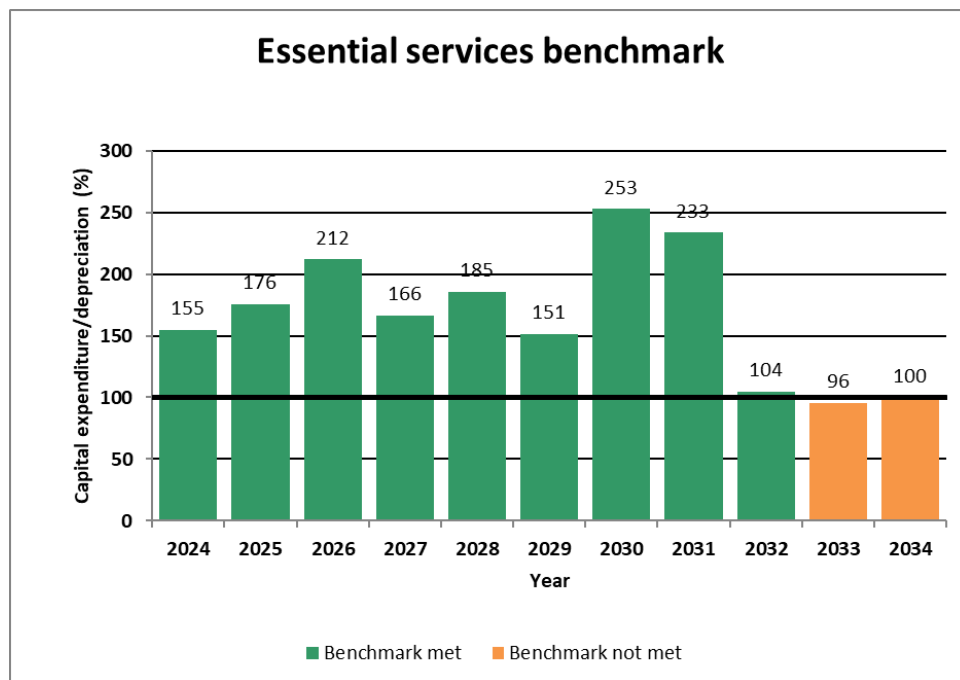


### Essential services benchmark

The following graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services.

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

Council substantially exceeds this benchmark in the first 8 years of this plan. Council through its asset management plans has developed renewal programmes for its assets based on when they need replacing. The later years are a breach due to these essential services being prioritised for earlier in the plan. These programmes fluctuate over the ten years of this plan.

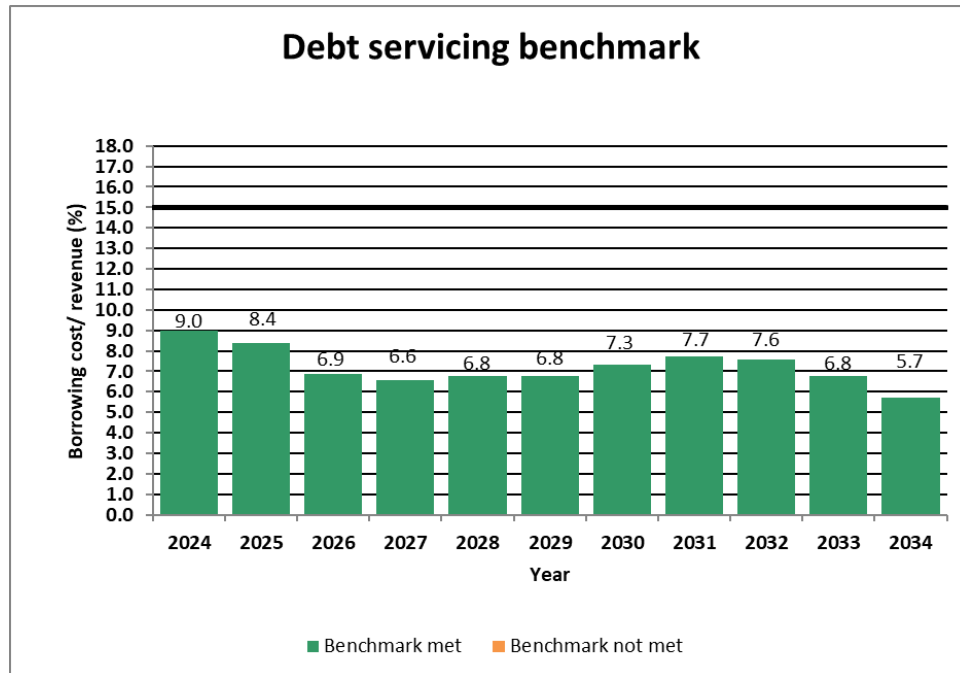


## Debt servicing benchmark

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

Because Statistics New Zealand projects the council's population is expected to grow at or above the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 15% of its planned revenue.

Council meets this benchmark for the 10 years of the plan.





## APPENDIX 2: FINANCIAL STRATEGY

### Introduction: Achieving the balance

This financial strategy clearly outlines the financial vision and priorities for the next 10 years. It aims to ensure we are achieving an appropriate balance between the needs of our community, responsible management of our assets, and financial sustainability over the long term. It provides guidance for Council's financial decisions and a means to monitor the financial performance of Council.

The budget for this Long-term Plan has been developed to give effect to the priorities as agreed by Council. Council has also indicated a commitment to maintaining current level of services, meeting legislative requirements, looking after our assets, and provisioning for the expected growth of the district.

These priorities have meant that operating budgets required to deliver our wide range of services have been largely maintained, there has been an increase in the renewals and maintenance budgets for our critical infrastructure, and continued investment in required growth-related assets. Operational efficiencies and discretionary project cuts have been required to ensure these priorities will be achieved and to mitigate the non-controllable budget increases. Further budgetary cuts would compromise these priorities.

Projected growth has increased from our last Long-term Plan, which has been highlighted by both the financial and infrastructure strategies, as a key driver of increased demand and subsequently increased pressure on our critical infrastructure and services. This increased demand is forecast to continue over the entire 10 years of this plan.

Along with the increasing demand on services, Council is facing additional challenges being driven by changes to central government policy and legislative requirements, with a particular emphasis on Council's water and wastewater services. Along with priorities mentioned above, the stronger regulatory approach of New Zealand's new water regulator has been reflected in Council's capital works programme. This has driven increased investment in Council's water and wastewater services over the 10-year period, with larger increases required in the first few years.

On top of growth, and the increasing investment required in our critical infrastructure assets, Council's asset base has continued to increase due to prolonged periods of inflation. This in turn results in increased costs to maintain these assets throughout the 10-year period and a requirement to increase funding to cover the increased depreciation and replacement costs, to ensure the cost of using these assets is covered by current ratepayers, and not burdened onto future generations.

This Financial Strategy has been adapted to respond to the challenges outlined, along with financial sustainability considerations, including the impact on rates and debt, to achieve the right balance.

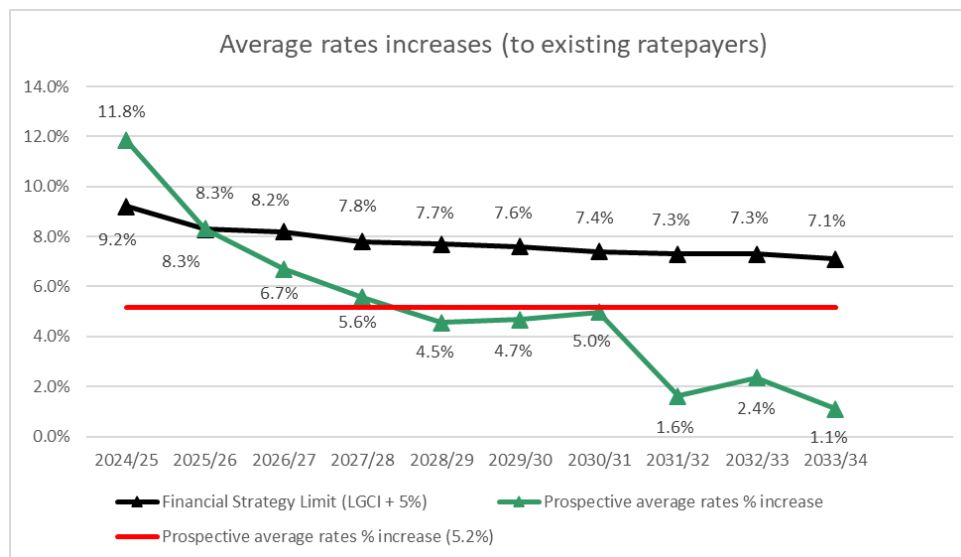
## Rates

Council is forecasting average rates increases for existing ratepayers of 5.2 percent across the 10-year period. Recent inflationary pressures, non-controllable cost increases, and increased interest costs have put considerable pressure on rates, particularly in the short-term.

Council have also increased its rates increases affordability benchmark from Local Government Cost Index (LGCI) + 2.5 percent to LGCI +5 percent, considering past performance challenges due to LGCI being a forward-looking projection, whereas Council cost increases often occur subsequently to inflationary increases. For most years in this 10-year period, Council is projecting to be well below its self-imposed benchmark. Average rates increases are for existing ratepayers only (after removing forecast growth in rateable properties).

Council recognises that although these short-term rates increases are fundamentally outside of Council's control without compromising key priorities, they are also likely to be challenging for the community. Council have recognised this by not adjusting the benchmark for the two years but instead showing these two years as a short-term breach to the affordability limit.

### Average rates increases (to existing ratepayers)



Increased costs for Council's water services have meant that rates increases are proportionally higher for residential ratepayers who have the ability to connect to Council's water and wastewater services. This has been partially mitigated by a proposed differential increase for electricity generators, utilities, and networks. This differential change is being proposed to ensure all industrial/commercial ratepayers pay rates on the same basis, but also in response to Council's consideration of the affordability of rates for the community, for which the proportionally larger increases in residential rates in recent times was a factor.

Availability of alternative funding streams, such as external funding, is considered more challenging than previous Long-term Plans and therefore Council will see an increased reliance on rates revenue during this 10-year period. This is reflective in Council's rates (income) affordability increasing, with Council becoming closer to the benchmark of rates not exceeding 80 percent of total operating revenue being in later years of its Long-term Plan.

Council have proposed increases to its fees and charges, to better reflect increased costs over the past three years. Without these increases, Council would not meet revenue and financing policy funding principles and Council would need to either intentionally breach these principles or amend them to suit current user pays ratios. This would further increase Council's reliance on rates revenue.

Council believes that the breach in rates (income) affordability, that total rates revenue must not exceed 80 percent of operating revenues, is substantially outside of its control considering the substantial increases already applied to fees and charges.

If Council does not receive the assumed external funding streams in this Long-term Plan, such as New Zealand Transport Agency Waka Kotahi subsidies, it will need to reassess the appropriateness of its capital programme and/or specific projects.

Council will also continue to prioritise opportunities to grow its sources of third party funding for capital projects. Council will achieve this through relationships with funding agencies, government departments, and community groups. Council will also continue to advocate Central Government for alternative funding sources, through its own means and through its involvement with sector partners like Local Government New Zealand and Taituarā.

## Debt

Achieving the balance between debt sustainability and affordability over the long term and Council's priorities of maintaining current level of services, meeting legislative requirements, looking after our assets, and provisioning for the expected growth, has been challenging for this 10-year period.

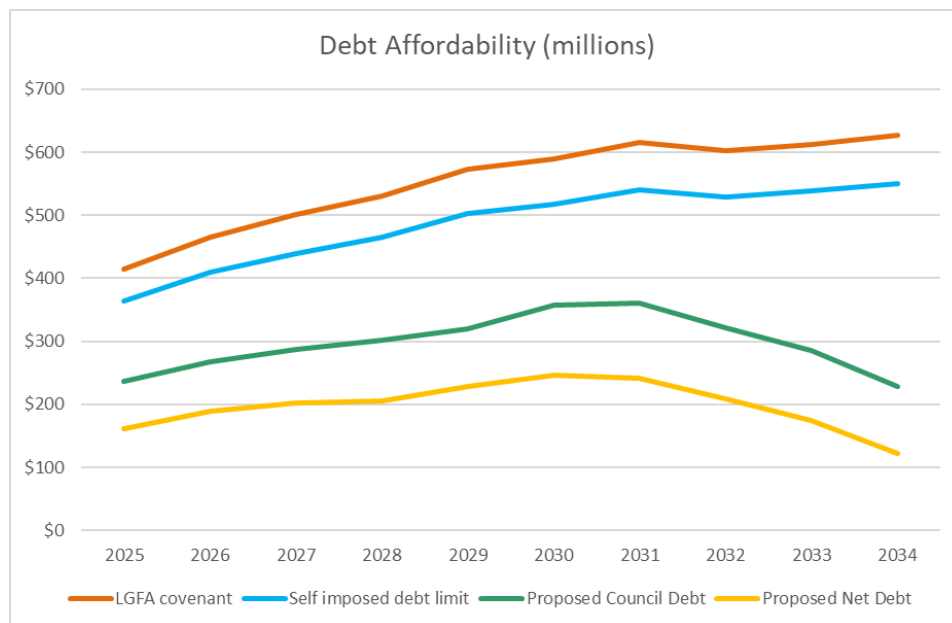
Council has managed to maintain debt sustainability and affordability by minimising pressure on debt through voluntary repayments on Council loans, depreciation reserve top-ups, and rationalisation of Council's discretionary capital projects.

Council has increased its self-imposed debt limit from 225 percent to 250 percent of gross external debt to revenue for this Financial Strategy, recognising the increase in growth during this 10-year period. Due to the forecasted growth projections, Council will be required to carry more debt going forward with increasing capital investment required to provision for this growth.

Through this financial strategy, Council also recognises the importance of debt headroom as a key part of planning for unexpected events and changes.

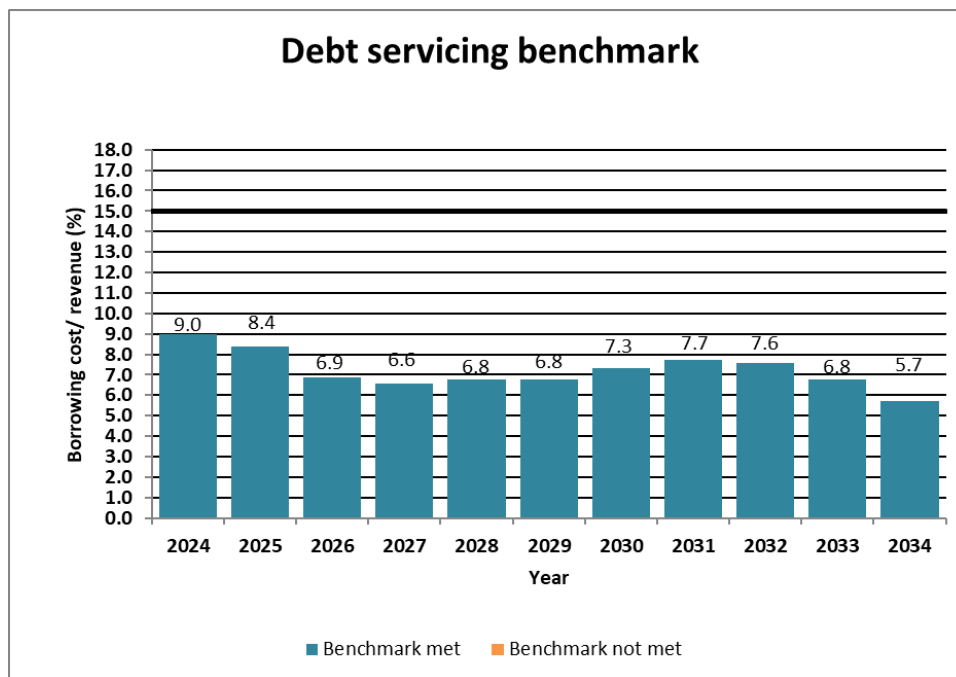
Despite the increased pressure on Council's debt and significant increases during this Long-term Plan, it remains at prudent levels. The new limit is well below debt covenants that are set by the New Zealand Local Government Funding Agency (LGFA), and Council remain comfortably below the increased limit.

Debt affordability (millions)



Maintaining a low cost of financing is key for this financial strategy and Council aims to achieve this by obtaining high-quality treasury advice and achieving a positive outcome during Council annual credit rating process. Council's credit rating is currently AA+ (negative watch) and Council endeavours to maintain a credit rating of at least AA during this 10-year period, to ensure the lowest possible lending margins.

Due to Council's increased growth projections, Council is allowed to increase its debt servicing benchmark to borrowing costs to be below 15 percent of revenue (from 10 percent), as per Local Government (Financial Reporting and Prudence) Regulations 2014. In the context of the old benchmark, higher projected interest rates and higher growth was putting pressure on this ratio (due to the revenue calculation excluding growth revenue, such as development contributions), however, Council comfortably sits inside the benchmark for high-growth councils.



## Policy on giving security for borrowing

The Council normally secures its borrowings against rates income. The Council has a Debenture Trust Deed that provides the mechanism for lenders to have a charge over its rates income.

The Council may provide security over specific assets. This is limited to where:

- There is a direct relationship between the debt and the purchase or construction of the asset, which it funds (e.g. project finance).
- Council considers a charge over physical assets to be appropriate.
- Any pledging of physical assets must comply with the terms and conditions contained within the security arrangement.
- For further information on Council's approach to borrowing, refer to the Liability Management Policy (part of the Treasury Management Policy).

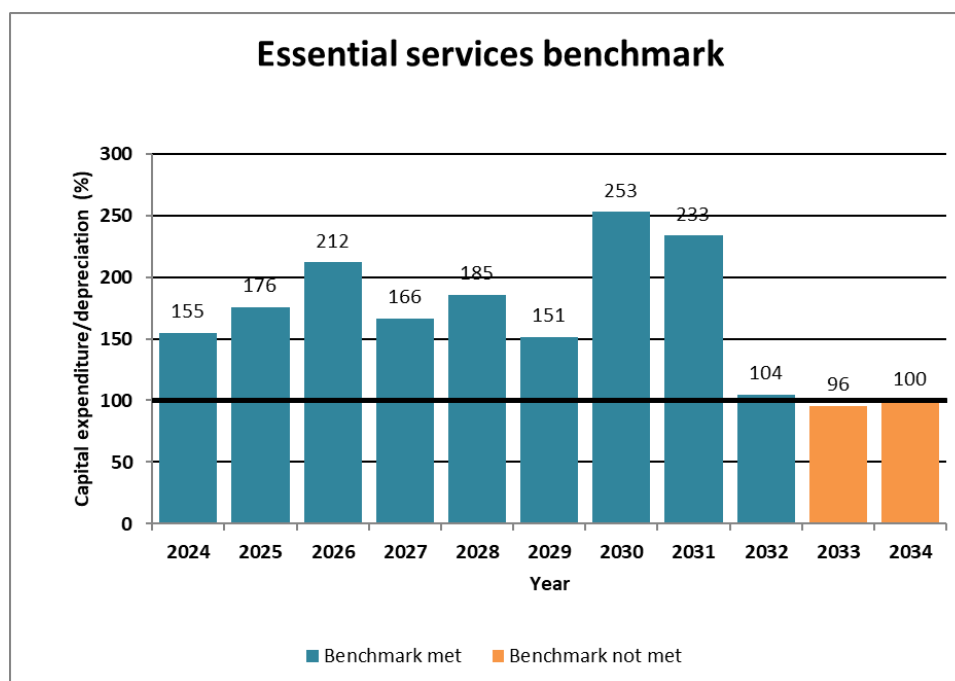
## Council services and infrastructure

Council is planning on maintaining current level of services during this 10-year period and this has been reflected in its largely stable operating budgets which are required to deliver the wide range of Council services. This meant that operational efficiencies and discretionary project cuts have been required to ensure a maintained level of service, and to offset several substantial non-controllable increases (such as interest rates, power, and insurance). Further budgetary cuts would compromise these priorities.

Council will continue to fund 100 percent of depreciation of its assets over the asset's lifecycle. [The depreciation funded is council's share only \(for example excludes NZ Transport Agency funding\) and is based on what is expected to be replaced.](#) This methodology is used to achieve intergenerational equity; to ensure the consumption or wearing out of the assets used each year, is paid for by the ratepayers who are using the assets, and not by future generations.

This strategy has been strained in recent years due to prolonged periods of high inflation impacting on replacement costs and maintenance costs of the entire asset portfolio, including those that have previously been funded at historic replacement cost / depreciation levels.

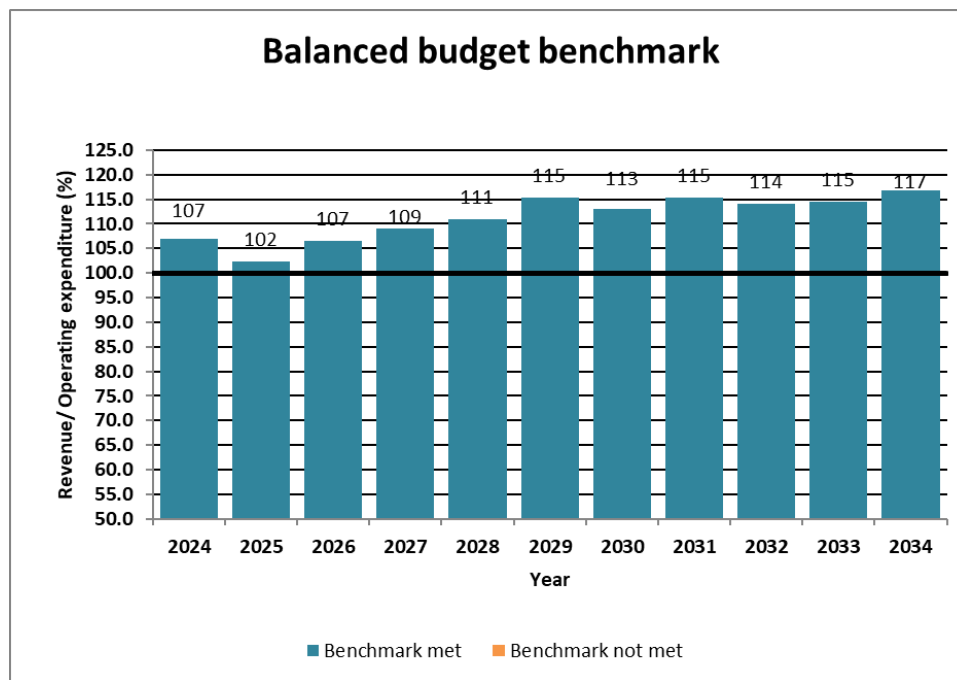
Prioritisation of essential infrastructure, such as water services can be seen in the essential services benchmark, which shows Council's planned capital expenditure on network services as a proportion of expected depreciation on network services. This shows that planned capital expenditure on network services is significantly greater than the benchmark at the first year of the 10-year period. The later years show a breach due to these essential services being prioritised for earlier in the plan.



Increases to Council's capital and operational maintenance and renewal budgets for Council's critical infrastructure have been reflected in budgets over this 10-year period.

This 10-year period, Council have prioritised topping up negative reserve balances with rates funding in latter years, to ensure no further pressure is put on future generations for the eventual replacement

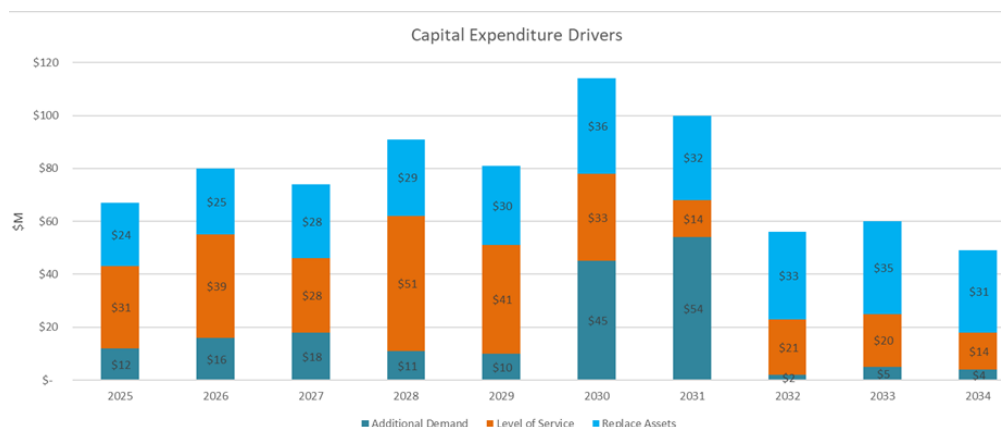
of its assets. This can be seen in Council's balanced budget benchmark which shows Council's planned revenue as a proportion of planned operating expenses. Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses. Council meets this benchmark easily for the 10 years of the plan due to the prioritisation of this funding.



Council has not delivered its entire planned capital works programme in recent years, which has been partially caused by limited resources being available to deliver these projects, with competing infrastructure demands throughout both central and local government. As a result, Council has ensured a deliverability lens has been placed over the programme for this Long-term Plan and believe the programme itself is deliverable, when comparing past performance.

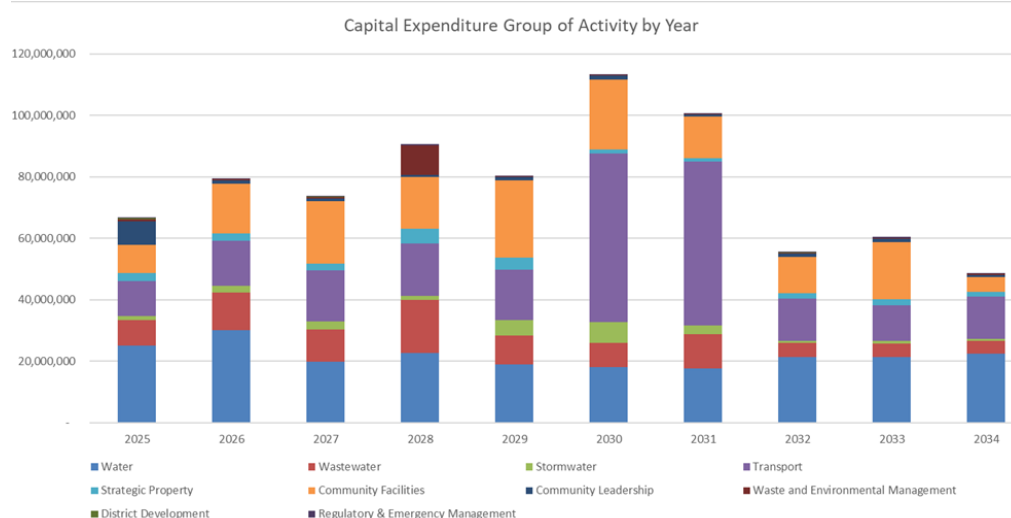
Unfortunately, Council did not anticipate the volume of carry forward of 2023-24 number of project delays from 2023-24 when developing its Long-term Plan; and council officers are going to review this programme further in light of likely increases from carry forward of 2023-24 year capital projects. Any smoothing and/or changes will be reflected in the final Long-Term Plan document.

The average yearly capital programme budget in this Long-term Plan is \$81 million. The following graph shows amounts being driven by additional demand/growth, level of service, and replacement of existing assets. The capital programme has been spread to cater for growth, required improvements (eg water regulatory projects), and affordability. [...](#)



It is clear in this Financial Strategy that water services are a significant driver for both rates and debt pressures and these pressures have been felt across the sector. These increased pressures, along with new legislation from Central Government's Local Water Done Well Plan, will require Council to review options for its three waters services delivery during this 10-year period, however any impact from this is unknown at this time. Careful assessment of any proposed options needs to be considered by Council, iwi, and the community.

#### CAPITAL EXPENDITURE GROUP OF ACTIVITY BY YEAR





## Growth

Council will continue to use development contributions and development agreements to fund the growth proportion of new assets required to cater for the growth in our community. Operational increases are covered by increases in rateable properties, and growth is appropriately excluded from our rates increases affordability benchmark.

This methodology ensures an equitable funding split for the cost of new assets and that growth pays for growth. Despite this principle, Council is generally required to fund its growth upfront, due to the long life of its infrastructure. This puts pressure on Council's debt, and influences Council's budgets and infrastructure priorities.

Council is projecting significant increases in its population this 10-year period, as shown in population projections.

Table 1 – Population Projections by community catchment

	2025	2030	2035	2040	2045	2050	2055	2060
Taupō Township	28,000	30,000	32,000	35,000	38,000	41,000	44,000	48,000
Tūrangi	4,000	4,000	4,000	4,000	4,000	5,000	5,000	5,000
Marotiri	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Mapara	2,000	3,000	3,000	4,000	4,000	5,000	5,000	6,000
Lake Taupō Bays	2,000	2,000	2,000	2,000	3,000	3,000	3,000	4,000
Northern rural	4,000	4,000	4,000	4,000	4,000	4,000	5,000	5,000
Eastern rural	400	400	400	400	500	500	500	500
<b>TOTAL</b>	<b>43,400</b>	<b>46,400</b>	<b>48,400</b>	<b>52,400</b>	<b>56,500</b>	<b>61,500</b>	<b>65,500</b>	<b>71,500</b>

Council's growth is one of Council's key significant assumptions and has been projected using the medium-growth scenario in Council's in-house model. With any growth model, there is risk that growth is higher or lower than projected and/or in different locations than projected.

Should growth be lower than forecast, revenue budgets for rates, building consents, resource consents and development contributions may not be met and this will put further pressure on debt. Should growth be in different locations than projected, this will change Council's priorities for its capital budgets.

To mitigate this risk, Council will review growth assumptions annually and if there are any disparities Council would need to reconsider the appropriateness of the capital programme.

## Unexpected events and changes

Ensuring financial sustainability over the long-term is a key part of ensuring Council is adequately planning for unexpected events and changes. Maintaining sufficient debt headroom and prudent management of Council's investments are key considerations of its financial sustainability.

Council also maintains a disaster recovery reserve as another element of planning for unexpected events, such as natural disasters. Council currently contributes \$350,000 per annum to this reserve. Over the first three years of this strategy, the contribution will increase until it reaches \$600,000 per annum in [the 2026/27 financial year](#)~~2028~~, in recognition of the importance of adequate planning for unexpected events and the increases in these events in recent history.

Unexpected events are not limited to physical events and unexpected changes can also impact Council's debt and Council recognises the importance of maintaining sufficient debt headroom to allow for these types of changes too. An upcoming example is the change to public sector accounting standards (IPSAS 43) which will likely have an impact on lease liability recognition, increasing Council's reported debt.

Increases to financial benchmarks and ratios in this financial strategy have also been changed based on projected growth, and those projections could change in the future requiring benchmarks to change back. With the benchmarks increased due to growth (debt affordability and servicing), Council is still sitting comfortably within old limits based on lower growth for the entire 10-year period of this financial strategy.

## Investments

Council has significant financial investments in its financial investment activity and Council's primary objective when investing is the protection of its investment capital and that a prudent approach to risk / return is always applied. Council will act effectively and appropriately to:

- Protect the Council's investments.
- Ensure the investments benefit the Council's ratepayers.
- Maintain a prudent level of liquidity and flexibility to meet both planned and unforeseen cash requirements.

One of Council's significant investments is the Taupō Electricity Limited (TEL) Fund which was established after Taupō Electricity Limited (TEL) and Taupō Generation Limited (TGL) were sold in 1995.

Council used the assets of the TEL Fund to create a community fund, which aims to produce revenue that could be used to fund community projects, after first inflation-proofing the fund. This fund is also used as self-insurance for underground assets, so Council avoids significant insurance premiums on these assets. In the event of a natural disaster, Central Government would fund 60 percent of underground assets with Council being required to fund the rest from the TEL fund.

During recent years, the TEL fund has not kept up with inflation due to the economic environment, with low liquid asset returns and high inflation. Therefore, no income has been dedicated to community projects during this Long-Term Plan, while the fund returns to the past value (in present day measures). Our target for this financial strategy is to increase the value of the TEL fund from \$68 million to \$124 million.

The TEL fund is now managed by an external investment manager, which has been set up to achieve the original outcomes in a financially prudent manner. This is governed and measured by a Statement of Investment Policies and Objectives (SIPO), and it is proposed in this strategy that the SIPO be maintained as the overarching performance measurement for this fund. The budgeted rate of return is 6.01 percent.

The TEL fund has additional benefits to our community as the liquidity that the fund offers enhances Council's Standard and Poor's credit rating, keeping lending costs as low as possible.

The Council also maintains investments outside of the TEL fund, which include cash, and a small amount of equity investments and other minor shareholdings. The principal reason for holding an equity investment is to achieve efficiency and community value, rather than for a financial return, and appropriately we do not have any financial targets for these. Current equity shareholding includes the Taupō Airport Authority, the New Zealand Local Government Funding Agency Limited, and the New Zealand Local Government Insurance Corporation Limited.

The Council seeks to achieve an acceptable rate of return on all its investments consistent with the nature of the investment. Council will achieve all its treasury objectives, as maintained in Council's Treasury Management Policy. The budgeted rate of returns for other cash is 5.1 percent

Taupō District Council also holds other asset investments. These comprise commercial, industrial and residential land investments, forestry investments, commercial and semi-commercial property, including community housing and camping grounds.

In this 10-year period, Council is also planning to invest in developing its property to achieve housing outcomes and a financial return to Council. This has been planned in a financially-prudent manner with the dual targets of having no impact on rates and limited pressure on Council's debt - to become self-funding this 10-year period.

## APPENDIX 3: INFRASTRUCTURE STRATEGY

### Purpose and executive summary

1. Council manages significant three waters and transport infrastructure on behalf of the community. Most of this infrastructure has a long life, typically many decades. While the Long-term Plan provides Council's delivery plans for the near future<sup>1</sup>, this infrastructure strategy ensures that this planning is done within the context of ensuring sensible, efficient and sustainable management of three waters and transport infrastructure for the long term.
2. The Long-term plan additionally sets out several community outcomes which our infrastructure assets are critical in supporting these outcomes can be found on page 11 of the LTP.
3. This strategy aims to demonstrate that Council is carefully managing these assets by setting out how Council will ensure it meets these objectives:
  - Assets are well looked after and in good condition for future generations Page 3
  - We are planning and investing to support growth and housing development Page 9
  - We are maintaining levels of service and improving public health and environmental outcomes Page 20
  - We are managing natural hazard risks to ensure our infrastructure is resilient Page 32
4. This strategy also sets out the major infrastructure challenges that we expect to face over the next 30 years, the options for addressing these, and when important decisions will need to be made. These are:
  - Identifying a northern access solution Page 14
  - Managing wastewater north of the Waikato River Page 16
  - Improving the disposal of wastewater in Tūrangi Page 28
5. This strategy also sets out 30-year planned revenue and expenditure. Page 35

### Scope is limited to three waters and transport infrastructure

6. This strategy sets out how Council will manage the community's infrastructure relating to:
  - Water, wastewater, and stormwater Including treatment plants, pipe networks, and disposal systems
  - Transport Including local roads, bridges, footpaths, streetlights, cycle paths, road signs and bus shelters, and roads that are used for stormwater management.
7. For the areas of solid waste, parks and reserves, and community buildings and facilities, the long-term plan sets out the objectives and investment plans for the next 10 years, and we have long-term asset management plans for each area that underpins these investment plans.

<sup>1</sup> The next 1 – 3 years in some detail, and then indicative plans looking out 10 years.

## Alignment between financial and infrastructure strategy

8. Prudent asset management and prudent financial management go hand in hand. Identifying investment needs must be paired with identifying appropriate and sustainable funding arrangements.
9. Our financial strategy includes several measures to ensure sustainable and prudent financial management to support the additional investment identified in this infrastructure strategy. Additional investment is being driven by increased renewals and maintenance requirements, higher growth expectations, improvements to meet new legislative requirements, and improvements to ensure the resilience of our essential services. Measures identified in the financial strategy include:
  - Funding 100 percent of depreciation.
  - Using development contributions and development agreements to fund growth projects (noting there are still debt impacts)
  - An increase in Council's debt allowance from 225 percent to 250 percent of annual revenue, to recognise increased growth.
  - Signalling higher levels of rates increases for the short term, and funding voluntary debt repayments and depreciation reserve top-ups throughout the 10-year period, to ensure future generations are not funding the eventual replacement of the assets used by current ratepayers.
  - Rationalisation of Council's discretionary capital projects, a focus on increasing third party funding opportunities, and improved management of financial assets.
  - Planning for unexpected events by ensuring financial sustainability over the long term, maintaining sufficient debt headroom, and prudent management of Council's investments. Council uses the assets of the TEL Fund as self-insurance for underground assets, avoiding the challenges of underground insurance and significant insurance premiums on these assets. Council also maintains a disaster recovery reserve as another element of planning for unexpected events, such as natural disasters.
10. Council's budget is under pressure. The effects of the prolonged period of inflation and subsequent interest rate rises, looking after community infrastructure and paying for things like insurance mean that the services our community relies on us for are costing more than ever.
11. Council in its long-term plan has made some hard calls on what to deliver in the next 10 years. We have thought carefully about the challenges we face and agreed we must prioritise our core services - providing safe drinking water, protecting our environment and looking after our infrastructure so our children and their children aren't unnecessarily burdened in the future.
12. Our number one responsibility is do the essentials well. This means continuing to invest in our infrastructure so that our pipes, water networks and roads remain in good shape. We must also plan for future growth and build resilience for the effects of climate change. We'll continue to take a partnership approach across the projects and activities that are important to iwi and hapū.
13. We're focusing primarily on the basics over the next few years. This means that the areas of focus for this infrastructure strategy remain priorities and have not been reduced to meet affordability constraints. Instead, our more discretionary investment plans – like some of the projects that will improve our places and spaces will have to wait until a bit later.
14. One area where we have to make an adjustment from the original goals was for water pipe renewals. Affordability concerns, particularly with debt levels, and the levels of funding available in depreciation / renewal reserves for water, means that council has revised its water renewal programme over a longer timeframe, expecting it to take around 15 years to clear a backlog of renewals rather than 10.

## Assets are well looked after and in good condition for future generations

### Timely renewals remains a top priority for council

15. Keeping on top of renewals and making sure that the community's assets are maintained in good working condition remains a core responsibility and top priority for Council.
16. We have a reasonable knowledge of the condition of our assets, and we have a plan to continue improving that knowledge over time. Our stormwater pipe network is relatively new and in good condition. Our wastewater network has some older asbestos cement pipes that need renewal. For these two areas, there is a stable programme of renewals planned to deal with the older parts of the networks. For our transport and water pipe networks, we have a major increase in renewals programme planned:
  - Despite condition assessments not identifying significant problems, frequent failures of asbestos cement water mains means that we are planning to replace all these pipes with a ramped-up programme of renewals over the next 10 to 15 years.
  - Our roads continue to hold up beyond their expected lives because we have free-draining pumice soils that support a longer pavement life. However, increased heavy vehicle traffic has put increased pressure on the network, and our roads remain at risk of micro-cracking allowing water to infiltrate the pavement, causing pavement failure. We have identified the need for a step change increase (doubling) in reseal renewals to protect our roading network and avoid more costly deterioration.
17. In total, our waters and transport renewal programme will increase from \$13.6 million a year (2023/24 Annual Plan) to \$24.1 million a year on average over the next 10 years.

### Asset management planning

18. Asset Management Plans (AMPs) have been developed for water, wastewater, stormwater, and transportation to inform Council's Long-term Plan. AMPs combine management, financial, engineering, and technical practices to ensure assets are managed in an affordable, efficient, sustainable and effective manner to deliver service levels at the lowest long-term cost to the community – including both current and future generations. AMPs demonstrate that Council is managing the community's assets responsibly by:
  - Demonstrating service level options and standards.
  - Identifying minimum lifecycle (long term) costs for an agreed level of service.
  - Providing and forecasting asset management options and costs.
  - Demonstrating the management of the risks of asset failure.
  - Improving decision making based on identifying the costs and benefits of investment and delivery options.
  - Providing clear justification of forward works programmes and funding requirements
  - Ensuring accountability over the use of public resources.

### Summary of assets

AREA	MAJOR ASSETS	EST. USEFUL LIFE	VALUE OF ASSETS <sup>2</sup>	CONDITION	OVERALL ASSET DATA CONFIDENCE RATING <sup>3</sup>
<b>Transport (excluding land)</b>	• 762 km of sealed road	3 – 20 years for seals (top surface) 45 – 65 years for pavement (base)	\$500 million	38% of chip seal roads are 16 years or older. The advanced age is due to deferred renewals based on limited funding and low signs of road distress.  Pavement is in good condition, many that are past their expected design life are still in good condition and only those experiencing additional loadings are showing signs of failure.  <del>Asset Condition Data is at a B confidence rating</del>	<u>Not assigned</u>
	• 51 km of unsealed road				
	• 395 km of paths	30 – 80 years			
	• 19 road bridges	60 - 100 years			
	• 81 large culverts	50 – 80 years			
<b>Water – pipes (reticulation)</b>	• 645 km of pipe <ul style="list-style-type: none"> <li>○ 376km PE and PVC</li> <li>○ 259km AC and Galv</li> <li>○ 9.5km Other</li> </ul>	45 – 120 years	\$149 million	Water reticulation age and condition across the District is variable. There remains significant quantities of asbestos cement and galvanised pipelines estimated to be beyond their useful life. The current construction backlog value is estimated at approximately \$26M.  Asset Condition Data is at a C confidence rating	<u>A – B</u>
	• 20 Pump Stations	20 – 60 years			

<sup>2</sup> Estimated replacement cost

<sup>3</sup> Based on Audit New Zealand overall assessment of key infrastructure activities

AREA	MAJOR ASSETS	EST. USEFUL LIFE	VALUE OF ASSETS <sup>2</sup>	CONDITION	OVERALL ASSET DATA CONFIDENCE RATING <sup>3</sup>
<b>Water – treatment plants</b>	<ul style="list-style-type: none"> <li>18 Treatment plants</li> </ul>	10 - 80 years	\$62 million	<p>Treatment assets are continually assessed, and asset condition updated in a live document.</p> <p>Renewals programmes are updated based on this annual assessment. Overall asset condition for the treatment plants is Good.</p> <p><u>Asset Condition Data is at a C confidence rating</u></p>	<u>A – B</u>
<b>Wastewater – pipes (reticulation)</b>	<ul style="list-style-type: none"> <li>510 km of pipe</li> </ul>	65 - 120 years	\$198 million	<p>Average asset age is 37 years, Inflow and Infiltration is the primary issue across the network.</p> <p>Asset Condition Assessment is at a C confidence rating</p>	<u>A</u>
	<ul style="list-style-type: none"> <li>124 pump stations</li> </ul>	20 – 60 years			
<b>Wastewater – Treatment plants</b>	<ul style="list-style-type: none"> <li>11 treatment plants</li> </ul>	10 - 80 years	\$130 million	<p>Plants performing well, many need nitrogen analysers installed to be optimised further and some plants require increased capacity to meet growth demands.</p> <p>Asset Condition Data is at a C confidence rating</p>	<u>A – B</u>
<b>Stormwater</b>	<ul style="list-style-type: none"> <li>220 km of pipes</li> </ul>	50 - 120 years	\$124 million	<p>Majority of pipes are due for renewal in 26-30 years based on EUL.</p> <p>Based on condition assessments the network is overall very good and assets are expected to meet or exceed their designed life.</p> <p>Asset Condition Data is at a B confidence rating</p>	<u>A – B</u>
	<ul style="list-style-type: none"> <li>3 pump stations</li> </ul>	20 – 60 years			
<b>Total</b>			<b>\$1,162 million</b>		



Asset data confidence ratings are based on those provided in the International Infrastructure Management Manual. These categories are:

A	Highly Reliable	Data based on sound records, procedure, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B	Reliable	Data based on sound records, procedure, investigations and analysis, documented properly but has minor shortcomings, for example some data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C	Uncertain	Data based on sound records, procedure, investigations and analysis, investigations and analysis which is incomplete or unsupported or extrapolated from a limited sample for which grade A or B data is available. Dataset is substantially complete but up to 50% is extrapolated data accuracy estimated $\pm 25\%$
D	Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspection and analysis. Dataset may not be fully complete, and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E	Unknown	None or very little data

### Council's condition assessment programme

19. When our infrastructure assets get old or worn out, we need to replace them to keep services running, maintain service levels, and avoid failures. Undertaking these renewals at the right time, and not too early will maximise the use of assets, and the investment that we have in our infrastructure. Doing it at the right time, and not too late will avoid our infrastructure failing, interrupting services to the community, and resulting in expensive repairs.
20. Generally, there is an expected minimum useful life for an asset, however Council undertakes a condition assessment programme to identify the actual current performance and condition of assets, and the risk of asset failure, which are used to determine Council's asset renewal programme.

### Age and condition of assets

#### Transport

21. Over the last three years we have undertaken a thorough pavement condition assessment of our entire road network alongside our three-yearly Deighton Total Infrastructure Management System (dTIMS) modelling exercise. A key concern has been micro-cracking of the pavement surface which is not a trigger in dTIMS, but which can allow water in and swiftly deteriorate the road subsurface. A complete external validation through a visual assessment has been undertaken to identify our reseal needs, that were not previously picked up by traditional condition assessments focused on rutting, cracking, and potholes.
22. We have a strong understanding of our reseal and rehabilitation renewal needs over the next 10 years with a renewal programme built around high volume and critical routes and critical-risk, high-risk, medium-risk, and low-risk treatment sections. We have identified the need for a step change increase (doubling) in reseal renewals to protect our roading network and avoid more costly deterioration. Around 70 percent of our planned renewals programme is preventative reseals. This work is critical to prevent water ingress and to avoid higher costs of complete road rebuilds in future. Around 30 percent of our renewals programme is for rehabilitation due to road failure (where the substructures of the roads have already deteriorated).
23. While we have very good information on pavement renewal needs (our largest risk), over the next 5 – 10 years we will focus on improving our knowledge of the condition and renewal needs for:
  - road drainage and stormwater assets
  - roading structures (like bridges and retaining walls).

#### Water

24. We have progressively increased our water renewals funding over the last two Long-term Plans, but further increases are needed. We have a large backlog of water pipe renewals that need to be urgently addressed. Asbestos cement and galvanised water mains were laid in the 1950s, 60s and 70s and are at the end of their life. The asbestos in these pipes is not considered a health risk, however these pipe types are more fragile and prone to spontaneous failure (pipe bursts) when they get to the end of their life. We currently experience frequent pipe bursts and failures in affected areas. These older pipes represent approximately 40 percent of the network. We are planning a significantly increased programme of water pipe renewals to replace all these pipes and clear the backlog. This catch-up programme will take around 10 to 15 years to complete, after which we will be ahead of renewals – replacing pipes before they reach a high risk of failure.

25. Renewals spend requirements will reduce significantly once the asbestos and galvanised steel watermain are replaced. Operational budgets will also be able to be reduced due to the expected reduction in pipeline failures. Annual renewal budgets in the future will be able to be set proactively to target pipe replacements prior to end of life.
26. While we have good information on our water pipe network condition and renewal needs, over the next 5 – 10 years we need to focus on improving our knowledge of the condition and renewal needs for our water treatment plants, this data is currently incomplete and sits outside of Council's primary database (Assetfinda).

#### Wastewater

27. We have undertaken a programme of condition assessment for our wastewater pipe network, primarily using CCTV inspection and targeting our older areas of the network, such as Tūrangi and Mangakino (both hydro construction towns largely built in the 1970s and 1950s respectively). We have also undertaken a programme of relining works where required to extend the life of the network.
28. We have identified a reasonably steady programme of pipe renewals needed over the 20 years of around \$1.5 to \$2 million (today's dollars), there will then be a significant increase in pipe renewals around 2045 – 2050.
29. Continued collection of asset information on our wastewater pipe network condition remains a priority and targeted renewals will be completed based on the data collected. We also need to focus on improving our knowledge of the condition and renewal needs for our wastewater treatment plants, this data is currently incomplete and sits outside of Council's primary database (Asset Finda).

#### Stormwater

30. Council's stormwater reticulation network is a combined network of pipes, gullies and overland flow paths (including roads) which are relatively new as much of the district's urban growth has occurred within the last 30 – 40 years.
31. Most stormwater assets have an expected age of in excess of 100 years. Based on recent condition assessment of some of the older assets (35 percent of assets), it is anticipated that the majority of our stormwater assets will meet or exceed their anticipated design lives.
32. Additional condition assessments are required to further refine our renewal profile especially as the pipe networks within Tūrangi and Mangakino (both hydro construction towns) are nearing the end of their predicted life.

## Significant renewals projects, issues and major upcoming decisions

### Major renewals programmes to address aged assets<sup>4</sup>

33. This Long-term Plan provides funding for programmes of renewals works. The main options are how quickly we complete this work - balancing realistic implementation constraints against the risks of delaying renewals as discussed earlier in this section. Renewals are funded by depreciation reserves and supplemented with rates funding and borrowing when necessary.

• Water renewals	\$100.3 million	2024 – 2034
• Transport renewals	<del>\$95.6</del> <u>\$94.8</u> million	2024 – 2034
• Wastewater renewals	\$43.8 million	2024 – 2034
• Stormwater renewals	\$2.1 million	2024 – 2034
• TOTAL	(\$ <del>23.0</del> <u>24.1</u> million per year)	\$241. <del>8</del> <u>1</u> million
		2025 – 2034

34. Timely delivery of the renewals programme will be a key focus for Council. We believe that the programme we are planning is deliverable, however we are limited by factors outside of Council's control, such as contractor and materials availability. Renewals will continue to be planned and managed on a risk-based approach, where the most important and urgent renewals are prioritised. The risk of delays to delivery of the renewal programme could lead to continued risk of failures and continued risks to service levels. Delays to preventive renewals and maintenance could also result in increased cost for subsequent repairs.

### Ensuring financial provision for future renewals

35. Council's Financial Strategy includes that Council funds 100 percent of depreciation of its assets over the asset's lifecycle.<sup>5</sup> This means that revenue is collected to cover the cost of depreciation to ensure that today's ratepayers pay their fair share for the council's assets that they consume, essentially through wear and tear.

36. Depreciation revenue is set aside in a separate fund (depreciation reserves), which is used to fund the asset renewal programme and to pay off debt associated with capital improvement projects. Should there be a shortfall in depreciation reserve funds, Council will need to raise debt to fund these renewal programmes to ensure that it meets the levels of service agreed with the community. Maintaining prudent financial management and credit is important to support future generations to be able to borrow for such renewals.

37. How renewals will be matched by funding is provided in the final section of this strategy: *Planned revenue and expenditure* (Page 35).

<sup>4</sup> All figures are inflation adjusted.

<sup>5</sup> 49% for transport assets, reflecting NZ Transport Agency funding for 51% of renewals.

## We are planning and investing to support growth and housing development

### Council's strategic approach to supporting growth

38. Council has a growth management strategy, Taupō District 2050 (2018), which identifies the growth areas that Council is planning infrastructure for. The strategy can be accessed at [www.taupodc.govt.nz/council/plans-and-strategies/district-strategies](http://www.taupodc.govt.nz/council/plans-and-strategies/district-strategies)
39. It provides for multiple growth areas (in the north and the south) in Taupō concurrently. While this has increased growth infrastructure costs compared to phasing development area by area, it aims to promote competition and choice, to support lower section and house prices.

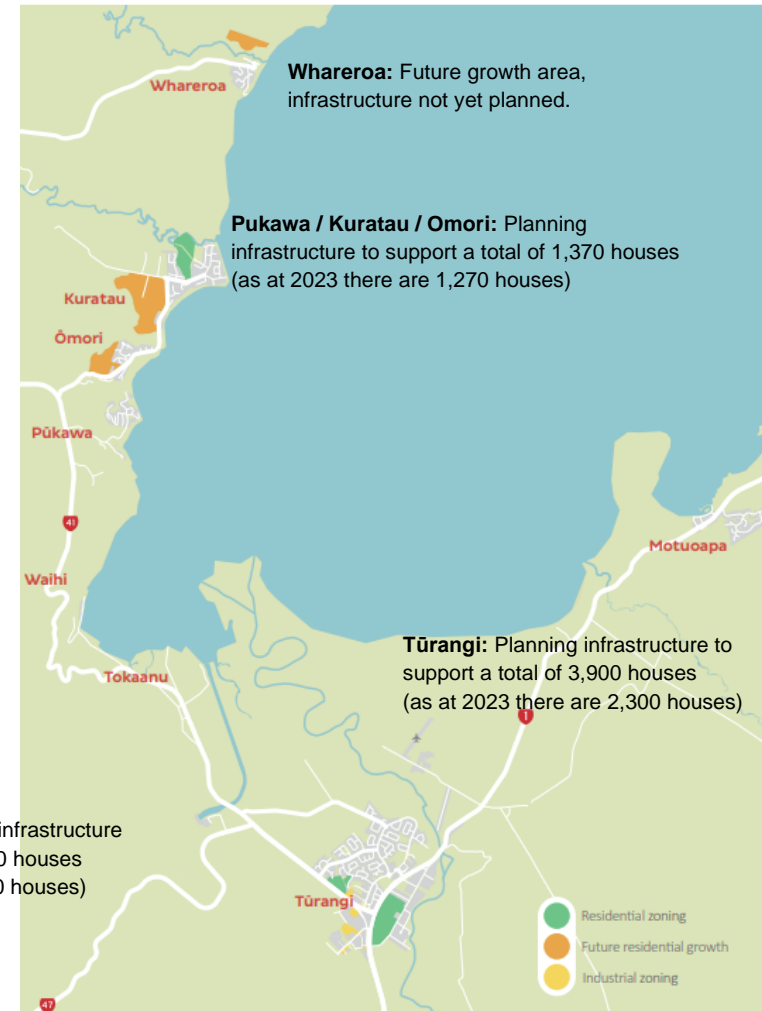
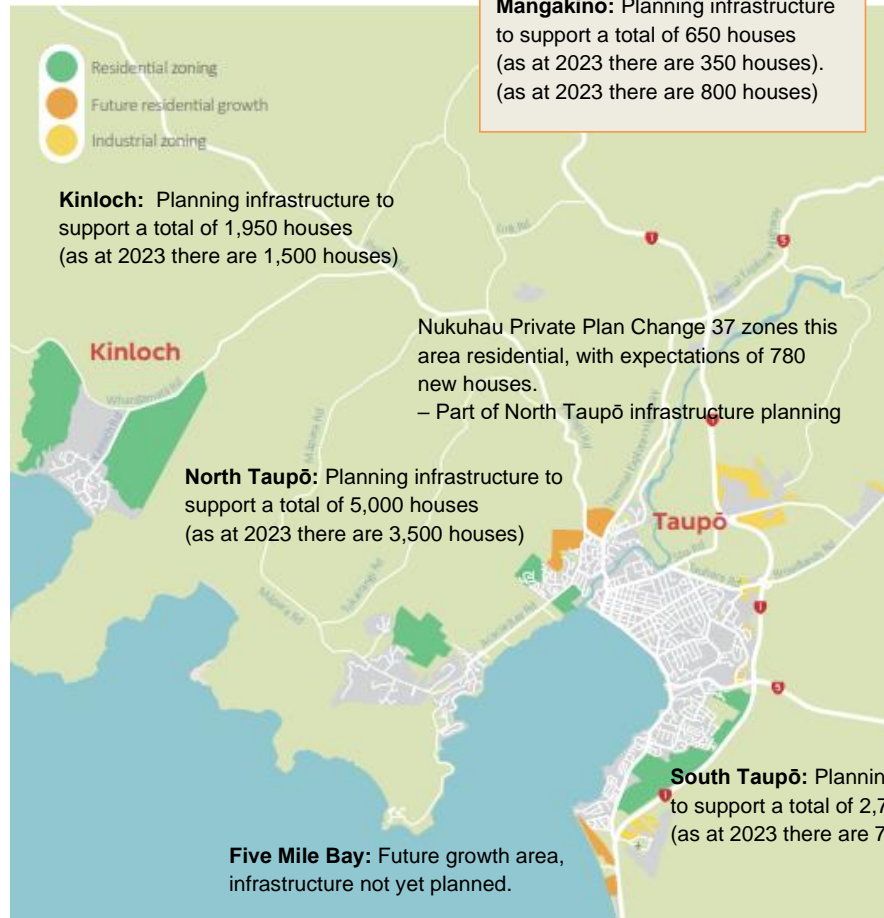
### Ensuring there is enough land zoned for housing and planning infrastructure for growth

40. Council developed a new growth model in 2022, based on the latest district data. Growth assumptions can be found in the Long-term Plan significant assumptions. Specific growth areas include Taupō, Kinloch, Tūrangi, Mangakino, with an allowance for growth in our rural areas and smaller settlements.
41. The *National Policy Statement on Urban Development (2020)*, provides a framework for ensuring that Council's zone land and build infrastructure to support growth. The below table uses this framework and Council's new medium growth projections to demonstrate that Council has zoned and is providing sufficient infrastructure to support housing and growth.

TIMEFRAME	DISTRICT PLAN ENABLED	INFRASTRUCTURE-READY	TAUPŌ URBAN AREA (INCLUDING KINLOCH)	
			Projected growth	Capacity
<b>Short-term (within the next 3 years)</b>	Zoned in an operative district plan	Adequate existing infrastructure in place	700 houses	1800-2000 houses
<b>Medium-term (3 - 10 years)</b>	Zoned in a proposed plan	Funding is identified in a Long-term Plan	1,900 houses	4,730 houses <sup>6</sup>
<b>Long-term (10 – 30 years)</b>	In a development strategy	Identified in an infrastructure strategy (or AMP)	7,000 houses	Not yet planned

<sup>6</sup> This number excludes infills which will provide additional capacity, some minor local infrastructure may be required to enable developments in Taupō North however major assets are already ready or will be ready through the Long-term Plan to meet medium term demand.

### Growth areas we are planning for



## Managing peak population

42. Taupō District is a holiday, visitor, and events destination. We have a large proportion of holiday houses. On long weekends, event weekends, and holidays the population of the district can increase dramatically. Our infrastructure must be able to cope with this increase in demand, in particular water, wastewater and transport.
43. Council growth and capacity planning focuses on providing sufficient services to cater to all houses, and commercial accommodation – for when they are occupied in peak periods, even though many of these may not be occupied for much of the year. For this reason, planning based on houses and peak periods provides a better basis than planning based on usually resident population estimates and projections.
44. Using houses has some shortcomings, with the number of occupants at peak periods being unknown. We cannot always fully provide capacity for peak population, and at peaks times there will be a reduction in service levels, in particular:
  - traffic congestion at peak times and peak period
  - gardening water use restrictions.

## Supporting Māori aspirations for Māori land

45. Taupō District Council is currently working on a Future Development Strategy. This is a revision of our existing growth strategy, Taupō District 2050. Part of the requirements for Future Development Strategies is that development aspirations of iwi and hapū are outlined. We are currently in the process of working through articulating these aspirations with iwi and hapū partners. In the meantime, there is also specific project work underway through the District Plan including revision of papakainga provisions and the development of a Māori Purpose Zone. Planning assistance is also being provided to some specific Māori landowners to help work through appropriate development opportunities and options.

## Significant growth projects, issues, and major upcoming decisions

46. Major planned growth projects are<sup>7</sup>:

• Northern Access solution	\$76.9 million	2029 - 2031 (construction)
• Kinloch and Taupō wastewater treatment plant and reticulation upgrades	\$14.1 million	2024 - 2027
• Water reservoirs	\$15.0 million	2024 - 2034
• Water meters	\$12.5 million	2027 - 2037 (for existing properties)
• Other water capacity upgrades	\$10.0 million	2024 - 2032
• Taupō North wastewater solution	\$10.5 million	2028 - 2031

<sup>7</sup> All figures are inflation adjusted.

FUTURE SIGNIFICANT DECISION	APPROXIMATE SCALE OF COST	WHEN DECISION IS EXPECTED
<p>Measures to reduce high water use in Taupō</p> <p>Council has capacity to treat and provide up to 35 million litres per day of water to provide to the Taupō community. We currently use around 30 million litres per day and expect to reach our limit in the next 5 – 10 years. We are unlikely to be granted consent for any additional water. At this point, for the community to continue to grow we will have to improve our water use.</p> <p>Water meters are expected to be a key instrument to both:</p> <ul style="list-style-type: none"> <li>identify water leakages (with estimated water savings of up to 10 percent)</li> <li>allow for charging for water so that water is used more efficiently and available for the most important uses (with estimated water savings of up to 27 percent of peak demand).</li> </ul> <p>The alternative option would be for increases in plant capacity, which could increase water capacity but would not resolve limits on our water take resource consents. The cost and low likelihood of getting additional water take consent without demand management measures in place means that these are unlikely to be preferred options.</p>	<p>\$12.5 million, primarily funded through development contributions (with the objective of supporting growth).</p>	<p>Water meters are already installed with new builds.</p> <p>We are currently planning for the installation of water meters on existing houses between 2027 – 2030. This plan would be confirmed, and any decision to charge for water would be identified as part of the next Long-term Plan in 2027.</p>

### Funding for growth

47. Council has a policy that growth pays for growth. The growth share of any project that provides extra capacity to support new housing development and growth is recovered from a charge on each new development. This policy supports Council to invest in infrastructure required to allow growth, without that cost and burden falling on the existing community. See Council's Development Contribution Policy for more details.



## Infrastructure Challenge: Identifying a Northern Access solution

### What's the issue?

48. Council has been planning a northern access solution, including a second bridge in Taupō town, for some time. In the last Long-term Plan (2021), the bridge was planned to be built in 2033, with funding set aside based on a very high-level cost estimate.
49. Since 2021, Taupō has experienced significant growth. Much earlier than anticipated, traffic volumes have already reached the level when a new bridge and supporting works were expected to be needed. This means that the current two-lane Control Gates Bridge is already at capacity and performance already reaching Service levels E and close to F at peak times. Service level F is described as the free flow speed of a corridor reaching 100 percent of saturation flow or greater with potential for complete failure of the network to operate.<sup>8</sup>
50. Resolution of this issue is required to allow continued growth in North Taupō. Recently-zoned residential land for 780 houses has been granted permission to build only some of these houses until the problem further explored and resolved.
51. Since 2021, Council has also undertaken further modelling and assessment to:
  - identify the most likely bridge location options, and more advanced cost estimates.
  - identify subsequent intersection improvements needed to support increased traffic flows and prevent the congestion problem simply shifting to a new location.
52. There is still significant uncertainty, and a decision is planned on the final design and location of the bridge in 2027 to allow construction in 2030 - 2031. At this point we are at concept stage, and budgeting in the Long-term Plan for the more costly of the two mostly likely design and location solutions – so that when we are in a position to begin construction, we are financially set up to do so. We have asked for the bridge project to be included in the Waikato Regional Land Transport Programme, to make it eligible for NZTA funding. If approved for funding, it would be eligible for 51 percent funding, reducing Council's cost to 49 percent.
53. The Control Gates Bridge is a major arterial transport link in Taupō town, providing the primary connection across the Waikato River. Currently, the Control Gates Bridge is owned and operated by Mercury Energy as part of the Lake Taupō and Waikato River hydro power system. Taupō District Council owns the top surface of the bridge for transport purposes. The Control Gates Bridge was built in 1941. Council is planning to work with Mercury Energy in the next three years to identify the renewal and future plans for the bridge.
54. We are not pre-determining the solution in this Long-term Plan (2024). In the next Long-term Plan (2027) we hope to be able to confirm with some certainty the expected cost, location, and design of the bridge and associated intersection and network improvements. Between now and 2027, we will complete:
  - geotechnical assessment
  - detailed design and costings
  - discussions with consenting authorities
  - discussions with Mercury (landowners and the current owners of the Control Gates Bridge)
  - discussions with the NZ Transport Agency and Central Government over funding support.

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<sup>8</sup> [Abley, Taupō Future Road Network Assessment \(2019\)](#)

55. We will also work with iwi and hapū on design options and their impacts to recognise their long-standing relationships with the waters that flow from Taupō Moana through the upper Waikato Awa and their deep interest in infrastructure planning for the existing and any new bridge.

**PROVIDED FOR IN THE LONG-TERM PLAN: Build a new Waikato river crossing in the next 10 years**

**What is proposed**

A new Waikato River crossing would be built within the next 10 years to provide additional lanes to increase road capacity. The bridge can also improve the walking and cycling connections across the river. There would also need to be improvements to the Spa Road roundabout and other bottlenecks so that the problem isn't just shifted elsewhere.

Exact cost and location of the new crossing would be determined through investigation and design work over the next two years. We would look to fund up to 25 percent from charges on new development, and would approach central government for help with funding too (although there's no guarantee of success).

**Advantages and disadvantages**

- ✓ Relieves congestion in the next 10 years, a problem that is expected to continue growing.
- ✓ Supports growth on the northern side of the Waikato River.
- ✓ Improves walking and cycling connections.
- ✓ Provide a long-life (100 year) asset for future generations.
- ✗ Expensive, and would require a rates increase ahead of construction.
- ✗ Significant addition to level of council debt, leaves little room for further borrowing in future.
- ✗ Risk of encouraging more vehicles onto the road, resulting in congestion increasing back to original levels over time.

**Cost and debt impact**

Capital cost: \$76.9m  
Debt funded: \$76.9m

**Rates impact**

\$163.06 (average per ratepayer from 2031/32)

**TIMELINE**

2025 – 2027	2027 - 2030	2030 - 2031
Geotechnical assessment, options assessment, detailed design and costings. Work with iwi and hapu on design options and their impacts.	2027 Long-term Plan confirms final option, design, and cost. Consenting	Bridge construction

### Alternative options

56. We have not identified any viable alternative options to providing a second Taupō Town bridge:

- ✘ **Expand the current bridge:** The current bridge is not suitable to expand to provide additional lanes, meaning a second bridge structure is required.
- ✘ **Stop growth:** We cannot stop growth. Limiting the number of houses built will only exacerbate housing shortages, unaffordability and overcrowding. We also have obligations under the National Policy Statement on Urban Development to provide the infrastructure required to support zoned residential land, and land identified in our growth strategy in North Taupō.
- ✘ **Don't do it:** If we don't do it the problem will only get worse, growth will be prevented, and we won't be meeting our obligations under the National Policy Statement on Urban Development. While the time delay is currently relatively small and predictable, the stability of traffic flows is becoming at risk – meaning that delays may become unpredictably severe on some days.
- ✘ **Demand management:** We do not have any tools to stop people driving (when that's what they prefer). Tolls and/or congestion charging is not currently permitted by legislation on existing roads and may only be considered for larger cities. The size of the charge needed to shift behaviour, and the administration costs of managing such a charging system in Taupō are likely to also be significant barriers.
- ✘ **Providing better buses, and walking and cycling connections:** There are already reasonable walking and cycling options. We have recently made safety improvements to the crossing of Wairakei Drive, and there are good connections to Taupō-nui-a-Tia College. We have also improved walking and cycling access and crossing options into Taupō town along Tongariro St. Despite these options being available, walking and cycling are not popular enough to reduce traffic problems. A new bridge will also aim to achieve improved walking and cycling connections, especially for commuters and school students in northern Taupō suburbs.
- ✘ **Improving current road layout and making smaller improvements:** We have recently made improvements to the Norman Smith / Wairakei Drive intersection, and Spa Road / Tongariro roundabout. The main bottleneck is now the bridge itself.
- ✘ **Traffic management initiatives including promoting use of alternative entrances:** We will continue to do this for summer and holiday peaks and events, however this won't affect local daily traffic, which is by itself pushing the limits of the current two-lane bridge at morning and evening peak times.

## Infrastructure Challenge: Managing wastewater north of the Waikato River

### What's the issue?

57. Our wastewater connections in Taupō Town across the Waikato River are currently at capacity. Additional capacity is needed to support growth in Northern Taupō residential areas that have been recently zoned, and are identified as future growth areas in Council's growth strategy.
58. Improving resilience and reducing environmental impacts are also primary objectives. We want to make sure we keep our wastewater out of the pristine waters of Lake Taupō and the Waikato River, and reduce the nitrogen impact on Lake Taupō. This is a major concern for the whole community.
59. Council has been working closely with a steering group of local Iwi and Hapū on possible solutions to support these objectives. The steering group will continue to explore a solution in the long-term of a wastewater treatment and disposal system in the North of Taupō that avoids connections across the Waikato River.
60. In the medium-term (within the 10 years of this LTP), this is a costly and difficult solution, which also relies on finding suitable land, and ensuring that there are not environmental and water quality impacts by increasing wastewater disposal within the Lake Taupō Catchment.
61. In the short-term (next 1 – 3 years), additional resilience measures (storage tanks) are planned to provide increased options to managing high flow events and reduce the risk of overflows. The high-risk areas for overflows are the manhole covers on either side, rather than the connection across the Waikato River itself.
62. In the medium-term (within in the next 10 years) the Long-term plan sets aside funding for increasing the capacity of our wastewater connections in Taupō Town across the Waikato River. Very high resilience will be a key objective.
63. Council is committed to continue to work with iwi and hapū, through the established steering group, to identify the long-term solution (beyond 10 years) for managing wastewater on the Rangatira side of Te Awa o Waikato.

**PROVIDED FOR IN THE LONG-TERM PLAN: Increase capacity of wastewater connections in Taupō Town across the Waikato River in the medium-term**

**What is proposed**

Our wastewater connections in Taupō Town across the Waikato River are currently at capacity. Additional capacity is needed to support growth in Northern Taupō residential areas that have been recently zoned and are identified as future growth areas in Council's growth strategy.

Improving resilience and reducing environmental impacts are also primary objectives. We want to make sure we keep our wastewater out of the pristine waters of Lake Taupō and the Waikato River and reduce the nitrogen impact on Lake Taupō.

The decision to implement medium-term capacity improvements is being made as part of the Long-term Plan 2024 - 34. The timing of making a decision on a longer-term solution is uncertain, but we are continuing to work with iwi and hapū, through the established steering group, to identify the long-term solution for managing wastewater on the Rangatira side of Te Awa o Waikato.

**Advantages and disadvantages**

- ✓ Support growth in Northern Taupō.
- ✓ Improves resilience and reduces spill risks from current levels.
- ✓ Achievable within Council's prudential debt limits.
- ✓ Achievable within acceptable rates and development contributions limits.
- ✓ Ensures that treated effluent continues to be disposed of to land outside of the Lake Taupō catchment.
- ✗ Does not eliminate the carriage of untreated wastewater over the Waikato River.

**Cost and debt impact**

Capital cost: \$10.5m  
Debt funded: \$10.53m

**Rates impact**

\$18.50 (average per ratepayer from 2031/32)

**TIMELINE**

2025 – 2026 Resilience improvements and storage tanks.	2029 – 2030 Increase capacity of wastewater connections across the Waikato River	Future long-term solution (beyond 10 years) Continue to work with iwi and hapū, through the established steering group, to identify the long-term solution for managing wastewater on the Rangatira side of Te Awa o Waikato. The timeframe for completing this work and implementing any required solutions has not yet been determined.
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### Alternative options (in the medium term – within the next 10 years)

64. In the medium term we have not identified any viable alternative options to increasing the capacity of our wastewater connections in Taupō town across the Waikato River.

- ✗ **A new treatment plant at North Taupō:** Council has been working closely with a steering group of local iwi and hapū on possible solutions to support growth, improve resilience, and reduce environmental impacts. The steering group will continue to explore a solution in the long-term of a wastewater treatment and disposal system in the North of Taupō that avoids connections across the Waikato River.. However, this is a prohibitively costly and difficult solution in the medium-term (within the next 10 years, the cost roughly estimated at \$85 million<sup>9</sup> would breach prudent debt limits set out in the Financial Strategy), which also relies on finding suitable land, and ensuring that there are not environmental and water quality impacts by increasing wastewater disposal within the Lake Taupō Catchment.
- ✗ **Stop growth:** We cannot stop growth. Limiting the number of houses built will only exacerbate housing shortages, unaffordability and overcrowding. We also have obligations under the National Policy Statement on Urban Development to provide the infrastructure required to support zoned residential land, and land identified in our growth strategy in North Taupō.
- ✗ **Don't do it:** If we don't do it the problem will only get worse, growth will be prevented, and we won't be meeting our obligations under the National Policy Statement on Urban Development.
- ✗ **Demand management:** Council is already planning to invest in the short-term (next 1 – 3 years) on resilience measures and storage tanks that will provide increased options to managing high flow events and reduce the risk of overflows. The high-risk areas for overflows are the manhole covers on either side, rather than the connection across the Waikato River itself. There are limited other tools to manage wastewater demand. While water metering or charging for water may reduce water use to some extent, it is more likely to reduce discretionary water use, like finding water leaks, washing the car, and watering the garden, rather than reducing showering, washing the dishes, or flushing the toilet.

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<sup>9</sup> High level estimate that is very uncertain as location has not been identified. Stated in today's dollars (2024).

## We are maintaining levels of service and improving public health and environmental outcomes

65. The three areas of performance that are a focus for this infrastructure strategy are:

- supporting the health and safety of our communities
- being environmentally responsible
- being culturally responsible (with growth and resilience covered in separate objectives)

### Council's stated service levels (in the long-term plan)

WATER	WASTEWATER
<ul style="list-style-type: none"> <li>• We provide safe drinking water to communities connected to a Council drinking water scheme.</li> <li>• The drinking water that Council provides is safe and treated to the appropriate standards.</li> <li>• Our water reticulation network is efficient.</li> <li>• We respond to faults with our water reticulation network promptly.</li> <li>• We resolve faults in our water reticulation network promptly.</li> <li>• Customers are satisfied with the drinking water they receive.</li> <li>• Potable water is used sustainably.</li> <li>• There is adequate water for firefighting in urban areas.</li> </ul>	<ul style="list-style-type: none"> <li>• We comply with the resource consents conditions relating to our sewerage systems.</li> <li>• We will maintain the reduction in nitrogen discharged from wastewater treatment plants in the Lake Taupō catchment</li> <li>• Our sewerage system is maintained to prevent sewerage overflows.</li> <li>• We respond to faults with our sewerage system promptly.</li> <li>• We resolve faults with our sewerage system promptly</li> <li>• Our customers are satisfied with the sewerage network.</li> </ul>
TRANSPORT	STORMWATER
<ul style="list-style-type: none"> <li>• The number of serious and fatal crashes on Council roads is falling.</li> <li>• That our roading network is adequately maintained and in good condition.</li> <li>• Footpaths are adequately maintained and in good condition.</li> <li>• We will respond to customer service requests.</li> </ul>	<ul style="list-style-type: none"> <li>• We manage the stormwater network to protect public health and property without compromising the environment.</li> <li>• We will comply with our Resource Consent for discharge from our stormwater system.</li> </ul>

## How we deliver our services

66. Council manages its infrastructure intensive services through both inhouse and external expertise. This ensures that Council retains critical staff like asset managers while outsourcing less frequent or highly labour intensive and specialised work to the respective sectors. This balances the cost of service provision and staffing while also supporting the delivery of the capital works programme.

Asset class	Planning & Management	Operations & Maintenance	Capital Works
Water	Inhouse	Inhouse / Outsourced	Outsourced
Wastewater	Inhouse	Inhouse / Outsourced	Outsourced
Stormwater	Inhouse	Inhouse / Outsourced	Outsourced
Transport	Inhouse	Outsourced	Outsourced

## Completing upgrades to drinking water treatment to meet new standards

67. Council's largest capital improvement investment programme is focused on upgrades to the treatment of drinking water to meet the 2022 upgraded New Zealand drinking water standards (DWSNZ). Council has 17 water treatment plants all of which needed significant upgrades to meet the new standards.
68. As at 1 January 2024, we have upgraded most of our large water treatment plants (Taupō, Tūrangi, Mangakino). There are eight more significant plant upgrades planned to be completed by 2026.
69. In the Taupō Volcanic Zone, there are elevated levels of arsenic in soils and waters as a result of geothermal activity. Some lakes and rivers have arsenic concentrations above the World Health Organisation's limit for arsenic in drinking water (0.01 mg/L).
70. Areas that are not yet upgraded have Water Safety Plans prepared to make sure that we are appropriately minimising the risk. The Ministry of Health audits Council to ensure that we are being compliant with these plans.



Treatment plant compliance

AREA	NUMBER OF PROPERTIES	PLANT UPGRADE COMPLETED TO ALLOW COMPLIANCE <sup>10</sup>	PLANNED PLANT UPGRADES <sup>11</sup>
Taupō (including Acacia Bay / Mapara Rd, Wairakei, Waitahanui)	12,970	✓	
Tūrangi (including Tokaanu)	2,417	✓	
Kinloch (including Whakaroa)	1,348	✗	2025
Omori/Kuratau/Pukawa	1,239	✗	2025
Mangakino	765	✓	
Motuoapa	482	✗	2025
Whareroa	198	✗	2025
Hatepe	119	✓	2026
Tirohanga	106	✗	2025
Whakamaru	77	✓	
Atiamuri	76	✗	2024
Centennial Drive	75	✗	2026
Bonshaw Park	69	✗	No longer required - will be connected to Taupō in 2024
River Road	69	✓	
Whakamoenga Point	53	✗	No longer required - will be connected to Taupō in 2024
Waihāhā	31	✗	2024
Motutere (campground)	1	✗	2032

<sup>10</sup> Plant has undertaken significant upgrades to allow compliance with drinking water standards. Other compliance issues may mean that full compliance is not achieved.

<sup>11</sup> Expected completion date of project

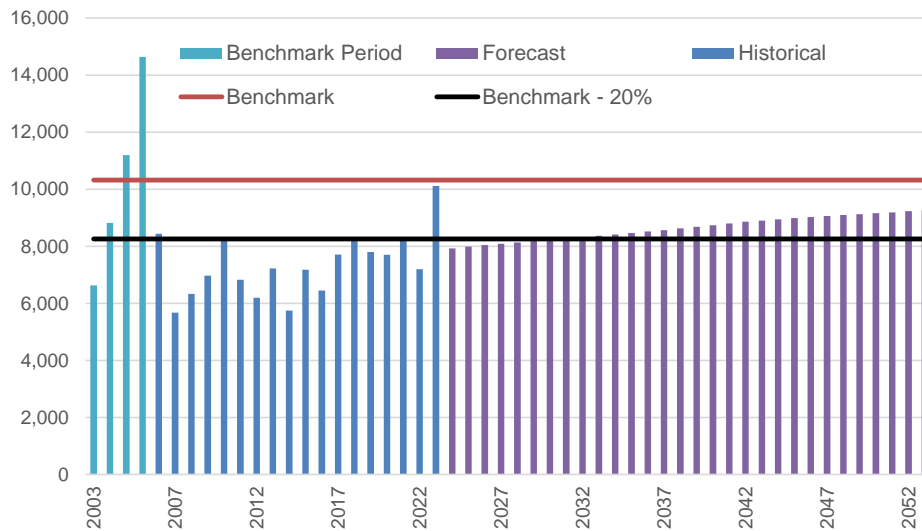
### Increasing environmental controls on wastewater and stormwater discharges

71. With pristine rivers and lakes, managing the potential environmental and freshwater impacts of wastewater and stormwater is very important, and a costly exercise.
72. There has, and will continue to be, an increase in environment standards and discharge consent conditions as a result of:
  - Increased environmental and cultural expectations from our community
  - New legislation from central government, such as the National Policy Statement for Freshwater Management
  - The requirement for resource management documents to give effect to key policy documents which are aimed at improving water quality in some catchments. These documents include Te Ture Whaimana o Te Awa o Waikato - Vision and Strategy for the Waikato River for the Waikato River catchment, Te Ara Whānui o Rangitāiki – Pathways of the Rangitāiki for the Rangitāiki catchment, and Te Kaupapa Kaitiaki, a plan developed for the Taupō Catchment
  - Overwhelming evidence from the scientific community that the ability of our waterways to sustain the levels of pollutions is unsustainable.
73. In the past 20 years, Council has upgraded its largest wastewater plants (Taupō, Tūrangi, Mangakino), as well as some smaller plants (Motuoapa, Kinloch, Whakamaru) to reduce nitrogen discharges in the Lake Taupō catchment. Further upgrades to the Kinloch plant are planned and are expected to be completed in 2025/26
74. Reducing nitrogen discharges is a greater challenge in areas where populations are growing and there is more wastewater to treat and dispose of.
75. Council holds regional council consents for wastewater and stormwater discharges. When these consents require renewals, it is likely that tougher conditions will be imposed, which will require Council to undertake upgrades and/or invest in technology which will come at a cost. Wastewater treatment plant upgrades are planned to meet stricter consent conditions to reduce nitrogen discharges when these plants are due for renewal.
76. Council is also coming under increasing pressure from both the public and Waikato Regional Council to improve the quality of stormwater discharges. Stormwater is discharged into our lakes, rivers and streams and we recognise the importance of keeping these clean and healthy and protecting our environment. To achieve this, we have developed a programme for the installation of Enviropods, which remove litter and debris from stormwater and treatment devices at stormwater outlets. However further improvements are likely to be required when our comprehensive stormwater consent is renewed in 2027.
77. A major focus of stormwater management for the next period will be around improvements to stormwater discharge quality and it is anticipated that there will be an increased capital spend installing treatment systems on the majority of our discharges especially in the years following the renewal of our current discharge consents in 2027.
78. We work closely with Waikato Regional Council to understand what likely standards and conditions will be imposed when we apply for discharge renewals. To support this process:
  - We monitor the quality of wastewater and stormwater discharges to provide evidence on actual discharge quality performance and risks
  - We engagement early with iwi/hapū for consent renewals
  - We forecast and plan to maintain our Nitrogen reduction targets.

## Reducing Nitrogen in the Lake Taupō Catchment

79. Taupō District Council has committed to reducing the nitrogen impact from our wastewater treatment and disposal on Lake Taupō by 20%. This will continue to be a challenge to meet and maintain as the district continues to grow. In the longer-term additional plant upgrades to reduce nitrogen, or the purchasing of nitrogen credits to offset wastewater nitrogen may be needed.

Figure 1 – Forecast nitrogen (kgs) to Lake Taupō Catchment



Upcoming discharge resource consent renewals

RESOURCE CONSENT	CONSENTING ORGANISATION	DUE FOR RENEWAL
Mangakino wastewater disposal	Waikato Regional Council	Operating with permission under an expired consent pending renewal. Mangakino wastewater treatment plan upgrade is planned for 2026/27 – 2027/28)
Tūrangi wastewater discharge	“ “ “	Operating with permission under an expired consent pending renewal. Tūrangi wastewater disposal improvement options are discussed separately in this strategy
Atiamuri wastewater disposal	“ “ “	Operating with permission under an expired consent pending renewal. Atiamuri wastewater treatment plan upgrade is planned for 2025/26
District wide Stormwater discharge	“ “ “	June 2027
Taupō (View Road) wastewater disposal	“ “ “	2032
Taupō (Rickit Street) wastewater disposal	“ “ “	2032
Motuoapa wastewater disposal	“ “ “	2033
Acacia Bay wastewater disposal	“ “ “	2035
Whakamaru wastewater disposal	“ “ “	2036
Whareroa wastewater disposal	“ “ “	2039
Kinloch wastewater disposal	“ “ “	2039
Motutere wastewater disposal	“ “ “	2040
Taupō (Rakaunui) wastewater disposal	“ “ “	2043
Omori wastewater disposal	“ “ “	2044

### Working with local iwi and hapū

80. Council has a strong relationship with local iwi and hapū; and recognise and respect the importance of, and connection between, iwi and freshwater (wai Māori).
81. Ngāti Tūwharetoa are the descendants of Ngatoroirangi and Tia and other tūpuna who have occupied the Taupō region since the arrival of the Te Arawa waka. Ngāti Tūwharetoa are linked by whakapapa to the lands and taonga (treasures) in this region. This connection establishes their mana whenua, kaitiakitanga, and rangatiratanga.
82. Tūwharetoa Māori Trust Board are the legal owners of Taupō waters. The term Taupō Waters refers to property including the lake bed, water column and air space of Lake Taupō and the Waihora, Waihāhā, Whanganui, Whareroa, Kuratau, Poutu, Waimarino, Tauranga-Taupō, Tongariro, Waipēhi, Waiotaka, Hinemaiaia and Waitahanui Rivers and the Waikato River, from the outlet of Lake Taupō to a place known as Te Toka a Tia, downstream and inclusive of Huka Falls.
83. Ngāti Tūwharetoa are in a unique position holding legal ownership of most of the waterways and water bodies in the district as well as retaining ownership of most of the private land within the associated catchments.
84. In order for Tūwharetoa land owners to use their land productively and sustainably, adequate infrastructure and services need to be in place in order to effectively support the development of Māori land. Restrictive or lack of access to infrastructure is a significant barrier for iwi/hapū to increase the productivity of Māori land and is a key impediment to unlocking Māori land potential.

The success of effective, progressive and strategic infrastructure and service planning plays a fundamental role in achieving iwi/hapū social, cultural, economic and environmental aspirations. Active participation and engagement with decision making within their area of interest is an expression of kaitiakitanga, and enables Council to give effect to their legislative responsibilities to iwi/hapū.

### Providing for the Māori world view

85. The Māori world view considers everything living and non-living to be interconnected. Māori traditionally have their own system of resource management to sustain people and natural resources for the future. For Māori, water is the essence of all life, akin to the blood of Papatūānuku (Earth Mother) who supports all people, plants and wildlife. Rivers are valued as a source of spiritual, physical, and mental well being and provide important mahinga kai, cultural materials, as access routes and a means of travel, and for their proximity to important wāhi tapu, settlements or other historic sites. Indicators of the health of a river system (such as uncontaminated water and species gathered for food, continuity of flow from mountain source to the sea) can provide a tangible representation of its mauri. Water is a connector from the tangible to the intangible, and has pride of place as both tapu, sacred, and noa, normal.
86. Te Ao Māori considers all natural, physical and spiritual elements of the world to be intrinsically connected. Whakapapa is the binding concept that describes and connects all living and non-living things as descendants from Ranginui and Papatūānuku. The natural domains of the taiao (environment) are the realms of their children in which tangata whenua (people of the land) have inherited rights and responsibilities to protect, preserve and maintain the environment through the active and enduring exercise of kaitiakitanga.
87. Tangata whenua and kaitiaki have responsibilities for the environment and for those that share the environment. Kaitiakitanga is not an obligation which iwi and hapū choose to adopt or to ignore, it is an inherited commitment that links all realms including the physical, spiritual, human and past and future worlds.
88. The relationships between iwi, taura here (Māori living in the district who may not affiliate to one of the iwi in this area) and the Council are significant.

89. There are a number of forums, collectives and agreements where Council collaborates with both iwi and Māori generally around key instruments like our long-term and annual plans, hosting Council meetings and also special interest matters.
90. These agreements are important for our infrastructure, because in many instances Council-owned infrastructure is located on land owned by iwi. Alternatively, there are instances where Council-owned infrastructure has the potential to have an impact on natural resources that are considered to be taonga by local iwi.

#### Te Mana o Te Wai

91. Documents such as the National Policy Statement for Freshwater require Council to consider fundamental Māori concepts such as Te Mana o Te Wai.
92. Te Mana o te Wai is a concept that refers to the fundamental importance of water and recognises that protecting the health of freshwater protects the health and well-being of the wider environment. It protects the mauri of the wai. Te Mana o te Wai is about restoring and preserving the balance between the water, the wider environment, and the community.
93. Te Mana o Te Wai refers to the integrated and holistic wellbeing of a freshwater body. Te Mana o te Wai ensures that the first right to the water goes to the water. It also ensures that water is able to nurture and provide for people as a koha (gift) to enable sustainable use. Te Mana o te Wai reinforces iwi positions that 'I am the water and the water is me'. Protecting Te Mana o te Wai provides for the mauri of the water. This includes providing for te hauora o te taiao (health of the environment) te hauora o te wai (health of the water body) and te hauora o te tangata (the health of the people).
94. All New Zealanders have an obligation to achieve Te Mana o Te Wai whereby the water body has its own mauri and its own mana which must come first to protect the integrity of the river. This will be the basis for community discussions on freshwater values, objectives, and limits. The NPS-FM refers to Te Mana o te Wai as a core concept for freshwater management. Iwi have argued that Te Mana o Te Wai should be given priority in any freshwater planning mechanisms.
95. As we engage more effectively with iwi/hapū in the future, there will be increased expectations to consider the Māori world view as well as more accountability for how Council decision making reflects iwi/hapū. There will be significant cost implications to providing, improving and moving some infrastructure. We will have to prioritise and stagger these so that they are affordable.

## Infrastructure Challenge: Improving the disposal of wastewater in Tūrangi

### What's the issue?

96. Taupō District Council provides wastewater services for 12 towns and communities in the district. All of these plants, except Tūrangi, discharge treated wastewater to land prior rather than discharging directly to water.
97. In Tūrangi the current wastewater system takes treated wastewater and discharges it to a wetland (the South Taupō Wetland), which leads into the Hangarito Stream which connects to Lake Taupō. The community has raised concerns over current disposal and its impacts on the waters of Lake Taupō which is a taonga for the whole community.
98. There has been environmental degradation of this wetland, however these issues are driven by other factors, and the environmental impact of wastewater discharge has been determined to be "less than minor". However, there remain significant community concerns with the current discharge approach.
99. In 2018<sup>12</sup>, Council agreed to work with local iwi and hapū to look at alternative options for a long-term solution that addresses these concerns. Historically Council has balanced these concerns by discharging to land which is the norm for the other 12 sites across the district.
100. A council / hapū steering group is still processing work to identify an alternative land discharge solution. Positive progress has been made. This process will continue, and a recommendation will be presented to Council. However, Council needs a short- to medium-term solution (in the next few years) for the long-term plan. The current Tūrangi Wastewater Treatment Plant continues to operate with permission under an expired discharge consent pending renewal, and Waikato Regional Council are not providing any further time extensions.
101. There are several issues still to be worked through with any future land disposal options. These include concerns over the resilience of a large new pipe network, potential large running costs related to pumping, and securing a reasonable lease for disposal land. Council will also need to understand better if this option is simply shifting the problem rather than rectifying it. To do this Council will continue to work closely with iwi and hapū through the established steering group to develop and design the options and understand their impacts. These ideas will need further development in partnerships with iwi (over the next two years).

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<sup>12</sup> [Council meeting on 24 April 2018.](#)

## PROVIDED FOR IN THE LONG-TERM PLAN: Pursue a short to medium-term option for resolving wastewater risks in Tūrangi.

### What is proposed

We've allowed \$6.8 million in the Long-term Plan, from 2028 to 2030, to improve our current treatment process and discharge from the Tūrangi Wastewater Treatment Plant. For example, using modern wastewater treatment techniques like creating a new wetland on current treatment plant site as primary discharge area.

We'll continue to work with iwi and hapū to find a suitable place to discharge treated wastewater to land in the longer term.

### Advantages and disadvantages

- ✓ Further reduction in already low environmental impacts.
- ✓ Increased protection of exiting waterways and wetlands through natural wetland filtration.
- ✓ Lower ongoing operational costs
- ✓ More resilient than alternative option of significant pipe network and disposal site near the Tongariro River.
- ✓ Affordable within the budget constraints of Council's financial strategy - money is set aside.
- ✓ Addressed the environmental risks rather than shifting the problem to a new area (which is close to the Tongariro River.)
- ✗ Does not address community concerns over current disposal to the South Taupō Wetland, which leads into the Hangarito Stream which connects to Lake Taupō.

### Cost and debt impact

Capital Cost: \$6.8 million  
Debt Funded: \$6.8 million

### Rates impact

\$39 (average per ratepayer in 2030-2031 due to site rehabilitation)  
\$16 (average per ratepayer thereafter)

### TIMELINE

#### 2025 – 2028

Council will continue to work closely with iwi and hapū through the established steering group to develop and design the options and understand their impacts

#### 2026 - 2029

Construct / implement preferred option and design



## ALTERNATIVE OPTION: Dispose of Tūrangi wastewater to land

### Alternative option

Identify a suitable land area to dispose to. Enter into a long-term contract to allow disposal of treated effluent for the long term. Install pipes and associated infrastructure to shift treated effluent to the new disposal location. Cease disposing to the South Taupō Wetland, which leads into the Hangarito Stream which connects to Lake Taupō.

The alternative option would be to not invest in the current Tūrangi wastewater discharge site and instead continue to look for a somewhere suitable to discharge the wastewater to land. While we're committed to this in the long term, the wastewater treatment plant's resource consent has expired so we need a short to medium term fix (in the next few years).

### Advantages and disadvantages

- ✓ Discharge to land like other areas in the district.
- ✓ Aims to address community concerns over current disposal to the South Taupō Wetland, which leads into the Hangarito Stream which connects to Lake Taupō
- ✓ Affordable within the budget constraints of Council's financial strategy - money is set aside.
- ✗ Shifts problem and risk to a new area, rather than reducing them. New area is close to the Tongariro River.
- ✗ Significant pipe network needed that presents a resilience risk and significant operational (pumping) costs.
- ✗ Hinges on the ability to find a suitable location and willing landowner.
- ✗ Requires securing a long-term contract on suitable terms that guarantees the ability to dispose to the site for the long-term.

### Cost and debt impact

Capital Cost: \$18.5 million  
Debt Funded: \$18.5 million

### Rates impact

\$58 (average per ratepayer)

### TIMELINE

#### 2025 – 2028

Council will continue to work closely with iwi and hapū through the established steering group to develop and design the options and understand their impacts

#### 2030 onwards

Implementation dates unknown at this stage

## Significant performance improvement projects, issues, and major upcoming decisions

102. Major planned performance improvements projects are<sup>13</sup>:

• Water treatment plant upgrades to meet DWSNZ	<del>\$33.2</del> 30.2 million	2024 - 2026
• Transport – rural road safety investments	<del>\$45.4</del> 12.0 million	2024 - 2032
• Transport – accessibility, walking, and cycling improvements	<del>\$46.8</del> 14.9 million	2024 - 2034
• Transport – intersection improvements	<del>\$44.3</del> 10.5 million	2024 - 2034
• Mangakino Wastewater Treatment Plant upgrade to meet consent requirements	\$7.8 million	2026 – 2028
• Tūrangi wastewater discharge improvements	\$6.8 million	2026 – 2029
• Stormwater improvement devices	\$4.5 million	2024 – 2034

## Funding

103. Capital improvement projects are financed by borrowing, and funded over the lifetime of the assets through rates (as depreciation) once investment is completed.

104. For transport capital improvements, 51% funding usually comes from the NZ Transport Agency (through fuel taxes and road user charges). For years 1 – 3, not all projects received approval for funding from the NZ Transport Agency. Project costs have been reduced to reflect only Council's share of funding. This has resulted in a shortfall on some projects. This will not significantly impact on Levels of Service. We will continue to pursue additional NZ Transport Agency funding. The annual plan process will be used to scope and prioritise these projects to match available funding.

105. For years 4 – 10 and beyond, we have the full costs of planned the projects, and the assumption of 51% funding being achieved.

~~403.~~

<sup>13</sup> All figures are inflation adjusted.

## We are managing natural hazard risks to ensure our infrastructure is resilient

### Natural hazard risks

~~404-106.~~ Much of Taupō district is in the Taupō volcanic zone, with natural hazard risks from:

- **Earthquakes:** Including shaking, fault rupture, and liquefaction. Taupō District has a medium seismic risk.<sup>14</sup> It also has hundreds of fault lines mapped with the potential for ground surface ruptures in medium to large earthquakes of centimetre- to metre-scale steps and cracks.<sup>15</sup> Liquefaction risks are greatest where there is a high water table (such as Tūrangī and Tokaanu), or on river or lake edges where there is the potential for lateral spreading.<sup>16</sup>
- **Geothermal:** Hot ground, subsidence. Taupō has mapped hot ground areas, where infrastructure must be designed to withstand increased ground temperatures. There are also known subsidence areas. There is a significant risk with the Waihi landslide area (Hipaua steaming cliffs), which has resulted in two devastating landslips since 1846.<sup>17</sup>
- **Volcanic:** Ashfall from volcanic eruptions can be carried for long distances downwind of the eruption site. Ash can cause health problems for humans and animals, compromise water supplies, damage infrastructure and disrupt supply chains.<sup>18</sup> Ashfall from volcanic eruptions has the potential to affect a large portion of the district. Volcanic ash is abrasive, mildly corrosive and potentially conductive when wet. The impacts of ash fall will generally be disruptive rather than destructive, primarily affecting the function of infrastructure and services around the district. Only small amounts of ash are likely (less than 0.5mm for a 1 in 100 year event, and 2 – 3mm for a 1 in 500 year event).<sup>19</sup>

### Climate risks and impacts of climate change

~~405-107.~~ Taupō district can expect:

- **Hotter and drier summers:** Increased dryness, drought, and high fire risks in summer – with the potential number of dry days per year increasing by 5-15 days every year (~5% increase)<sup>20</sup>. Number of hot days increasing from 24 per year to 38 – 40 by 2050<sup>21</sup>. Potential impacts on water supply shortages and increased irrigation demand. Freshwater impacts from lower river flows, increasing water temperatures, impacts on habitats and species, increased risk of poor water quality and toxic algae bloom.
- **Warmer, wetter winters and increased wind:** Increased rainfall in winter (4 – 7% by 2100)<sup>22</sup>. Increased erosion risks from higher rain, lake and river levels, and wind.
- **Increased frequency and severity of intense rainfall and storm events:** Increased frequency and severity of intense rainfall. Up to a 39 percent increase in the annual

<sup>14</sup> Building code, Z-values to determine seismic risk

<sup>15</sup> GNS, Active Faults in the Taupō District, August 2020

<sup>16</sup> Waikato Regional Council, Waikato Regional Hazards portal

<sup>17</sup> <https://www.waikatoregion.govt.nz/services/regional-hazards-and-emergency-management/landslides/hipaua-steaming-cliffs/>

<sup>18</sup> <https://www.gns.cri.nz/Home/Learning/Science-Topics/Volcanoes/Eruption-What-to-do/Be-Prepared-Volcanic-Ash-Fall>

<sup>19</sup> GNS, Earthquake and volcanic risks to assets of the Taupō district Council, May 2007

<sup>20</sup> For Waikato region, Precipitation below 1 millimetre/day, Waikato Regional Council, Waikato Regional Climate Change Risk Assessment Phase 1, September 2022

<sup>21</sup> Greater than 25°C, for Waikato Region, Ministry for the Environment, Climate Change Projections for New Zealand, 2018.

<sup>22</sup> For Taupō district, Ministry for the Environment, Climate Change Projections for New Zealand, 2018.

likelihood of a 1-in-100-year flood by 2100.<sup>23</sup> Ex-tropical cyclones will likely be stronger and cause more damage as a result of heavy rain and strong winds. Increased flooding risks from both urban stormwater, overland flow paths and gully systems, low-lying land, and rivers. Increased risk of power and communications outages from wind damage. Taupō has mapped flood areas for its rivers and lakes (which consider the potential impacts of climate change). Council also has internal flood mapping for urban stormwater, which can be used to assess the risks to community facilities, buildings, and infrastructure.

### Our AMPs identify critical assets

~~406-108.~~ As a member of the *Waikato Utility Lifelines Group*, Council has identified the components within the Council's infrastructure network that may be vulnerable to natural hazards, the importance of these assets, and the impact of failure of these assets.

~~407-109.~~ Council's asset management plan provides a detailed risk assessments for infrastructure. Below is a summary of general risks and high-risk assets and their importance.

### Largest natural hazard risks

Earthquake	<p>A large earthquake including ground shaking, liquefaction in high water table areas, landslips, and potential fault ruptures has the potential to cause significant damage to horizontal infrastructure like pipes and roads. Even a smaller earthquake has the potential to cause some damage and disruption.</p> <p>There is limited protection available for road and pipes. We have plans in place for a swift response and repairs in the event of an emergency event. Our water pipe renewal programme will replace our most easily-broken older pipes with modern more resilient plastic equivalents.</p> <p>All bridges have been assessed for seismic vulnerability and retrofitted as necessary. All our new major water and wastewater plants, and water reservoirs are built to a high resilience standard (IL3 or IL4). We have identified some possible failure points in our Taupō wastewater and water treatment plants and have works planned to address these and increase resilience. We have a programme of improvements planned to our water reservoirs to improve their resilience.</p>
<b>Major storms</b> – flooding, wind, slips, power outages, access closures.	<p>We have flooding models that have identified potential flood risk areas, and most of our core infrastructure is well positioned.</p> <p>We have generators available in the event of power outages (although we have plans to purchase some more) and plans in place for a swift response and repairs in the event of an emergency event.</p> <p>We are planning a programme to identify and address vegetation, road cuttings, banks, and other slip risks.</p>

<sup>23</sup> For Waikato region, Waikato Regional Council, Waikato Regional Climate Change Risk Assessment Phase 1, September 2022

**Volcanic Eruption, Ash fall, geothermal activity**

The effects are expected to be largely disruptive rather than destructive – with ash being high corrosive and conductive – requiring machinery to be stopped and cleaned.

We have plans in place for a swift response, treatment and repairs in the event of an emergency event – including water blasting, vacuum trucks. In our major water and wastewater plants we have design features to allow for the event of ashfall (additional capacity in the grit chambers).

**Significant resilience projects, issues, and major upcoming decisions**

408-110. Major planned resilience projects are<sup>24</sup>:

• Water reservoir resilience improvements	<del>\$37.527.6</del> million	2024 - 2034
• Stormwater flood mitigation improvements	\$14.2 million	2024 - 2031
• Other resilience improvement works	<del>\$4.36.3</del> million	2024 - 2030

**Funding**

409-111. Capital improvement projects are financed by borrowing, and funded over the lifetime of the assets through rates (as depreciation) once investment is completed.

**Links to asset management plans**

Council's asset management plans can be found at: <https://www.taupodc.govt.nz/council/plans-and-strategies/asset-management-plans>

<sup>24</sup> All figures are inflation adjusted.

## Planned revenue and expenditure

440.112. The following chart sets out the indicative capital and operating expense required to manage Council's three waters and transport infrastructure over the next 30 years. These are based on the most likely scenario for managing the infrastructure assets, reflecting the preferred options and assumptions highlighted in previous chapters, including:

- Renewals plan and life cycle of assets assumptions
- Growth
- Planned improvements to levels of service.

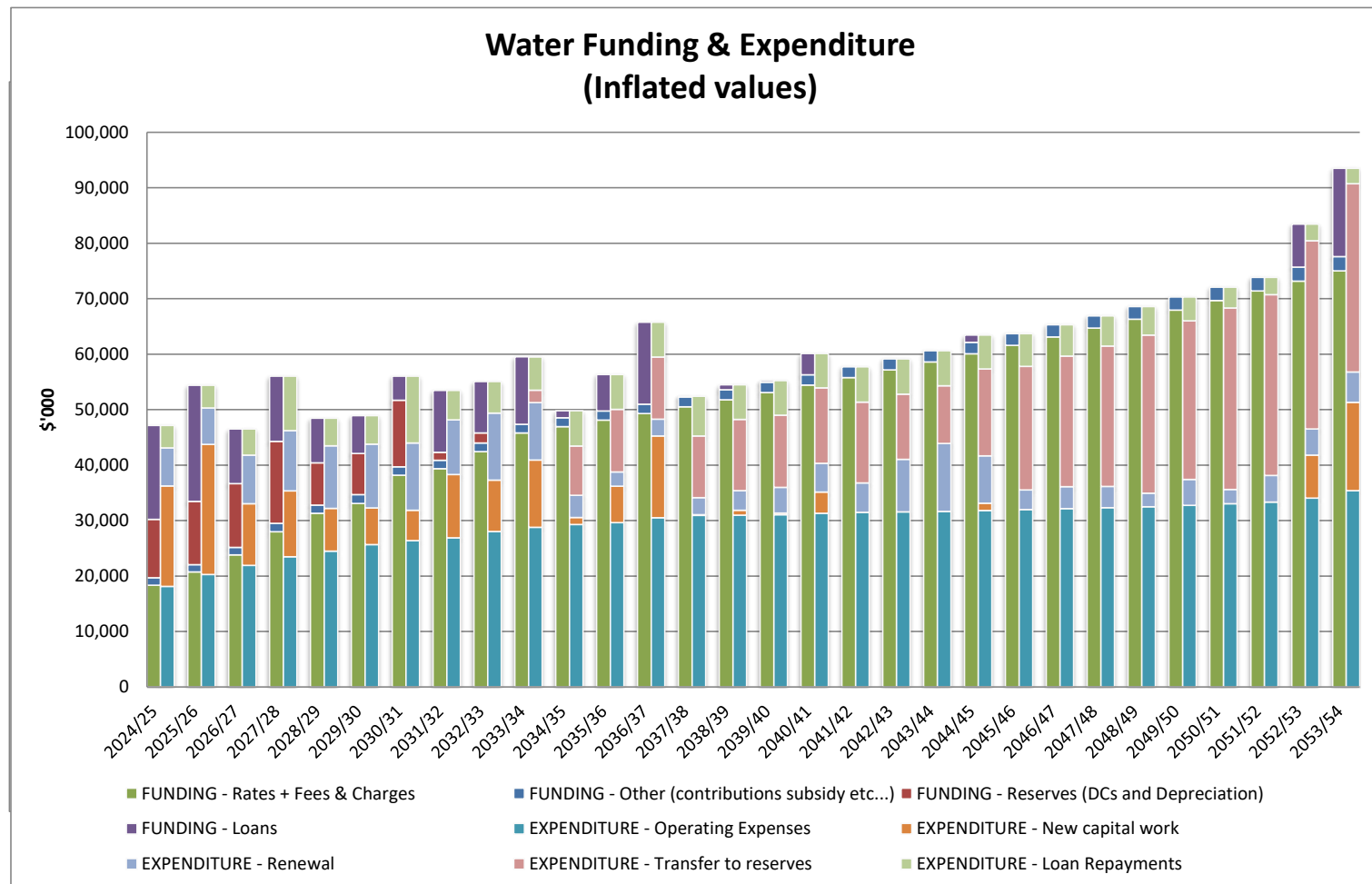
444.113. Additional assumptions are:

- Funding levels and service levels agreed within the Long-term Plan are maintained across the first 10 years of the strategy.
- Levels of service are maintained for years 11 – 30.
- Tables and graphs below allow for inflation projections that are in line with those forecast by BERL for LGCI over the 30 years.
- NZTA financial assistance rates will remain at the current level for the period of the strategy, and NZTA will fund the full required share (the funding gap in transportation is unfunded depreciation representing the NZTA subsidy on renewals).
- There is no change to the method used to deliver services or the management of services.
- The appropriate resources and contractors are available to tender and complete the projects and services that have been identified in this strategy.
- There are no new unfunded mandates from central government.

## Summary of assumptions with high level of uncertainty

UNCERTAINTIES	NATURE OF UNCERTAINTY AND POTENTIAL EFFECTS
<b>Long term growth and demand uncertainty</b>	<p>Resident population growth is highly influenced by national migration, which is a central government policy matter and inherently unpredictable. The revised growth model Council uses to plan its growth infrastructure needs is on the higher end of the possible growth range. This should ensure that we are planning growth infrastructure sufficiently in advance of need. If growth is slower than anticipated the delivery of these projects can be adjusted.</p> <p>In addition to uncertainty in resident population growth, in Taupō District Council demand for council services and required infrastructure capacity is significantly impacted by seasonal peaks and events through both commercial accommodation and a large number of holiday houses. To manage this effect, Council takes a conservative approach to determining its capacity needs based on providing sufficient capacity for peak season assuming demand from all accommodation units and holiday houses.</p>
<b>Asset life uncertainty</b>	<p>We have gained a strong knowledge of the asset life and renewal needs of our water and wastewater pipe networks, and our road networks. There will continue to be water service failure risks until we complete our backlog of asbestos cement and galvanized pipe replacements.</p> <p>There remains significant uncertainty around the renewal needs for our major plant, and transport structures. We plan on improving this knowledge over time. While major renewals are anticipated in the near future, regular monitoring and reviews have the potential to identify the need for major renewals in the short-medium term. No service impacts are anticipated, however, if significant unplanned renewals are identified, this could have a planning, delivery, and debt cost impacts, although overall costs should be recovered through depreciation funds.</p>
<b>Service levels</b>	<p>Our asset management planning, and this infrastructure strategy are focused on maintaining service levels across our infrastructure, with planned improvements in some areas, such as meeting drinking water standards, and improving the environmental outcomes from wastewater treatment and disposal.</p> <p>There remains uncertainty in both the requirements to meet drinking water standards, and to achieve future wastewater and stormwater discharge consent renewals. While we are working closely with the regulators to manage these risks and are collecting data to support our application and proposed approaches, there remains the risk of new requirements being imposed on us that require additional unforeseen investment.</p>

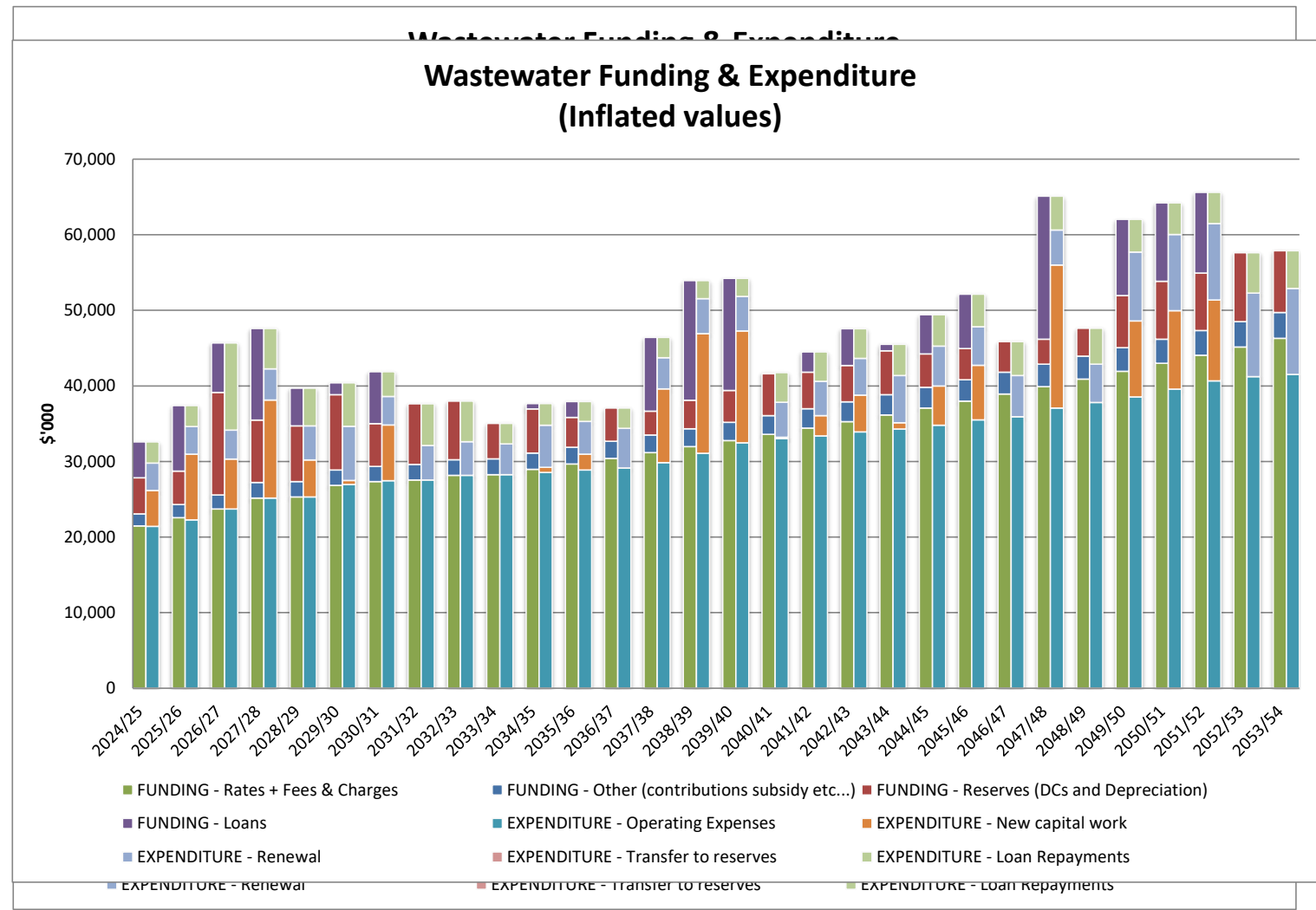
A full list of Long-term Plan assumptions is provided here: [link](#).



Taupō District Council Long-term Plan 2024 – 34

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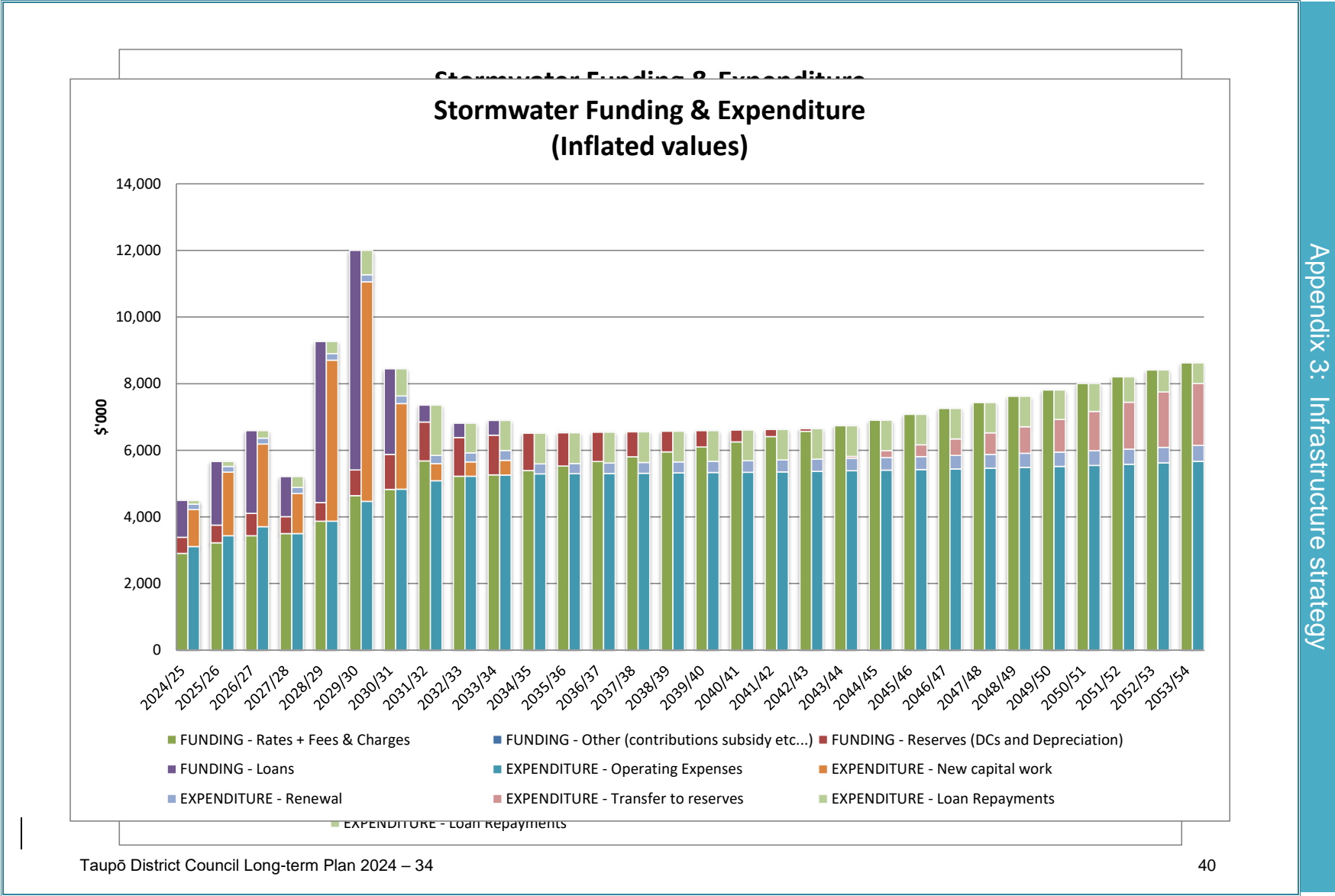




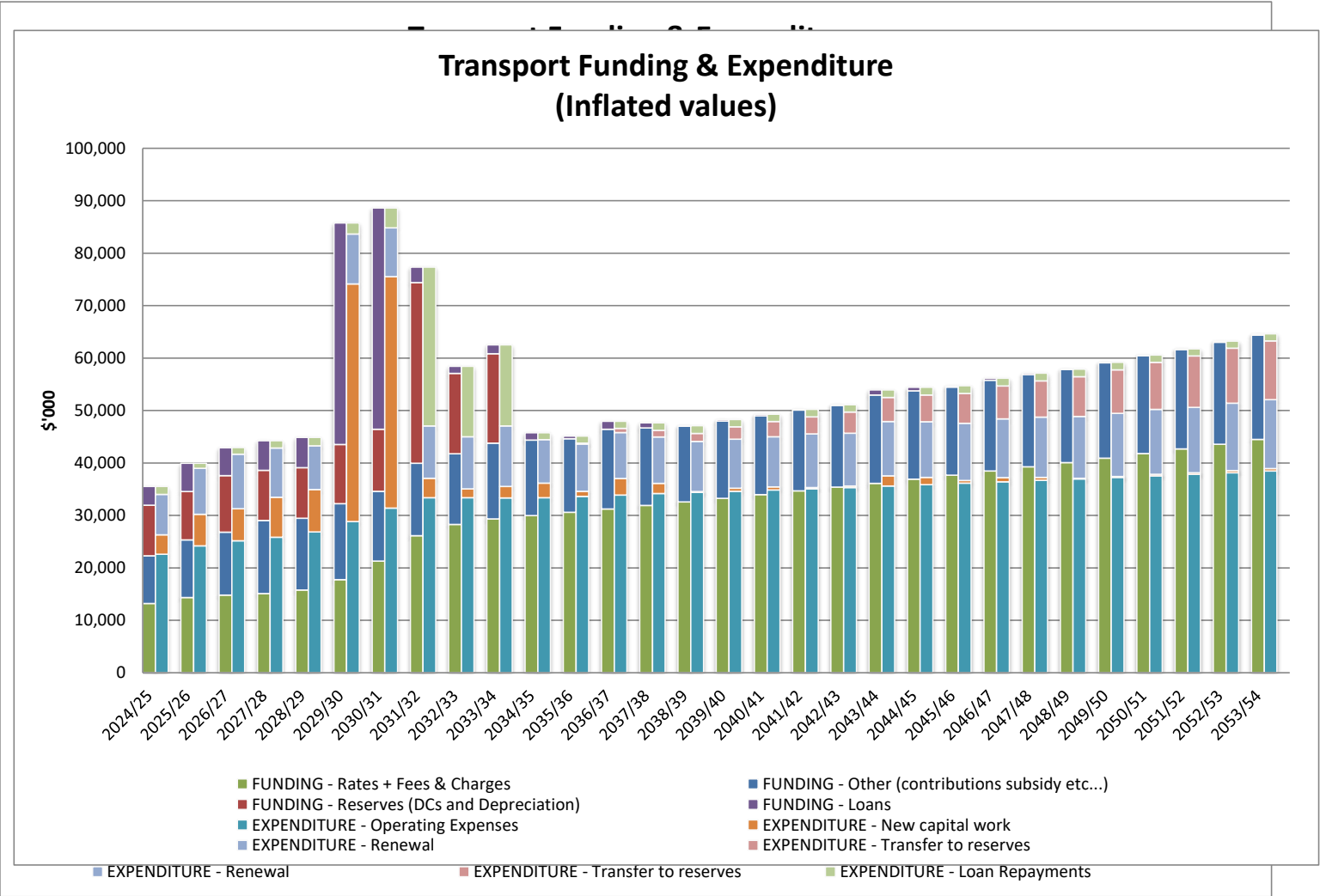
Taupō District Council Long-term Plan 2024 – 34

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## APPENDIX 4: DEVELOPMENT OF MĀORI CAPACITY TO CONTRIBUTE TO DECISION-MAKING PROCESSES

Taupō District Council has statutory obligations to provide opportunities for Māori to contribute to local government decision-making processes under:

- Local Government Act 2002
- Resource Management Act 1991
- Local Electoral Act 2001

Generally, the Council's responsibilities within these legislative frameworks entail duties, obligations, and commitments to:

- protect Māori rights and interests within Taupō District
- give effect to the Treaty principles
- enable Māori participation in Council's decision-making processes
- recognise Māori values and perspectives including (but not restricted to) mātauranga Māori (Māori knowledge systems), tikanga (Māori customary protocols and practice) and kaitiakitanga (stewardship)
- work with and take into account the feedback of Māori and iwi authorities, ensuring that their input is reflected in Council's strategies, policies, and plans, and on other matters
- contribute to building capacity for Māori to participate in Council's decision-making processes
- work in partnership with iwi and hapū to give effect to Treaty settlement legislation and any provisions that arise from these.

Taupō District Council also has specific obligations to iwi, hapū under the following Te Tiriti o Waitangi Treaty Settlement legislation.

- Ngāti Tūrangitukua Claims Settlement Act 1999
- Ngāti Tūrangitukua Ancillary Claims Deed 1998
- Ngāti Tūwharetoa, Raukawa and Te Arawa River Iwi Waikato River Act 2010
- Ngāti Manawa Claims Settlement Act 2012
- Ngāti Whare Claims Settlement Act 2012
- Raukawa Claims Settlement Act 2014
- Ngāti Tūwharetoa Claims Settlement Act 2018
- Ngāti Rangī Claims Settlement Act 2019

While these legal mandates form the foundation for the broader partnership responsibilities outlined in Te Tiriti o Waitangi, Taupō District Council is committed to actively pursuing collaborative opportunities that extend beyond statutory requirements. An example includes the integration of supplier diversity targets aimed at enhancing the participation of Māori businesses in the Council's procurement procedures. This proactive approach aims to foster positive outcomes for both Māori and the wider community.

The Local Government Act 2002 outlines how councils should engage with Māori as follows:

- The relationship to Māori culture and traditions: The relationship of Māori and their culture and traditions with their land, water, sites, wāhi tapu, valued flora and fauna, and other taonga must be taken into account when a council is making an important decision involving land or a body of water (applies to actions outside the RMA requirements on councils). (see section 77 (1)(c)).
- Opportunities to contribute: Councils must provide Māori, and all other members of the public, with opportunities to contribute to council decision-making processes. (see section 14 (1)(d))

- Processes to contribute: Councils must develop and maintain processes and opportunities for Māori to contribute to council decision-making process. Councils must also consider ways they can help build Māori capacity to contribute to council decision-making and provide all relevant information to Māori. (see section 81)
- Develop Māori capacity to contribute: The ways in which councils intend to develop Māori capacity to contribute to council decisions, over the 10-year period of the Long-term Plan, must be detailed in their Long-term Plans.

The Resource Management Act 1991 outlines how Councils must:

- take into account Māori values when processing resource consents and formulating plans
- provide for iwi authorities' input in processing resource consents and formulating plans
- work with iwi authorities to ensure Māori participation in resource management decisions and processes of managing the use, development, and protection of natural and physical resources.

## Improving Māori participation in Council's decision-making processes

### Māori wards and Māori representation

Informed by an extensive consultation process for the Māori representation and general representation review, Council introduced a Māori ward in 2022 to help improve and enhance Māori participation in Council's decision-making processes. Māori across the district expressed that while achieving tino rangatiratanga and genuine partnership was the ultimate goal, the creation of Māori wards was a positive advancement.

Council has also established Māori representatives on Council committees which further enables Māori participation in Council's decision-making processes.

Our Māori ward councillors and Māori representatives (on Council committees) have made a valuable and positive contribution to Council's decision-making process. They provide a te ao Māori (Māori world view/Māori perspective) lens that may not have been otherwise available.

Taupō District Council will continue to collaborate with iwi/Māori to explore additional avenues to enhance Māori representation.

### Relationships and formal partnership arrangement with Iwi partners, Hapū, Māori

In addition to the above, Council has specific agreements with iwi partners and hapū of the district. Some of these originate from Treaty settlements, some from legislative mechanisms such as the mana whakahono ā rohe arrangements under the Resource Management Act, and others in response to Māori land holdings in the district. Some of these arrangements include:

#### Ngāti Tūrangitukua Treaty of Waitangi settlement

Ngāti Tūrangitukua is a hapū of Ngāti Tūwharetoa. The Ngāti Tūrangitukua Charitable Trust is the post settlement entity that is responsible for managing the assets that Ngāti Tūrangitukua received under Wai 84 the Tūrangi Township settlement.

The Ngāti Tūrangitukua Claims Settlement Act 1999 established commitments on the Crown and Council arising from breaches by the Crown in the 1950s and 1960s for the creation of the Tūrangi township. For Council, these commitments include working with Ngāti Tūrangitukua to establish processes to preserve its wāhi tapu sites and related information, appointment of hearing commissioners and a co-management process for reserves in the Tūrangi area.

### Mana Whakahono ā Rohe agreement with Ngāti Tūrangitukua

Mana Whakahono ā Rohe is a tool provided for under the Resource Management Act designed to enable tangata whenua and local authorities to discuss and record how they will work together on resource management matters including joint decision-making. This was the starting point that enabled Council and Ngāti Tūrangitukua to negotiate a much bolder partnership agreement in 2022. Recognised nationally at the Taituarā Excellence awards, the Mana Whakahono [signed in 2022] covers matters wider than the Resource Management Act and the Ngāti Tūrangitukua Settlement Act including the establishment of the Tūrangi Co-Governance Committee made up of equal membership from Council and Ngāti Tūrangitukua, responsible for overseeing the implementation of a wide range of Resource Management Act, Local Government Act, Reserves Act and other matters within the Ngāti Tūrangitukua rohe.

### Te Kōpu ā Kānapanapa, Te Kaupapa Kaitiaki

Te Kōpu ā Kānapanapa was established under the Ngāti Tūwharetoa Claims Settlement Act 2018 as a joint committee of Waikato Regional Council and Taupō District Council, with representatives from Te Kotahitanga o Ngāti Tūwharetoa, Waikato Regional Council and Taupō District Council. One of Te Kōpu ā Kānapanapa's functions was to prepare a plan, Te Kaupapa Kaitiaki.

Te Kaupapa Kaitiaki's purpose is to:

- promote the sustainable and integrated management of the Taupō Catchment environment for the benefit of Ngāti Tūwharetoa and all people in the Taupō Catchment (including future generations); and
- provide for the relationship of Ngāti Tūwharetoa and their culture and traditions with their ancestral lands, water, sites, geothermal resources, wāhi tapu, and other taonga; and
- respect Ngāti Tūwharetoa tikanga in the management of the Taupō Catchment.

Council is working with Te Kotahitanga o Ngāti Tūwharetoa and the Waikato Regional Council to implement Te Kaupapa Kaitiaki in a co-designed manner which aims at incorporating feedback from hapū to ensure sustainable outcomes for the environment and all constituents of the district. Council has a statutory obligation to recognise and provide for Te Kaupapa Kaitiaki when preparing planning documents.

Te Kaupapa Kaitiaki outlines three crucial Pou related to the management of a healthy Taupō catchment. These three Pou have several objectives and desired outcomes associated with each of them that represent Ngāti Tūwharetoa tikanga.

Through the development of this Long-term plan, Council was required to recognise and provide for the vision, objectives, values and desired outcomes in Te Kaupapa Kaitiaki. Council staff considered Te Kaupapa Kaitiaki when developing their work programmes. These were full work programmes which were then subsequently reduced in scope and scale reflecting the current economic conditions.

We consulted our community on the proposed work plan and the final projects have been agreed upon. The Taupō District Long-term Plan is helping to deliver on Te Kaupapa Kaitiaki through a number of capital and operational projects including:

#### District Plan Review

Through the District Plan change 38 Council has already sought to place the Pou of Te Kaupapa Kaitiaki as strategic directions. Once this becomes operative future chapters, plan changes and resource consents will be required to give consideration to the vision, objectives, and values in Te Kaupapa Kaitiaki.

Additionally, to support the Pou we are working on the development of a Māori Purpose Zone plan change, further residential plan changes, and an open space zone which will all support the newly embedded vision, values and objectives from Te Kaupapa Kaitiaki.



### Wastewater Projects

As part of our obligations under Te Kaupapa Kaitiaki Council is working on a number of wastewater projects that seek to improve the quality of wastewater discharges from both an environmental and cultural perspective. In particular, Council has committed to working with Iwi and Hapū on both the Taupō Northern Wastewater solution and the current Tūrangi Wastewater discharge. The steering groups associated with these projects are helping to support the objectives of Mana Whakahaere, Kaitiakitanga, Te Oranga me ngā Hua o te Taiao, and Kia Whakarite.

### Stormwater Improvement Devices

Council planning for the installation of additional downstream defenders across the district to help support the reduction in environmental impacts of stormwater discharges. These defenders are an important way to support the health of the Taupō catchment by minimising waste that enters the waters of the catchment.

### Foreshore Erosion Work

Council in conjunction with Waikato Regional Council is working on several foreshore erosion projects through the Long-term plan. These proposed projects include a groyne field in Taupō to help reduce erosion near the Tapuaeharuru cliffs and erosion works in Kuratau. These projects will require Iwi and Hapū partnership to ensure that the proposed solutions support the Pou of Te Kaupapa Kaitiaki.

The full Te Kaupapa Kaitiaki text is available here:

<https://subsite.waikatoregion.govt.nz/assets/WRC/TeKaupapaKaitiakiTaupoCatchmentPlanFull.pdf>

### Joint Management Agreement with Ngāti Tūwharetoa

This agreement was developed to enable Council and representatives of Ngāti Tūwharetoa to work together to form a better relationship and understanding on resource management matters relating to Māori land. The agreement relates to Māori multiple-owned and Māori freehold land within the district and enables Māori landowners to have their resource consent applications heard and decided by a mixed representation of Council and Ngāti Tūwharetoa commissioners. Councillors and appropriately qualified persons on behalf of Ngāti Tūwharetoa can hear resource consent applications and private plan changes. When signed in 2009, the agreement was the first of its kind.

### Joint Management Agreements with Ngāti Raukawa and Te Arawa River Iwi Trust

The Ngāti Tūwharetoa, Raukawa and Te Arawa River Iwi Waikato River Act requires Council to form joint management committees with river iwi within the Taupō District and enter into agreements for the co-management of the Waikato River. Joint committees were formed, and joint management agreements were entered into with both Raukawa (2013) and Te Arawa River Iwi Trust (2017). These committees meet at least once a year and processes outlined in the agreements are implemented.

### Waipāhīhī C75 Māori Reservation Trust

The Waipāhīhī Foreshore Māori Reservation Trust consists of delegated representatives from Waipāhīhī Marae for the two hapū of Ngāti Hinerau and Ngāti Hineure, alongside two elected member representatives of the Taupō District Council. The Trust administers and manages the 1.93 hectares of foreshore area from north of the Two Mile Bay sailing centre to the Sea Scouts den. The area has sites of significance for the hapū including the Taharepa Bath adjacent to the northern boundary and the Ōnekenek Stream. The reserve is a Māori reservation under s 439 of the Māori Affairs Act and manages the reserve as vested in the trustees. The reserve is set aside for the benefit of the beneficial owners (Ngāti Hinerau, Ngāti Hineure) as well as the public.

### Tutemohuta Reservation Trust

The Trust is responsible for decision-making for the Tutemohuta Hall and Reserve at Waitahanui. Trustees are appointed by the Māori Land Court and include two representatives of Council, three for the Tauhara Middle 14 Trust and one community representative. The land was gifted to the community by Tauhara Middle 14 Trust for use as a reserve and a hall.

### Rangitāiki River Forum

The Rangitāiki River Forum was established in May 2012 under the Ngāti Manawa Claims Settlement Act 2012 and the Ngāti Whare Claims Settlement Act 2012. The forum is a joint committee of the Bay of Plenty Regional Council and the Whakatāne District Council, for the protection and enhancement of the environmental, cultural, and spiritual health and wellbeing of the Rangitāiki River and its resources for the benefit of present and future generations. The Taupō District Council has a member on the forum.

### Joint Management Agreement - Tūwharetoa Māori Trust Board

Council is currently working with the Tūwharetoa Māori Trust Board to co-draft a Joint Management agreement under the Ngāti Tūwharetoa, Raukawa, and Te Arawa River Iwi Waikato River Act 2010.

### Kohineheke Settlement

The council administers land which is part of an ancillary settlement claim between the Crown and descendants of the original owners. This claim is in the implementation phase; to on vest to the descendants of the original owners. This involves creating a mutually beneficial relationship, with specific details and parameters co-designed and defined in a new partnership mechanism.

Overall, We feel we've made some good strides in how we work alongside and partner with Māori in our work approach on agreed projects and activities. We're committed to continuing this approach across our mahi going forward. The words of Taa Hēmi Henare aptly describes our commitment and approach in this space:

*'Kua tawhiti kē to haerenga mai, kia kore e haere tonu. He tino nui rawa ou mahi, kia kore e mahi nui tonu'.*

*'We have come too far to not go further. We have done too much to not do more'*

## APPENDIX 5: CLIMATE CHANGE

In the 2021 long-term plan, the community asked Council to consider what it could do to reduce emissions and prepare for climate change. The Council adopted a [Climate Change Strategy](#) in 2022, and made sure that both reducing emissions and ensuring resilience were a focus for Council in this Long-term Plan 24 – 34.

### Being prepared for the effects of climate change

Due to global warming and climate change, Taupō district can expect:

- **Hotter and drier summers:** Increased dryness, drought, and high fire risks in summer – with the potential number of dry days per year increasing by 5-15 days every year (~5% increase)<sup>1</sup>. Number of hot days increasing from 24 per year to 38 – 40 by 2050.<sup>2</sup> Potential impacts on water supply shortages and increased irrigation demand. Freshwater impacts from lower river flows, increasing water temperatures, impacts on habitats and species, increased risk of poor water quality and toxic algae bloom.
- **Warmer, wetter winters and increased wind:** Increased rainfall in winter (4 – 7% by 2100)<sup>3</sup>. Increased erosion risks from higher rain, lake and river levels, and wind.
- **Increased frequency and severity of intense rainfall and storm events:** Increased frequency and severity of intense rainfall – up to a 39 percent increase in the annual likelihood of a 1-in-100-year flood by 2100.<sup>4</sup> Ex-tropical cyclones will likely be stronger and cause more damage as a result of heavy rain and strong winds. Increased flooding risks from both urban stormwater, overland flow paths and gully systems, low lying land, and rivers. Increased risk of power and communications outages from wind damage. Taupō has mapped flood areas for its rivers and lakes (which consider the potential impacts of climate change). Council also has internal flood mapping for urban stormwater, which can be used to assess the risks to community facilities, buildings, and infrastructure.

### Council's role in preparing for the effects of climate change

Council plays several important roles in preparing for the effects of climate change:

- Building controls to ensure buildings are built to withstand likely hazards and avoid unsuitable high-risk hazard areas.
- Emergency management and civil defence planning and operations
- Providing resilient lifeline infrastructure, like water, roads, and community evacuation centres.
- Stormwater management in urban areas (which typically is designed for regular rain events, not large flooding events – which will overwhelm the stormwater network)
- Having appropriate insurance and setting aside money to rebuild infrastructure after a natural disaster.

<sup>1</sup> For Waikato region, Precipitation below 1 millimetre/day, Waikato Regional Council, *Waikato Regional Climate Change Risk Assessment Phase 1*, September 2022

<sup>2</sup> Greater than 25°C, for Waikato Region, Ministry for the Environment, *Climate Change Projections for New Zealand*, 2018.

<sup>3</sup> For Taupō district, Ministry for the Environment, *Climate Change Projections for New Zealand*, 2018.

<sup>4</sup> For Waikato region, Waikato Regional Council, *Waikato Regional Climate Change Risk Assessment Phase 1*, September 2022

### Investing to reduce the risks of urban flooding

We are planning a \$14.2 million programme of stormwater improvement works over 2024/25 – 2030/31 in Mangakino, Tūrangi and Taupō. This will reduce potential flooding in at risk areas for a heavy rainfall event that considers the potential impacts of climate change.

New development areas must avoid high risk flood areas through building and resource consent controls. This includes potential urban, river and lake flood areas identified through modelling that includes the potential increased risks from climate change.

### Investing to improve the resilience of our infrastructure

Council's asset management plans for water, wastewater, transport, and community facilities identify the risks to these assets, the plans for managing those risks, and investment plans to improve resilience.

We are planning a ~~\$48.7~~ \$39.7 million programme of resilience improvement works over 2024/25 – 2033/34 including:

- Managing lakeshore erosion risks around Lake Taupō and in particular at Kuratau
- Protecting our drinking water with treatment for potential toxic algae outbreaks
- Improving waterflow in areas of Kinloch and Whakamaru to support firefighting
- Improvements to Taupō wastewater and water treatment plants to address possible failure points and increase resilience in emergency events
- New water reservoirs to provide increase water reserves in Taupō and improvements to ensure water supply at Waihaha during adverse weather events
- More portable generators to support water and wastewater operations during power outages
- Identifying and addressing road cuttings, banks, and other slip risks, including the only road into Omori / Kuratau
- Investigating rain infiltration into the wastewater network to reduce the risk of wastewater overflows in high rain events.

## Reducing greenhouse gas emissions

Council has always sought to reduce our impact on the environment, including:

- investing in walking and cycling networks
- diverting green waste and recycling from the landfill
- moving to plug-in hybrid council vehicles and electric buses
- native planting, in partnership with Greening Taupō
- electricity efficiency, including switching our street lights to LEDs
- Sending our wastewater sludge to the MyNOKE vermi-composting worm farm.

In August 2022, Taupō District Council committed to further action by adopting emissions reduction targets aligned with getting to net zero carbon emissions by 2050. Council also adopted an emissions reduction directive for the organisation that sets an expectation that Council will:

- be a climate change responsible organisation
- consider greenhouse gas emission impacts and options to reduce them in its future decisions, business cases and investment plans
- identify options to reduce emissions as a focus for the council's next investment plan (the Long-term Plan 2024-2034).

Council's climate change targets and direction are available to view on the council website at

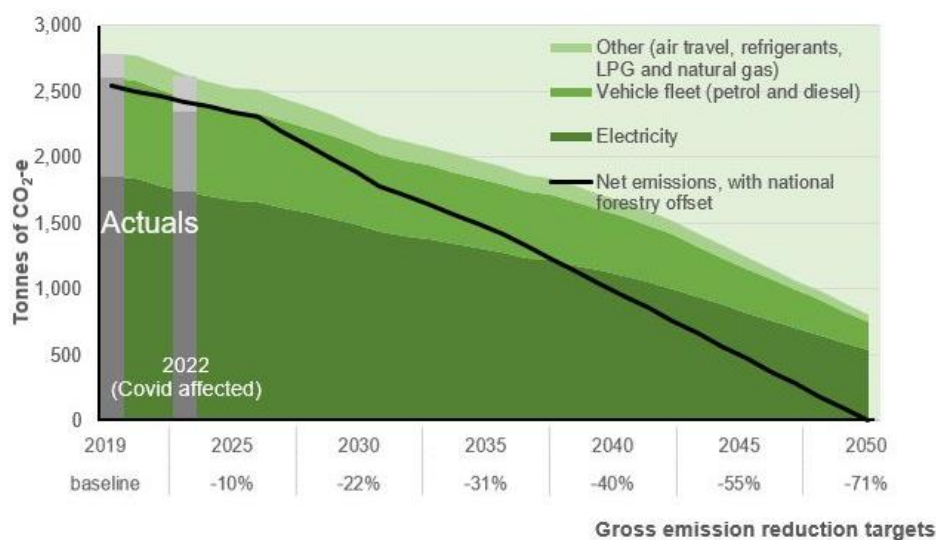
[www.taupo.govt.nz/climatechange](http://www.taupo.govt.nz/climatechange)

### Council's emission reduction targets

Council has adopted the emissions reduction targets set out in the chart and table below. These targets are in line with national emissions budgets, the national target of net zero by 2050, and separate national methane targets. Meeting these targets ensures that Council plays its part and is doing its fair share to reduce emissions.

### Emissions reduction targets for council operations

Gross emission reduction targets for Council operations (excluding wastewater and landfill methane)

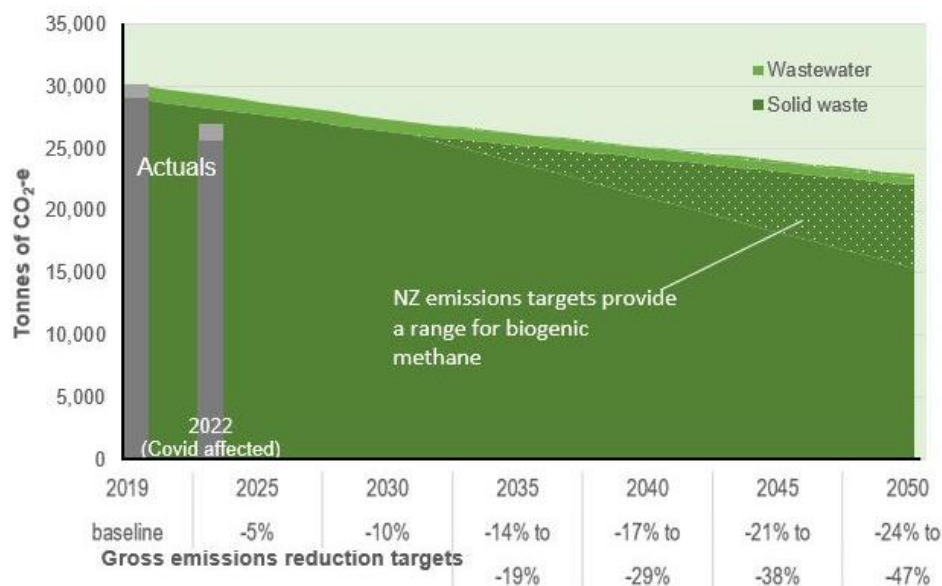


Taupō District Council's reduction targets are based on:

- Aligning gross targets with net targets by including an allowance for offsetting some emissions from NZ's forestry activity. Taking a proportionate share from NZ's AR5 projected base scenario, March 2022.
- NZ's net emissions budgets for the periods 2022 – 2025, 2026 – 2030, and 2031– 2035. Published May 2022.
- Path to meeting the national target of reaching zero net emissions by 2050. Set in the Climate Change Response Act.

### Emissions reduction targets for landfill waste and wastewater

Gross emission reduction targets for Council's waste and wastewater operations



Taupō District Council's reduction targets are based on:

- A path to meeting the national target of reaching a 10% reduction target by 2030, and a 24% – 47% reduction by 2050. Set in the Climate Change Response Act.

### Monitoring and Reporting

We undertake an independent emissions inventory and report the results every three years.

## Reducing emissions from solid waste

Broadland landfill is council's greatest source of emissions at around 25,600 tonnes of CO<sub>2</sub>-e per year (87% of Council's emission in 2022), and has the greatest potential for reduction through existing technologies.

\$7.8 million budgeted to install a gas flare to reduce greenhouse gas emissions and a new covered area for the separation and storage of construction and demolition waste in 2025/26 – 2027/28.

A gas capture and flaring systems have the potential to reduce emissions by around 60 – 70% (based on MfE's August 2022, emission factors). That is a reduction in emissions of around 8,000 tonnes of CO<sub>2</sub>-e. The equivalent of planting 8,000 trees per year, or taking 2,600 cars off the road. The financial savings for ratepayers are also significant, with the reduced cost of buying carbon credits of around \$1 million a year.

Waste reduction measures focusing on organic waste like food waste, green and garden waste, and wood construction materials have the potential to further reduce emissions.

## A programme of walking and cycling improvements

We are planning a ~~\$13.2~~ \$14.9 million programme of walking and cycling improvements works over the next 10 years including:

- New shared pathways
- Pedestrian crossing improvements
- New footpath connections and improved footpath lighting in identified dark spots.
- New urban cycle lanes, and more cycle racks.

## Reducing council's energy emissions

After waste, Council's main emissions come from fuel for vehicles and mowers, and electricity for our infrastructure (water and wastewater treatment plants and pumps), buildings and facilities.

Council is planning an investigation of solar panels for council buildings. Solar panels have the potential to reduce emissions associated with New Zealand's electricity generation and also save significant power costs over the lives of the solar panels.

Council is also implementing a fleet policy that will shift council vehicles to hybrid and electric over time, which reduces emissions from the burning of fuel, and will also save money over time from the reduction in fuel costs.

## Responsible and sustainable financial investments

Council's largest financial holding is the TEL fund<sup>5</sup> at around \$65 million<sup>6</sup>. These funds are professionally managed with a requirement that the managers:

- work towards aligning the portfolio with net zero emissions by 2050 or sooner.
- exclude investment in companies involved in the extraction of oil sands and thermal coal, or the extraction, production and refining of oil & gas.
- intentionally increase investment in companies, products, or securities that provide solutions for climate change when that aligns with other investment requirements.

<sup>5</sup> The TEL fund was established after Taupō Electricity Limited (TEL) and Taupō Generation Limited (TGL) were sold in 1995.

<sup>6</sup> Taupō Council annual Report 2022/33. Balance of TEL Investment as at 30 June 2023.

## APPENDIX 6: FUNDING IMPACT STATEMENT 2024

### Introduction

1. This Funding Impact Statement details the Rating Policy and the rates funding requirements.

### Rating areas

2. Council has one rating area for the whole district. The rating system used by Council is capital value, and the property valuations are produced by Opteon Technologies Limited. The effective date of the valuations is 1 July 2022.

### Categories of land

3. The Council adopts the following as its definitions of categories of rateable land. These categories are used as described elsewhere in this policy, and as required, for setting some of the targeted rates. The categories are defined using the use to which the land is put (clause 1 of schedule 2 of the Local Government (Rating) Act 2002) or the zoning of the land under the Council's Operative District Plan (clause 2 or 3 of schedule 2 of the Local Government (Rating) Act 2002). The targeted rates referred to in paragraphs 3.3 and 3.4 below are based on location and availability of service (clauses 5 and 6 of schedule 2 of the Local Government (Rating) Act 2002).
4. The categories are:
  - Residential – all residential rating units used for one or more household units.
  - Rural – all rating units used predominantly for agricultural, horticultural, forestry or farming purposes.
  - Industrial/Commercial – all rating units used for industrial, commercial, or retail purposes; (including rating units used for the purposes of generating electricity and utilities assets and networks) all vacant rating units zoned commercial or industrial under the District Plan; all rating units used for office or administrative purposes. (Excludes rating units that fall within the accommodation category).
  - Accommodation – all accommodation complexes including rating units within accommodation complexes used to provide visitor accommodation, including (without limitation) motels, hotels, timeshares, serviced apartments, holiday parks, camping grounds and backpacker lodges.
  - Schools – all State schools (clause 6(a) Schedule 1 of the Local Government (Rating) Act 2002)
  - Other – All other rating units not falling within the other differential categories.
5. It should be noted that:
  - (a) Vacant land – the differential classification will be determined by the underlying zone classification of the rating unit.
  - (b) Targeted rates are a source of funding as outlined in this document. Lump sum contributions are not invited in respect of any of the targeted rates.
  - (c) Separately used or inhabited part (SUIP) – this refers to separate parts of a rating unit; whether or not actually occupied at any particular time, which are used for rental (or other form of occupation) on an occasional or long term basis as an independent residence/household; or in the case of a rating unit used for commercial or industrial business, the availability for use of part or parts of the rating unit for separate shops/trading operations. In a residential situation a separately used or inhabited part will only be



classified if all of the following apply - separate kitchen including a bench top and sink, separate living facilities, separate toilet and bathroom facilities and separate access (including access through a common area such as a lobby, stairwell, hallway or foyer etc.). In a business situation a separately used or inhabited part will be classified where the property has been set up to accommodate, or is used for separate shops, trading operations, leases, tenancies or the like for separate premises within the same rating unit. A rating unit with one use or part is one separately used or inhabited part.

- (d) Where separate parts of a rating unit fit within more than one category of rateable land (3 above) for setting rates or where separate parts of a rating unit qualify for a rates remission a rating division may be created to accurately assess rates and/or apply remission. It should be noted that a rating division will not be created to allow the avoidance of rates for rating units that operate in an open-market commercial environment. i.e. pockets of unproductive Māori Freehold land on farming or forestry blocks.
- (e) Rates payments are allocated to the earliest outstanding invoice.

### Targeted Rates Based on Land Use

- 6. Council will target rates based on land use to assess:
  - District Refuse Disposal Rate (1 and 2 below)
  - Sewage Disposal Rate (3 below)
- 7. The following categories will apply:
  - 1. All industrial/commercial or accommodation rating units (assessed twice the charge per separately used or inhabited part of a rating unit).
  - 2. All residential, rural and other rating units (assessed with one charge per separately used or inhabited part of a rating unit).
  - 3. Schools – per pan or urinal

### Targeted Rates Based on Location

- 8. Council will use targeted rates based on location to assess rates for:
  - Town Centre Taupō Management Rate (1 below).
  - Whareroa Refuse Rate (2 below).
- 9. The following categories will apply:
  - 1. Industrial/Commercial rating units within the defined central business district of Taupō town (assessed on each separately used or inhabited part of a rating unit). See figure 3 in this document.
  - 2. All rating units in the Whareroa area. (see figure 2 in this document)

### Targeted Rates Based on Availability of Service

- 10. Council will use targeted rates based on availability of service to assess rates for:
  - Water supply (1, 4, and 6 below)
  - Sewage disposal (2, 3, and 5 below)
- 11. The following categories will apply:
  - 1. connected – each separately used or inhabited part of a rating unit that is connected to a Council operated water scheme
  - 2. connected – each rating unit or residence/household that is connected to a Council sewerage drain

3. connected per pan/urinal or wastewater discharge point – each rating unit with more than one pan/urinal or wastewater discharge point (with the exception of rating units used as a single residence/household)
4. serviceable (available to be connected) – any separately used or inhabited part of a rating unit that is not connected to an accessible Council operated water scheme but is within 100 metres of any part of the waterworks
5. serviceable (available to be connected) – any rating unit that is not connected to an accessible Council operated sewage scheme but is within 30 metres of such a drain
6. metered water supply – rating units with a water meter

## General and targeted rates

12. The Council adopts the following rates under the Local Government (Rating) Act 2002, on rating units in the district.

## Differentials

13. This Funding Impact Statement updates the rating policy and provides that the separate differential rating category for electricity generation and utilities assets and networks found in previous funding impact statements is now included within the Industrial/Commercial differential rating category. This aligns how rates are assessed for all properties used for industrial or commercial purposes.
14. Council uses a 1.8 differential for Industrial/Commercial (including electricity generation, utility assets and networks) and the Accommodation property categories. All other categories of rating unit will pay the standard rate (differential = 1).

Property Categories	2023/24 Differential Factors	2024/25 Differential Factors
Residential	1.000	1.000
Rural	1.000	1.000
Utility Assets and Networks	1.000	
Electricity Generators	1.000	
Industrial/Commercial	1.800	
Industrial/Commercial (including electricity generation, utility assets and networks)		1.800
Accommodation	1.800	1.800
Other	1.000	1.000

## General Rate

15. A General Rate set under section 13 of the Local Government (Rating) Act 2002 on every rateable rating unit in the district and calculated on the capital value of each rating unit.
16. The General Rate is used to fund activities and services including: Building and Resource consents, Regulatory compliance, including Alcohol and Health licensing, Animal control, Parking and Sundry compliance, Transport, Parks and Reserves, Venues, including the AC Baths, Tūrangi Turtle Pools, Mangakino Pools, Taupō Events Centre, Great Lake Centre, Community Halls, Buildings and District Libraries, Heritage, Culture & Public Art, including Taupō Museum & Art Gallery, Public Conveniences including the Super Loo, Litter Control, Stormwater, Community Engagement & Development, Investments, Property, Housing for the Elderly, District Development, Visitor Support and Events.

## Valuation basis for general rates

17. Council uses capital value as the basis for general rates.

Rating Unit Category	Rate per \$ of CV 2023/24 GST incl	Rate per \$ of CV 2024/25 GST incl
Residential	0.0019109/\$	0.0019507/\$
Rural	0.0019109/\$	0.0019507/\$
Utility Assets and Networks	0.0019109/\$	
Electricity Generators	0.0019109/\$	
Industrial/Commercial	0.0034396/\$	
Industrial/Commercial (including electricity generators, utility assets and networks)		0.0035112/\$
Accommodation	0.0034396/\$	0.0035112/\$
Other	0.0019109/\$	0.0019507/\$

## Uniform Annual General Charge

18. A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 on every separately used or inhabited part of a rating unit in the district (as defined in section 5(c) of this document). For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this Uniform Annual General Charge. The Uniform Annual General Charge will be used to fund Regulatory Compliance including Sundry & Animal Control, Emergency Management, Cemeteries, Leadership, Governance & Advocacy.

Per SUIP	2023/24 GST incl	2024/25 GST incl
Uniform Annual General Charge	\$250.00	\$250.00

## Sewage Disposal

19. A targeted rate to fund sewage disposal, as outlined in the Groups of Activities – Wastewater section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on every rating unit connected or available to be connected (serviceable) to an accessible Council scheme on the basis of one charge per pan, urinal or dump station discharge point (with the exception of the residence of a single household – which shall be assessed only one charge) for connected rating units and per rating unit for serviceable rating units. For the avoidance of doubt the words 'a single household' do not restrict the charge to one pan/urinal in the situation where a rating unit has separately used or inhabited parts (as defined in section 5(c) of this document). In such a situation each separately used or inhabited part is regarded as a separate household, and the pan charge applied will be at the cumulative per pan rate multiplied by the number of separate households. The sewage disposal rate for Schools, is assessed based on the use to which the land is put, including that the number of pans/urinals or dump station discharge points is a proxy for land use.
20. The sewerage schemes are Acacia Bay, Atiamuri, Kinloch, Mangakino, Motuoapa, Motutere (campground), Omori, Taupō, Tūrangi, Whakamaru, Whareroa
21. Targeted Sewer Disposal charges per rating unit are:

Per SUIP	Factor of Liability	2023/24 GST incl (per pan)	2024/25 GST incl (per pan)
1 pan / urinal	per pan/urinal	\$919.76	\$1,118.83
2 pans / urinals	per pan/urinal	\$689.82	\$839.12
3 or more pans / urinals	per pan/urinal	\$459.88	\$559.42
Dump Station discharge point	per discharge point	N/A	\$1,118.83
Schools	per pan/urinal	\$229.94	\$279.71
<b>Rating Unit Serviceable - within 30 meters of an accessible sewerage drain</b>	<b>Factor of Liability</b>	<b>2023/24 GST incl</b>	<b>2023/24 GST incl</b>
Available to be connected	per rating unit	\$459.88	\$559.42

## Water Supply – District Wide

### Water Schemes with fixed charge targeted rates.

22. A fixed targeted rate to fund water supply, as outlined in the Groups of Activities – Water section of this document, set under section 16 of the Local Government (Rating) Act, assessed on each separately used or inhabited part (as defined in section 5(c) of this document) of a rating unit, and being a rating unit, which is connected, or is available to be connected, to an accessible Council scheme. A full charge will be made for each connected separately used or inhabited part of the rating unit and a half charge for serviceable separately used or inhabited parts of a rating unit (those within 100 metres of any part of the water scheme).
23. The water schemes are: Taupō, Kinloch, Whakaroa, Bonshaw Park, Whakamoenga Point, River Road, Mangakino, Tirohanga, Tūrangi, Motuoapa, Tokaanu, Hatepe, Omori/Kuratau/Pukawa, Whakamaru, Atiamuri, Rakaunui Road, Waihaha, Whareroa, Centennial Drive, Motutere

24. The water schemes and targeted water charges on any separate part of a rating unit described above are:

Water Scheme	2023/24 GST incl	2023/24 GST incl	2024/25 GST incl	2024/25 GST incl
	Serviceable	Connected	Serviceable	Connected
District wide water supply rate	\$331.79	\$663.58	\$416.91	\$833.81

### Metered Water Supply

25. Note: Water meter charges will be invoiced separately from rates invoices at various times throughout the year (depending on the water scheme).
26. Targeted rates for metered water supply, set under section 19 of the Local Government (Rating) Act 2002, and assessed on the volume of water supplied to every rating unit with a water meter (excluding meters read for monitoring purposes only). These metered water charges apply for supply over and above the equivalent supply allocation provided under the fixed targeted rate, where the equivalent supply allocation is the amount of the fixed targeted rate, divided by the rate per m3 for the relevant water scheme that the property is connected to, as shown below. It is only when this threshold is exceeded that water meter charges at the rates set below will be applied.
27. Council installs water meters to various properties throughout the District that are used to measure consumption for future planning purposes, to identify any leaks or where excessive water use is suspected; these meters are read for monitoring purposes only.

28. The rates per cubic metre are:

Water Supply	2023/24 GST incl Cents/ m3	2024/25 GST incl Cents/ m3
Taupō (includes Taupō township, Waitahanui, Wairakei Village, Acacia Bay, Five Mile Bay and the wider Mapara area).	227	227
Kinloch	173	186
Whakaroa	229	229
Bonshaw Park	291	291
Whakamoenga Point	161	169
River Road	194	203
Mangakino	178	186
Tirohanga	93	100
Tūrangi	69	75
Motuoapa	110	120
Tokaanu	131	140
Hatepe	259	259
Omori/Kuratau/ Pukawa	148	159
Whareroa	227	227
Whakamaru	152	159
Atiamuri	178	186
Rakaunui Road	63	70
Centennial Drive (untreated)	51	57
Waihaha	93	100
Motutere		259

### District Refuse Disposal Charge

29. A targeted rate to fund district refuse disposal, solid waste operations and waste minimisation initiatives, as outlined in the Groups of Activities – Waste and Environmental Management section of this document, set under section 16 of the Local Government (Rating) Act 2002 and assessed on each separately used or inhabited part (SUIP - as defined in section 5(c) of this document) of each rateable rating unit in the district on the basis that properties categorised as residential, rural or other shall be assessed with one charge per SUIP, and industrial/commercial or accommodation, rating units shall be assessed with twice the charge per SUIP. For the avoidance of doubt, where a rating unit is divided into separate parts for rating purposes, each separate part is treated as if it were a separate rating unit for the application of this District Refuse Disposal Charge.

30. The targeted District Refuse Disposal Charge is:

	2023/24 GST incl Cents/ m3	2024/25 GST incl Cents/ m3
Accommodation and Industrial/Commercial	\$287.06	\$308.36
Residential, Rural or Other	\$143.53	\$154.18

### Whareroa Refuse Rate

31. A targeted Whareroa Refuse Rate, to fund the 24-hr turnstile access to the Whareroa refuse station, as outlined in the Groups of Activities – Waste and Environmental Management section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on all rating units in the Whareroa rating area (see Figure 1 below) as a fixed amount per rating unit.

32. The targeted Whareroa Refuse Rate is:

	2023/24 GST incl	2024/25 GST incl
Whareroa Refuse Rate	\$90.90	\$208.69

Figure 1 – Whareroa Refuse area



Town Centre Taupō Management Rate

33. A targeted Town Centre Taupō Management Rate, to fund services to enhance and develop the social and economic wellbeing of the Taupō central business district, as outlined in the Groups of Activities – District Development section of this document, set under section 16 of the Local Government (Rating) Act 2002, assessed on each separately used or inhabited part (as defined in section 5(c) of this document) of industrial/commercial rating units within the defined Taupō Town Centre boundary (see Figure 2 below).
34. The targeted Town Centre Taupō Management Rate is:

	2023/24 GST incl	2024/25 GST incl
Town Centre Taupō Management	\$398.41	\$416.93



Figure 2 Taupō Town Centre



## Examples of rates per type of property

### Sample Properties

Capital Value	UAGC	General Rate	Water Rate	Sewage Rate	Refuse Rate	Taupō Town Centre	Turangi Community Board	Total Proposed Rates 2024/25	Total Rates 2023/24	\$ Change	% Change
<b>Residential properties - Taupo</b>											
705,000	250	1,375	834	1,119	154	0	0	3,732	3,324	408	12.3%
1,053,000	250	2,054	834	1,119	154	0	0	4,411	3,989	422	10.6%
1,170,000	250	2,282	834	1,119	154	0	0	4,639	4,213	426	10.1%
1,580,000	250	3,082	834	1,119	154	0	0	5,438	4,996	442	8.9%
<b>Residential properties - Turangi</b>											
460,000	250	897	834	1,119	154	0	0	3,254	2,856	398	13.9%
500,000	250	975	834	1,119	154	0	0	3,332	2,932	400	13.6%
545,000	250	1,063	834	1,119	154	0	0	3,420	3,018	401	13.3%
915,000	250	1,785	834	1,119	154	0	0	4,141	3,725	416	11.2%
<b>Residential properties - Mangakino</b>											
465,000	250	907	834	1,119	154	0	0	3,264	2,865	398	13.9%
535,000	250	1,043	834	1,119	154	0	0	3,400	2,999	401	13.4%
600,000	250	1,170	834	1,119	154	0	0	3,527	3,123	404	12.9%
740,000	250	1,443	834	1,119	154	0	0	3,800	3,391	409	12.1%
<b>Residential properties - Kinloch</b>											
810,000	250	1,580	834	1,119	154	0	0	3,937	3,525	412	11.7%
1,100,000	250	2,145	834	1,119	154	0	0	4,502	4,079	423	10.4%
1,260,000	250	2,458	834	1,119	154	0	0	4,814	4,385	430	9.8%
1,690,000	250	3,296	834	1,119	154	0	0	5,653	5,206	447	8.6%
<b>Industrial Commercial properties</b>											
1,150,000	250	4,037	834	1,119	308	0	0	6,548	6,076	472	7.8%
1,100,000	250	3,862	834	1,119	308	417	0	6,790	6,302	487	7.7%
1,800,000	250	6,319	834	1,678	308	417	0	9,807	9,170	637	6.9%
4,530,000	250	15,903	834	1,678	308	417	0	19,391	18,560	831	4.5%
<b>Rural properties</b>											
1,380,000	250	2,692	0	0	154	0	0	3,096	3,031	65	2.2%
2,115,000	250	4,125	0	0	154	0	0	4,529	4,435	94	2.1%
6,285,000	250	12,258	0	0	154	0	0	12,662	12,404	259	2.1%
11,425,000	1,000	22,283	0	0	617	0	0	23,900	23,406	494	2.1%

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## Taupō District Council: Funding impact statement for Long-term Plan 2024 – 34 (whole of council)

[Clause 15](#), Schedule 10, Local Government Act 2002

Funding Impact Statement	2024 AP Budget (000's)	2025 LTP Budget (000's)	2026 LTP Budget (000's)	2027 LTP Budget (000's)	2028 LTP Budget (000's)	2029 LTP Budget (000's)	2030 LTP Budget (000's)	2031 LTP Budget (000's)	2032 LTP Budget (000's)	2033 LTP Budget (000's)	2034 LTP Budget (000's)
<b>SURPLUS/ (DEFICIT) OF OPERATING FUNDING</b>											
<b>Sources of Operating Funding</b>											
General rates, uniform annual general charges, rates penalties	57,687	64,793	69,547	74,626	78,652	82,215	87,405	91,300	94,443	96,752	97,407
Targeted Rates	34,887	43,128	48,469	52,654	57,275	61,684	65,070	70,685	72,160	75,844	79,217
Subsidies and grants for operating purposes	3,886	4,066	3,763	3,896	4,062	4,154	4,302	4,408	4,540	4,688	4,786
Fees and charges	12,228	22,035	28,447	30,853	26,505	33,166	32,788	33,206	22,292	19,644	20,009
Interest and dividends from investments	6,849	7,010	6,739	7,046	7,516	8,006	8,513	9,017	9,509	10,010	10,511
Local authorities fuel tax, fines, infringement fees, and other receipts	1,145	1,681	1,734	1,787	1,837	1,886	1,935	1,983	2,030	2,077	2,122
<b>Total Operating Funding (A)</b>	<b>116,682</b>	<b>142,714</b>	<b>158,698</b>	<b>170,864</b>	<b>175,847</b>	<b>191,111</b>	<b>200,014</b>	<b>210,597</b>	<b>204,975</b>	<b>209,015</b>	<b>214,051</b>
<b>Applications of Operating Funding</b>											
Payments to staff and suppliers	80,099	95,096	102,461	106,119	114,642	114,370	114,757	113,684	115,941	118,343	119,141
Finance Costs	11,681	12,187	11,219	11,563	12,560	13,636	15,156	16,650	16,051	14,559	12,569
Other operating funding applications	-	-	-	-	-	-	-	-	-	-	-
<b>Total Applications of Operating Funding (B)</b>	<b>91,780</b>	<b>107,282</b>	<b>113,679</b>	<b>117,682</b>	<b>127,202</b>	<b>128,006</b>	<b>129,914</b>	<b>130,335</b>	<b>131,992</b>	<b>132,902</b>	<b>131,709</b>
<b>Surplus/(Deficit) of Operating Funding (A - B)</b>	<b>24,903</b>	<b>35,432</b>	<b>45,019</b>	<b>53,181</b>	<b>48,645</b>	<b>63,105</b>	<b>70,100</b>	<b>80,263</b>	<b>72,983</b>	<b>76,113</b>	<b>82,342</b>
<b>SURPLUS / (DEFICIT) OF CAPITAL FUNDING</b>											
<b>Sources of Capital Funding</b>											
Subsidies and grants for capital expenditure	3,899	3,006	4,783	4,824	10,133	10,091	7,048	5,481	6,697	6,223	5,864
Development and financial contributions	5,079	7,757	9,057	9,589	10,600	10,571	10,601	10,565	10,699	10,763	10,837
Increase (decrease) in debt	17,022	23,118	29,883	20,285	14,750	18,186	36,786	3,631	(38,642)	(36,372)	(57,270)
Gross proceeds from sale of assets	8,506	4,459	311	139	4,044	251	498	184	3,480	3,679	6,854
<b>Total Sources of Capital Funding (C)</b>	<b>34,506</b>	<b>38,341</b>	<b>44,035</b>	<b>34,837</b>	<b>39,527</b>	<b>39,099</b>	<b>54,932</b>	<b>19,861</b>	<b>(17,766)</b>	<b>(15,706)</b>	<b>(33,714)</b>
<b>Application of Capital Funding</b>											
Capital Expenditure:	-	-	-	-	-	-	-	-	-	-	-
- to meet additional demand	2,403	7,878	15,806	18,297	15,653	15,542	44,836	46,912	3,027	7,292	2,697
- to improve the level of service	39,887	33,616	35,052	23,455	43,010	34,569	33,006	19,089	18,900	17,016	14,679
- to replace existing assets	15,898	25,158	28,472	31,951	31,937	30,255	35,524	34,437	33,599	36,095	31,248
Increase (decrease) in reserves	1,221	5,522	8,923	14,315	(2,429)	21,839	11,666	(315)	(309)	4	3
Increase (decrease) of investments	-	1,600	800	-	-	-	-	-	-	-	-
<b>Total Applications of Capital Funding (D)</b>	<b>59,408</b>	<b>73,773</b>	<b>89,054</b>	<b>88,018</b>	<b>88,172</b>	<b>102,204</b>	<b>125,033</b>	<b>100,123</b>	<b>55,217</b>	<b>60,407</b>	<b>48,628</b>
<b>Surplus/(Deficit) of Capital Funding (C - D)</b>	<b>(24,903)</b>	<b>(35,432)</b>	<b>(45,019)</b>	<b>(53,181)</b>	<b>(48,645)</b>	<b>(63,105)</b>	<b>(70,100)</b>	<b>(80,263)</b>	<b>(72,983)</b>	<b>(76,113)</b>	<b>(82,342)</b>
<b>Funding Balance ((A - B) + (C - D))</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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## APPENDIX 7: REVENUE AND FINANCING POLICY 2024

### Purpose and scope

1. This policy sets out who pays for the activities that Council undertakes on behalf of the community and how these activities will be funded. This policy is required under [Sections 102 – 103 of the Local Government Act 2002](#).
2. When deciding how to fund an activity Council must consider the requirements as set out in [Section 101\(3\)\(a\) of the Local Government Act 2002](#). Council's consideration of these requirements can be found in the attached Schedule 1.

### Council's funding policy

3. Council's funding policies are determined having consideration of the requirements of s101(3) including consideration of who benefits, intergenerational equity, who contributes to the need for the activity, distinct funding and the overall impact of the method of funding.
4. Where we have been able to clearly identify a direct relationship between users and the service provided by Council and it is efficient and effective to do so, Council has applied either a targeted rate or fees and charges. Where the level of service provides a benefit to the community as a whole; is of a uniform nature; or where we are not able to identify the direct relationship between users and the service, we use general rates. In a number of instances, we use a mix of the general rate and fees and charges whilst also recognising the overall impact on the community and ability to pay. This philosophy also extends to the use of capital value as the basis for the general rate. The combination of capital value and a low uniform annual general charge supports our long-term strategic direction of balancing wants and needs with affordable and sustainable rates.
5. We also believe that individuals, groups and communities should pay for the services they receive at the time that they are using them (intergenerational equity). This is particularly important when we build significant infrastructure with an expected long life. Council seeks to match the term of borrowings with the average life of assets when practical, with a maximum loan term of 25 years. This enables Council to best match charges placed on the community against the period of benefits from capital expenditure.
6. Where possible other sources of revenue are collected including subsidies and grants. For example, grants from Waka Kotahi (The NZ Transport Agency) from fuel and road user taxes for transport operations, maintenance and improvements. Development contributions are collected where possible for developments which create the need for additional infrastructure or place an additional demand on our existing infrastructure.
7. Due to increased pressure on some of our asset equity reserves, Council will be using rates to put additional funding into these reserves, to ensure they are not in deficit over the long-term. From year 3 in the Long-term Plan Council are also rates funding additional loan repayments for some of our Community Infrastructure to mitigate pressures on Council's debt.

## Supporting the principles set out in the Preamble to Te Ture Whenua Māori Act 1993

8. In recognition of the principles of the Te Ture Whenua Māori Act, to recognise that land is taonga tuku iho of special significance to Māori people, and to support retention, occupation, use, and development of Māori land:
- Under this funding policy to reduce the rates burden, where we have been able to clearly identify a direct relationship between users and the service provided by Council and it is efficient and effective to do so, Council has applied either a targeted rate or fees and charges.
  - Council's Development Contributions Policy provides for payment conditions that support developments, including kaumātua housing and papakāinga, on Māori land.
  - Council's Rates Remission and Postponement Policies will provide remission for rates for undeveloped Māori freehold land, and remissions for land being developed.

## Operating expenditure

9. Council funds operating expenditure from the general rate, targeted rates, fees and charges, interest and dividends from investments, operating grants and subsidies, and other operating revenue. Council may choose to fund operating expenditure by other sources than those listed if it becomes available over the life of the Long-term Plan.
10. The LGA 2002 requires Council to produce a Funding Impact Statement that provides details on the funding mechanisms to be used for each year covered by the Long-term Plan. The Funding Impact Statement shows how Council intends to implement the Revenue and Financing Policy each year. It also shows the amounts to be collected from each available source, including how various rates are to be applied.

## General Rate

11. General rates are used to fund activities where Council believes there is a public benefit to the community as a whole or to a portion of the community. Some individuals may or may not use or access the service however there is no practical or cost-effective method for charging individual users. Having a strong general rate funded system creates a simpler structure making it easier for ratepayers to understand how they are being rated and it is a more efficient and effective rating system to administer. Council uses a capital value rating system as the basis for setting and assessing General rates on a differential basis.

## Differentials

12. Council applies differential factors greater than 1.0 to some categories of rateable land when assessing the general rate to recognise that there are differences in the level of service and therefore the benefits each differential rating category derives from the various services provided by Council and the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community. In some cases, costs to provide some services are higher for some rating categories and this is considered when setting differentials and applying them to rating categories. Rating units are categorised based on land use or the zoning of the land.

## Uniform Annual General Charge (UAGC)

13. A Uniform Annual General Charge set under section 15 of the Local Government (Rating) Act 2002 is assessed on every separately used or inhabited part of a rating unit in the district.

Where separate parts of a rating unit fit within more than one category of rateable land for setting rates or where separate parts of a rating unit qualify for a rates remission a rating division may be created to accurately assess rates and/or apply remission. The Uniform Annual General Charge will be used to fund leadership, governance, advocacy, emergency management, animal control and cemeteries.

### Targeted rates

14. A targeted rate means a rate to be used exclusively to pay for that operating expense where it can be targeted based on service provision or location. Targeted rates are used to target ratepayers who benefit exclusively from a service, or when Council believes that the benefits from the service are such that the principles of general rating (noted above) are not sufficient.
15. The activities or services where a targeted rate is applied are:
  - Sewage disposal – assessed on every rating unit connected or available to be connected (serviceable) to an accessible Council scheme on the basis of one charge per pan or urinal (with the exception of the residence of a single household, which shall be assessed only one charge).
  - Water supply – fixed targeted rate assessed on each separately used or inhabited part of a rating unit
  - District Refuse Disposal Charge - assessed on each separately used or inhabited part with the application of a differential to certain categories of rateable land.
  - Whareroa Refuse rate - assessed on all rating units in the Whareroa rating area as a fixed amount per rating unit.
  - Town Centre Taupō Management rate – assessed on each separately used or inhabited part of industrial/commercial rating units within the defined central business district of Taupō town.
16. Council's Funding Impact Statement contains more details on these rates.

### Fees and charges

17. Fees and charges are used where there is a direct benefit to an individual. The fee or charge is determined by considering the efficiency of imposing the fee or charge, considering the value that the service provides to the community (particularly in regard to community facilities) and the overall cost of providing the service. The activities where we have fees and charges and the proportion to be collected for a particular activity are illustrated in the table below. The actual fees can be found in the Fees and Charges Schedule on our website [www.taupo.govt.nz](http://www.taupo.govt.nz)

### Interest and dividends from investments

18. The interest and dividends from the general and special fund investments are used as an offset against general rates. The management of these investments is governed by the Treasury Management Policy. The interest and dividends earned on the TEL Fund will first be applied (by an amount equal to inflation proofing the capital of the fund) back to the capital of the fund, and then, reinvested until which time it may be used in the future for Council to distribute or accumulate in accordance with the TEL Community fund guiding principles.

### Grants and subsidies and other operating revenue

19. Where possible Council applies for grants for specific projects, which helps to reduce the cost to the community. NZTA subsidies are received for maintenance of the local road network including passenger transport and community programmes. Other operating revenue includes but is not limited to rental income from property and petrol tax.

## Capital expenditure

20. Council funds capital expenditure from borrowing, development contributions, operating surpluses, sale of assets, subsidies, depreciation reserves and other financial reserves. Council may choose to fund capital expenditure by other sources than those listed if it becomes available over the life of the Long-term Plan.

## Borrowing

21. Council adopts a prudent approach to debt and its capital programme. Borrowing is managed within the framework specified in the Treasury Management Policy. While seeking to minimise interest costs and financial risks associated with borrowing, access to funding is of primary importance. Council seeks to match the term of borrowings with the average life of assets when practical, with a maximum loan term of 25 years. This enables Council to best match charges placed on the community against the period of benefits from capital expenditure.
22. Council's overall borrowing requirement is reduced to the extent that other funds are available to finance capital expenditure including the sources outlined below. The Forecast Financial Statements included in the Long-term Plan contain a Prospective Statement of Borrowings. This Statement provides a summary of forecast borrowing levels, identifying the impact of capital expenditure and the various other capital funding sources listed above.

## Development and financial contributions

23. The charges under the Development Contributions Policy are used to fund the portion of capital expenditure which relates to growth. In reaching the requirement for contribution any increase in level of service or renewal of asset is identified and funded from other funding mechanisms. Where growth related infrastructure is funded by development contributions, debt servicing costs on that infrastructure may also be recovered through development contributions.

## Sale of assets

24. We have an on-going land disposal process with the net proceeds to be used to reduce debt. Assets which are no longer required for strategic or operational purposes may be sold with the net proceeds to be used to reduce debt. We will harvest Council owned forests as they reach maturity with the net proceeds to be applied to debt reduction.

## Depreciation reserves and other financial reserves

25. These reserves are used to fund the asset renewal program, capital expenditure and loan repayments.

## Subsidies

26. Council receives Waka Kotahi (The NZ Transport Agency) subsidies for renewals and new capital expenditure for the District's transportation network. Where subsidies are available from central government for activities that Council undertakes, we will apply for these and if successful this will reduce the amount of loan funding required.

## Schedule 1 - Summary of funding for Council's activities

Note: these are target ranges and are subject to a number of variables that may occur over any given financial year.

Group of Activities	Activity	Uniform annual charge	General rate	Targeted rate	Fees & charges
Water	Water supply			95 – 100%	0 – 5%
Wastewater	Wastewater			95 – 100%	0 – 5%
Stormwater	Stormwater		100%		
Transport	Transport		95 – 100%		0 – 5%
Waste and environmental management	Litter control		100%		
	Solid waste collection				100%
	Solid waste disposal			25-45%	55-75%
Community facilities	Parks and reserves		90 – 100%		0 – 10%
	Venues – AC Baths		55 – 70%		30 – 45%
	Venues – Turangi Turtle Pools		85 – 95%		5 – 15%
	Venues – Mangakino Pools		100%		0%
	Venues – Taupō Events Centre		65 – 80%		20 – 35%
	Venues – Great Lake Centre		75 – 85%		15 – 25%
	Community Buildings – Community Halls		90 – 100%		0 – 10%
	Community Buildings – District Libraries		90 – 100%		0 – 10%
	Heritage, culture & public art – Taupō Museum & Art Gallery		85 – 95%		5 – 15%
	Public conveniences (including Superloo)		100%		
	Cemeteries	0 – 30%			70 – 100%
Regulatory and Emergency Management	Building consents		20 – 40%		60 – 80%
	Resource consents		40 – 60%		40 – 60%
	Regulatory compliance – Alcohol and Health licensing		35 – 45%		55 – 65%
	Regulatory compliance – Animal control & sundry compliance	50 – 70%	0-10%		30 – 50%
	Regulatory compliance – Parking		100%		
	Emergency management	100%			



Group of Activities	Activity	Uniform annual charge	General rate	Targeted rate	Fees & charges
Community leadership	Leadership, governance & advocacy	100%			
	Community engagement & development		100%		
	Investments		100%		
Strategic property	Property		10 – 30%		70 – 90%
	Housing for the Elderly		50-70%		30-50%
District development	District development, visitor support & events		100%		

## Section 101(3) considerations – Revenue and Financing Policy 2024

1. This report sets out how the activities that Council undertakes are funded and the reasons why. This document meets the requirements of s101 (3) and s103 of the Local Government Act 2002 (LGA 2002).
2. Council is required to consider the following when deciding who should pay for an activity:

### The community outcomes to which the activity primarily contributes [section 101(3)(a)(i) refers]

3. Community outcomes outline the outcomes that Council wants for the District. Our community outcomes were reviewed in 2024 and are:
  - Tangata whenua are acknowledged and respected
  - Vibrant places and connected communities
  - Resilient communities working in partnership
  - Innovative, thriving economy
  - Flourishing environment

### Who benefits [section 101 (3) (a) (ii) refers]

4. Identifying who benefits from an activity provided by Council is important when considering who should pay for the services provided as part of an activity. Where there is a direct benefit to a user the primary benefit is to individuals, where a number of people or specific groups benefit then the primary benefit is attributed to groups. Where there is a benefit to the majority of persons or properties across the District then the primary benefit is attributed to the community. Generally speaking, if only individuals receive the benefits of an activity, some type of user-pays system may be considered. Alternatively, if the whole community or a large group within the community benefits then an appropriate funding option for that activity may be the general rate or a targeted rate respectively.

### Intergenerational equity [section 101 (3) (a) (iii) refers]

5. Council must consider the period over which the benefits of an activity are expected to occur. The aim is to ensure that costs are shared fairly between today's beneficiaries and future beneficiaries. This is often referred to as intergenerational equity. For operating costs, the period of benefit for the rates share is generally ongoing as Council regularly provides the service. Benefits from the use of capital facilities and equipment are deemed to occur over the lifetime of the assets and as such will determine the type of funding that Council applies to the activity. Fees and charges recognise that the benefit is generally restricted to the period of use.

### Who contributes to the need for the activity? [section 101 (3)(a)(iv) refers]

6. In choosing the appropriate funding mechanism for an activity, Council is mindful of the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity. Where possible, a contribution from those individuals or groups is sought.

### Distinct funding [section 101 (3) (a) (v) refers]

7. Council must think about the costs and benefits of funding an activity distinctly from other activities, including consequences for transparency and accountability. Distinct funding means considering whether it is appropriate to have a separate rate, fee or charge for an activity or service. This is assessed on a case-by-case basis and includes considering the cost and efficiency of collecting separate revenues, the overall complexity of the rating system and the impact on transparency and accountability.

### Overall impact of the method of funding [section 101 (3)(b) refers]

8. In addition to all the issues explained above, the LGA 2002 requires Council to consider the overall impact of any allocation of liability for revenue needs on the community. This includes current and future ratepayers. Council is of the view that it is not always possible or fair to allocate the cost solely on individuals' benefits (as if rates replicated user pays). It is through the collective contribution of the whole community that the wellbeing of the District is best improved. For these reasons Council prefers a strong general rate-based system. For example, if swimming pools were fully user-funded then charges would be higher than at present, and many people would be unable to afford the pool. Therefore, councils tend to fund pools predominately from general rates.

Water Supply

Council operates and maintains 18 water reticulation schemes for residential, rural and commercial use. Water from these schemes is also used for firefighting purposes.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Water supply	Primarily contributes to the Resilient communities working in partnership outcome	Property owners connected to or accessing Council's water supply.  Groups that use services that are connected to the supply (e.g., schools, health services, commercial premises).  Public health benefits for the whole community having safe drinking water and water for firefighting purposes.	Service benefits occur in the current year.  Benefits from the use of the assets occur over their lifetime.	The Ministry of Health requires communities to fund a higher standard of water quality than many wish to purchase.  Residential, commercial and industrial growth generates demand for new connections to water schemes.  Current and future water demand is driven by the volumes used or conserved.	A full charge will be made for each connected separately used or inhabited part of the rating unit and a half charge for serviceable separately used or inhabited parts of a rating unit (those within 100 metres of any part of the waterworks).  Meters are compulsory for all industrial/commercial properties within the district & are also mandatory in other places where there is potential for high water use, according to consent conditions. There are transparency and accountability benefits from separate charging for water supply services.	95 – 100% targeted rate  0 – 5% fees and charges	All rating units that are connected to a Council water scheme are charged a fixed targeted rate, regardless of where the property is situated within the district. Volumetric water metering charges also apply where a water meter is installed.  95%-100% targeted rate and 0%-5% fees & charges is therefore considered the most appropriate and efficient funding sources.

Dependant on the capital expenditure projects that occur in any given year and the growth component of those projects a development contribution may be collected.

Wastewater

Council provides reticulated wastewater systems for twelve communities in the District. Public health risks are minimised by Waikato Regional Plan rules that require septic tanks and other contained systems where Council does not provide a reticulated system.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Wastewater	Primarily contributes to the Flourishing environment outcome	Ratepayers connected to the system.  There are also public health benefits for the community as a whole.	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	The need for the activity is increased by peak demands experienced over the summer period.	The rating units connected or available to be connected to a Council scheme are easily identified.	95 – 100% targeted rate (charged on a sliding scale)  0 – 5% fees and charges	Direct users of the wastewater system clearly receive the benefit. There is also a high public benefit in relation to the promotion of public health. A targeted general rate is applied to ratepayers that are connected to a wastewater scheme. This is considered the most efficient method of funding as the benefit users receive is the same regardless of volume  95%-100% targeted rate and 0%-5% fees & charges is therefore considered the most appropriate and efficient funding sources.

Dependant on the capital expenditure projects that occur in any given year and the growth component of those projects a development contribution may be collected.

Stormwater

Council provides stormwater services which include a reticulated network in the Taupō, Turangi and Mangakino central business and industrial areas, an urban stormwater network, culverts in rural areas, and a reticulated stormwater network.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Stormwater	Primarily contributes to the Flourishing environment outcome	CBD and industrial properties that are connected to the network and the community as a whole.	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	For the whole District, road users are the main offenders, contributing road sediment that must be treated, and those that drop litter to a lesser degree.	Council could charge those ratepayers (mainly commercial) whose properties connect directly to the network for their higher levels of stormwater service. However, the transaction costs outweigh the benefits.	100% general rate	The service is provided primarily for its environmental benefits to mitigate pollution and erosion effects on waterways. Stormwater services are also provided, to a lesser degree, for public safety (flooding risk from stormwater).  100% general rate is therefore considered the most appropriate and efficient funding source.

Dependant on the capital expenditure projects that occur in any given year and the growth component of those projects a development contribution may be collected.

Transport

Council provides transport services so that people and goods can be transported on District roads, footpaths, and cycleways. Council seeks central government subsidies from New Zealand Transport Agency (NZTA) for its work wherever possible and planning the transport programme is heavily influenced by the likelihood of receiving NZTA subsidies.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Transport	Primarily contributes to the Vibrant places and connected communities outcome	Community as a whole	Service benefits occur in the current year.  Benefits from the use of the assets occur over their lifetime.	Heavy trucks and high-volume users' impact on the quality of our roading network. Specific industries also have an impact that is monitored on an on-going basis.	Transport is a complex activity with multiple beneficiaries. It would be impractical to identify all these beneficiaries individually and to charge them accordingly. As such it is not considered efficient to have significant separate charges.	95 – 100% general rate  0 – 5% fees and charges	A strong and safe transport network benefits the community as a whole and is a key component of the district's social and economic development. Users of the roads receive a direct benefit through an integrated road network. The general rate is the most effective way of funding this activity. Subsidies from central government (which include the District's share of petrol taxes) and development contributions are the most efficient way of targeting contributors.  95%-100% general rate and 0%-5% fees & charges is therefore considered the most appropriate and efficient funding sources.

Dependant on the capital expenditure projects that occur in any given year and the growth component of those projects a development contribution may be collected.

Waste and environmental management

Council provides waste collection, disposal and recycling services to keep the District and its waterways clean, tidy and attractive. Council also provides litter and recycling bins throughout the District, mainly in town centres and parks and reserves. Council operates a District waste disposal service at the Broadlands Rd landfill, and provides transfer stations at Kinloch, Mangakino, Whareroa, Omori and Turangi. Council also maintains three closed landfills (Taupō, Turangi and Mangakino) to ensure that decomposing waste does not have adverse effects on the environment.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Litter control	Primarily contributes to the Flourishing environment outcome	Community as a whole	Ongoing	People who want to discard rubbish while in town, and while using parks and reserves cause the need for litter control. The packaging practices of manufacturers and retailers also increase the need for litter control.	It is not practicable to identify everyone who uses this service.	100% General Rate	Both ratepayers and residents receive a benefit from this service, therefore the most efficient and transparent funding method is the general rate. This activity contributes to the environmental and social considerations for the community as a whole.  100% general rate is therefore considered the most appropriate and efficient funding source.
Solid waste collection	Primarily contributes to the Flourishing environment outcome	Individuals	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	High levels of product packaging increase the need for the service.	Users can be charged separately.	100% fees and charges	Refuse collection can be fully user funded, which also provides an incentive for residents and ratepayers to reduce their refuse volumes.  100% fees and charges are therefore considered the most appropriate and efficient funding source.
Solid waste disposal	Primarily contributes to the Flourishing environment outcome	Individuals, community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	High levels of product packaging exacerbate the need for the service.	Charges can be applied at the Broadlands Road Landfill and the transfer stations around the District for waste materials.  However, charges need to be reasonable to minimise dumping.	25 – 45% targeted rate (set charge across each ratepayer)  55 – 75% fees and charges	The funding split between a targeted rate and fees and charges is in an attempt to encourage waste minimisation. Individuals do not pay to recycle at the disposal facilities around the District which assists with reducing volumes to landfill.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

### Community Facilities

Council provides a wide range of community facilities for sport and recreational use of residents, ratepayers and visitors.

#### Parks, reserves and sportsgrounds

Council provides and maintains parks and resources around the District with related assets including barbecues, bike racks, picnic tables, park benches, lighting, paving, fences, retaining walls and signage. This activity also includes work undertaken on the lakeshore reserves as a consequence of erosion. Additionally, Council provides and maintains a range of sportsgrounds for rugby, league, football, hockey, cricket, netball and tennis. It includes all of the associated infrastructure such as goals and posts, lighting, fences, toilets, changing rooms, and public toilets at or near sportsgrounds. Council also provides an allocation and booking service for clubs and sports groups.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Parks and reserves (includes sportsgrounds)	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, Groups, Community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	The District's high visitor numbers create demand for greater service provision than the usually resident population requires.	There are specific parks and reserves around the District where Council can charge for use. However, the majority of these areas are available for the general public at any time.	90 – 100% general rate  0 – 10% fees and charges	As the majority of parks and reserves in the District are available for the enjoyment of the public at any time the general rate is an effective way of funding this activity. Where Council is able to charge for specific parks and reserves fees and charges are the most appropriate funding mechanism, for sportsgrounds there are limits to how much clubs, especially for school sports, can pay. This is reflected in the small fee and charge component.  There is also an economic benefit through national and regional sports tournaments that bring sports people and their families to the District. A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

#### Venues

Council provides and maintains a number of venues across the District. This includes the AC Baths, Taupō Events Centre (Fitness Studio, Stadium), Great Lake Centre, Turangi Aquatic Centre, Turangi Gym, Mangakino Pool, and Mangakino Sports Hall. Due to their size and the level of activity the pools, Events Centre and Great Lake Centre require a separate funding policy over and above that of venues generally.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Venues – Taupō Events Centre	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, groups and community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	The District's high visitor numbers create demand for greater service provision than the usually resident population requires.	Users can be charged for this service. However, charges need to be reasonable otherwise they are likely to discourage users.	20 – 35% fees and charges  65 – 80% general rate	The venue is used by groups and individuals which creates the ability to apply fees and charges. Council supports the use of the venue as it assists in meeting the social needs of current and future generations. This support is recognised in the split between fees and charges and the general rate. Increasing the fees and charges is likely to result in a reduction in community use.  A split of fees and charges, and the general rate is considered the most appropriate and efficient funding sources.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Venues – Great Lake Centre	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, groups and community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	The District's high visitor numbers create demand for greater service provision than the usually resident population requires.	Users can be charged for this service. However, charges need to be reasonable otherwise they are likely to discourage users.	15 – 25% fees and charges  75 – 85% general rate	The venue is used by groups and individuals which creates the ability to apply fees and charges. Council supports the use of the venue as it assists in meeting the social needs of current and future generations. This support is recognised in the split between fees and charges and the general rate. Increasing the fees and charges is likely to result in a reduction in community use.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

Community halls

Council provides and maintains community halls around the District.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Community buildings – Community Halls	Primarily contributes to the Vibrant places and connected communities outcome	Groups (especially in those areas where a Community Hall is located), community as a whole.	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	No one specifically.	Users can be charged separately. However, charges need to be reasonable otherwise they are likely to discourage users.	0 – 10% fees and charges  90 – 100% general rate	The primary beneficiaries are those that use the Community Halls. However, the wider community benefits through enabling communities to be active and connected.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

District Libraries

Council provides a library service operating in Taupō, Turangi and Mangakino.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Community Buildings – District Libraries	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, community as a whole.	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	No one specifically.	Users can be charged separately. However, charges need to be reasonable otherwise they are likely to discourage users.	0 – 10% fees and charges  90 – 100% general rate	The District Libraries provide social and cultural benefits to the individuals that visit. There is also a wider community benefit which includes an ability to encourage education, a social environment and an important source of supplying public information. These community benefits are recognised in the split between fees and charges and the general rate.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.



Taupō Museum and Art Gallery

Council provides a District Museum and Art Gallery to recognise, protect and promote the District’s heritage, build and strengthen community identity, and encourage and support a thriving arts community. A feature of the Museum is the Tūwharetoa Gallery that houses taonga on loan from Ngāti Tūwharetoa. The Museum courtyard is also available for private hire.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Heritage, culture & public art – Taupō Museum & Art Gallery	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, groups and community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	No one specifically.	Users can be charged separately.	5 – 15% Fees and Charges  85 – 95% General Rate	The Museum and Art Gallery provides cultural or recreational benefits to the individuals that visit. There is also a wider community benefit that includes economic, social and cultural benefits of protecting our history. These community benefits are recognised in the split between fees and charges and the general rate. Increasing the fees and charges is likely to result in a reduction in use.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

Public toilets

Council provides a high standard of showers, toilets and changing facilities at the Superloo for visitors, and more than 50 public toilets around the District

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Public conveniences (including Superloo)	Primarily contributes to the Flourishing environment outcome	Individuals, community as a whole	Service benefits occur in the current year.  Benefits from the use of assets occur over their lifetime.	Visitors to the District increase the need	Users can be charged separately. However, with the exception of the Superloo, it is not practicable to identify everyone who uses these facilities, and the transaction costs outweigh the benefits.	100% general rate	Given the impracticality of charging individuals and the wider community benefit of providing amenities for residents and visitors to the District the general rate is considered the most appropriate source of funding.  100% general rate is therefore considered the most appropriate and efficient funding source.  The District benefits from having visitors and providing public amenities is part of ensuring visitors enjoy their stay. Beyond user charges, the costs are only borne efficiently by the whole community and limited transparency benefits from distinct funding would be less than the transaction costs. The Superloo was built to offer a first-class service and a fee reflects the enhanced service applied.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

Cemeteries

Council provides, operates and maintains three cemeteries (Taupō, Turangi and Mangakino), and maintains or assists with the maintenance of Urupa (Māori burial grounds).

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Cemeteries	Primarily contributes to the Flourishing environment outcome	Individuals	Benefits occur over the lifetimes of family members, who tend to use enduring memorials (headstones, etc.) to mark graves.	No one specifically.	Services can be charged to individual users on a plot basis, to cover the lifetime cost of those services.	0 – 30% UAGC  70 – 100% fees and charges	Interment and maintenance of the district's cemeteries are mainly of private benefit. The users are the deceased and those related to the deceased and as such can be linked to individuals. There is an element of public good in terms of ensuring that public health requirements are maintained.  A split of fees and charges, and a UAGC is therefore considered the most appropriate and efficient funding sources.

Regulatory and emergency management

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Building consents	Primarily contributes to the Resilient communities working in partnership outcome	Individuals, community as a whole	Ongoing	Individuals building houses.  Builders and developers must meet the required standards. Council is able to identify non-compliance with legislation and can take action against offenders.	There are transparency, accountability and efficiency benefits from distinct funding via fees and charges.	60 – 80% fees and charges  20 – 40% General Rate	Individuals can be identified that directly benefit from the services. However, the community as a whole benefits from well-constructed and maintained buildings.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.
Resource consents	Primarily contributes to the Resilient communities working in partnership outcome	Individuals, community as a whole	Ongoing	Individuals, developers and the general community contribute to the need for this activity when appealing Council decisions and upholding the integrity of the District Plan.	There are transparency, accountability and efficiency benefits from distinct funding via fees and charges.	40 – 60% fees and charges  40 – 60% General Rate	Individuals can be identified that directly benefit from the services. However, the community as a whole benefits from maintaining the integrity of the District Plan.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.
Regulatory compliance – Alcohol and Health licensing	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, community as a whole	Ongoing	The persons to who licences and consents are granted.	There are transparency, accountability and efficiency benefits from distinct funding via fees and charges. These can be funded separately up to any limits imposed by central government.	55 – 65% fees and charges (set by legislation)  35 – 45% General Rate	Individuals can be identified that directly benefit from the services. However, the community as a whole benefits from ensuring compliance with the relevant public health legislative rules and regulations.  A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Regulatory compliance – Animal control & sundry compliance	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, community as a whole	Ongoing	Animal owners whose dogs or stock are lost or wandering increases demand.	There are transparency, accountability and efficiency benefits from distinct funding via fees and charges.	30 – 50% fees and charges  50 – 70% Uniform Annual General Charge (UAGC)	Individuals are clearly identifiable for the registration of dogs. The owners of lost or wandering animals can also be charged, provided Council can identify and contact owners. However, the community as a whole benefits from increased safety through compliance and enforcement.  A split of fees and charges, and the UAGC is therefore considered the most appropriate and efficient funding sources.
Regulatory compliance – Parking	Primarily contributes to the Vibrant places and connected communities outcome	Individuals, Community as a whole	Ongoing	The lack of an extensive public transport service increases the need for parking.	Council could charge for parking. However, the transaction costs outweigh the benefits.	100% general rate	Free parking assists in attracting residents and visitors to the town centres and contributes to economic development. Both residents and visitors use parking around the District  100% general rate is therefore considered the most appropriate and efficient funding source.
Emergency Management	Primarily contributes to the Resilient communities working in partnership outcome	Community as a whole	Ongoing	No one specifically.	It is not possible to identify the beneficiaries of this service so separate charging is not feasible.	100% UAGC	Emergency management services are provided throughout the District when needed and cannot be funded efficiently via a separate mechanism. This activity is provided to assist in the event of an emergency.  A 100% UAGC is therefore considered the most appropriate and efficient funding source. This allows Council to remain prepared if and when an event occurs.

Community leadership

Council provides District leadership, governance and advocacy services to meet the current and future needs of the District and its residents. The Turangi-Tongariro Community Board operates as a communication channel with Council, and advocates for its own communities, so that locally important decisions are made with input from local residents. Council provides a wide range of policy and long-term planning services, including financial policy, planning and reporting, and development of the District Plan.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Leadership, governance & advocacy	Primarily contributes to the Resilient communities working in partnership outcome	Community as a whole	Ongoing	No one specifically.	It would be impossible to determine a fee which was proportional to the specific benefits for each ratepayer or household.	100% UAGC	Providing leadership and advocacy for the District and the people who live here is very important. It ensures that the voice of our communities is heard at a national and regional level. This is an activity that provides benefits for ratepayers and residents on an on-going basis and covers a range of issues, some of which take multiple years to resolve.  100% UAGC is therefore considered the most appropriate and efficient funding source.
Planning for the future	Primarily contributes to the Resilient communities working in partnership outcome	Community as a whole	Ongoing	Central and regional government policy, planning and standard setting create demand for these services. Residents and ratepayers also require a measure of certainty about the governance and policy in operation in the District.	It would be impractical to identify and charge individuals for this activity.	100% general rate	Because the community as a whole is the primary beneficiary, the benefits of separate funding are outweighed by the lower transaction costs and the efficiency benefits of funding this service via the general rate.  100% general rate is therefore considered the most appropriate and efficient funding source.
Community engagement & development	Primarily contributes to the Resilient communities working in partnership outcome	Individuals and Groups that use the services and community as a whole	Ongoing	Individuals and groups within the community	Groups and individuals could be charged however the transaction costs of separate funding outweigh the benefits.	100% General Rate	The benefit to the whole community outweighs the costs associated with identifying individual groups.  100% general rate is therefore considered the most appropriate and efficient funding source.
Investments	Primarily contributes to the Resilient communities working in partnership outcome	Ratepayers and community as a whole.	Ongoing	No one specifically.	The benefits of this activity are applied across the community as a whole and distinct funding is not appropriate.	100% general rate	Any expenditure required to manage this activity is funded 100% general rate. The net revenue from the activity is either used as an offset against general rates and/or reducing general rate funded debt. It is not used to reduce debt which relates to activities where a targeted rate applies.  The interest and dividends earned on the TEL Fund will first be applied (by an amount equal to inflation proofing the capital of the fund) back to the capital of the fund, and then, reinvested until which time it may be used in the future for Council to distribute or accumulate in accordance with the TEL Community fund guiding principles

Strategic property

Council manages a range of investments in land, buildings and forestry. Council provides and maintains housing units in Taupō, Turangi and Mangakino, primarily for elderly residents with low incomes.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
Property	Primarily contributes to the Resilient communities working in partnership outcome	Individuals, community as a whole.	Service benefits occur in the current year. Benefits from the use of assets occur over their lifetime.	Visitors to the District, new businesses to the District.	Council is able to charge for the use of property by way of fees and charges.	10 – 30% general rate  70 – 90% fees and charges	<p>Most of the costs associated with this activity are covered by those that use the properties. These costs are recovered by fees and charges. Where there are costs to maintain these properties, the general rate is considered the most appropriate form of funding given that the overall benefit of this activity applies to the community as a whole. The benefits and costs of the motor camps are covered by fees and charges.</p> <p>A split of fees and charges, and the general rate is therefore considered the most appropriate and efficient funding sources.</p>
Housing for the Elderly	Primarily contributes to the Resilient communities working in partnership outcome	Individuals	<p>Service benefits occur in the current year.</p> <p>Benefits from the use of assets occur over their lifetime.</p>	Individuals requiring affordable accommodation.	Users can be charged separately. However, charges need to be reasonable otherwise they are likely to discourage users.	30 – 50% fees and charges  50 – 70% general rate	<p>The beneficiaries are the tenants who receive accommodation at affordable prices. There is a public and social benefit in having housing for the elderly units reflecting a community that cares.</p> <p>A split of fees and charges, and the general rate is considered the most appropriate and efficient funding sources.</p>

District development

Council supports and promotes economic development within the District. This includes supporting Destination Great Lake Taupō, Enterprise Great Lake Taupō, Go Tongariro and Town Centre Taupō, and the facilitation of events.

Activity	Community Outcomes	Who benefits	Period of benefit	Who contributes to the need	Distinct funding	Funding source	Funding rationale
District Development, Visitor support & events	Primarily contributes to the Innovative, thriving economy outcome	Individuals, groups and community as a whole	Ongoing	Events that are run in the District.  Visitors to the District  Additional demand may be placed on some of Councils services or facilities by businesses who wish to locate within the District.	Council could target larger high profile visitor industry beneficiaries' e.g. Supermarkets, accommodation providers and activity providers. However, Council cannot easily identify properties used for short-term home-based accommodation such as Airbnb and holiday homes that are available to rent. There is limited transparency and accountability with this approach as apart from making sure each individual or business owner who receives a direct benefit is identified it is also an issue of determining an equitable proportion of funding versus the benefit received.  Council can charge event operators for the service it provides.	100% general rate	Council supports and promotes economic development within the District to assist with meeting the social and economic needs of current and future communities. The long-term nature of this type of investment means that the benefits cannot be directly attributed to individuals.  The promotion of the district as a tourist destination is of benefit primarily to tourist operators, accommodation providers and retail businesses. However, the district as a whole benefits through increased choices (i.e. shops) and employment opportunities. As such this component of economic development is best funded through the general rate.  Supporting events is one element of Council's economic development strategy. Event providers are charged for the hire of venues which is covered under Community Facilities. The support and facilitation of events is undertaken for the benefit of the community as a whole to create vibrancy and is part of what makes a great District. This component of events is best funded through the general rate.  100% general rate is therefore considered the most appropriate and efficient funding source.

## APPENDIX 8: ACCOUNTING POLICIES

### 1 STATEMENT OF ACCOUNTING POLICIES

#### 1.1 Reporting entity

Taupō District Council is a territorial local authority established under the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The primary objective of Taupo District Council is to provide goods and services to the community for social benefit rather than for making a financial return. Accordingly, the Council has designated itself as a public benefit entity for financial reporting purposes.

The Council has designated itself as a public benefit entity (PBE) for the purpose of complying with generally accepted accounting practice.

Council has not presented group prospective financial statements because Council believes that the parent prospective statements are more relevant to the users.

The main purpose of prospective financial statements in the Long-term Plan is to provide users with information about core services that Council intends to provide to ratepayers, the expected cost of those services and, as a consequence, how much Council requires by way of rates to fund the intended levels of service. The level of rates funding required is not affected by subsidiaries, except to the extent Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements presented. The primary objective of Council is to provide goods and services to the community for social benefit, rather than for making financial return. Accordingly, Council has designated itself as a public benefit entity (PBE) for financial reporting purposes.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance and basis of preparation

The prospective financial statements of Council 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 (NZGAAP). The prospective financial statements have also been prepared in accordance with Tier 1 PBE accounting standards. The statements comply with PBE FRS 42 Prospective Financial Statements and other applicable Financial Reporting Standards as appropriate for public benefit entities. The prospective financial statements use opening balances from the period ending 30 June 2023; estimates have been restated accordingly if required. The prospective financial statements are prepared using the historical cost basis, except for assets and liabilities, which are recorded at fair value. These are detailed in the specific policies below.

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements. The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

#### 2.1 Foreign Currency Transactions

Foreign currency transactions (including those subject to forward foreign exchange contracts) are translated into NZ\$ (the functional currency) using the spot exchange rate at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.



## 2.2 Goods and Services Tax (GST)

Items in the financial statements are stated exclusive of GST except for receivables and payables, which are shown on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD, is included as part of receivables or payables in the statement of financial position. The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows. Commitments and contingencies are disclosed exclusive of GST.

## 2.3 Cost Allocation

The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below: Direct costs, are costs directly attributable to a significant activity, and are charged directly to that significant activity; and Indirect costs are costs which cannot be identified in an economically feasible manner, with a specific significant activity, and are charged to significant activities using appropriate cost drivers such as staff time, computer devices, staff numbers and floor area.

## 2.4 Critical Accounting Estimates and Judgements

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

- Estimating the fair value of land, buildings and infrastructural assets;
- Critical judgements in applying accounting policies
- Classification of property.

Council owns a number of properties, which are maintained primarily to provide housing to pensioners. Receipt of market-based rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the Council's social housing policy. These properties are accounted for as property, plant and equipment.

## 2.5 Revenue

Revenue is measured at fair value. The specific accounting policies for significant revenue items are explained below.

### Rates revenue

General rates, targeted rates (excluding water by meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

Rates arising from late payment penalties are recognised as revenue when the rates become overdue.

Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

Rates remissions are recognised as a reduction of rates revenue when Council has received an application that satisfies its rates remissions policy.



**New Zealand Transport Agency roading subsidies**

Council receives funding assistance from the New Zealand Transport Agency, which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

**Other subsidies and grants**

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

**Vested or donated physical assets**

For assets received for no or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset. The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developers, the fair value is based on construction price information provided by the property developer. For long-lived assets that must be used for a specific use (for example, land that must be used as a recreation reserve), Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if Council expects that it will need to return or pass the asset to another party.

**Sales of goods**

Revenue from the sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

**Building and resource consent revenue**

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

**Entrance fees**

Entrance fees are fees charged to users of Council's local facilities, such as pools and museum. Revenue from entrance fees is recognised upon entry to such facilities.

**Landfill Fees**

Fees for disposing waste at Council's landfill and transfer stations are recognised as the waste is disposed of by users.

**Rental revenue**

Rental revenue from investment property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental revenue.

**Development and financial contributions**

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

**Interest and dividends**

Interest revenue is recognised using the effective interest method. Dividends are recognised when the shareholder's right to receive payment is established and is classified as exchange revenue.

**Third party transfer payment agencies**

Council collects monies for many organisations. Where collections are processed through Council books, any monies held are shown as trade payables in the statement of financial position. Amounts collected on behalf of third parties are not recognised as revenue, but commissions earned from acting as agent are recognised in revenue.

**2.6 Borrowing Costs**

Borrowing costs are recognised as an expense in the financial year in which they are incurred.

**2.7 Superannuation Schemes**

Defined contribution schemes Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

**2.8 Grant Expenditure**

Council's awarded grants have no substantive conditions attached.

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

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by Council and the approval has been communicated to the applicant.

**2.9 Operating Leases**

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as expense reduction of rental expense over the lease term.

**2.10 Income Tax**

Local authorities are only subject to income tax on income derived from any Council controlled organisation and as a port operator.

Income tax expense includes components relating to current tax and deferred tax. Current tax is the expected tax payable on the taxable income for the year, and any adjustment to income tax payable in respect of prior years.

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

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

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting

profit or taxable profit. Current and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to items recognised in other comprehensive revenues and expenses or directly in equity.

## 2.11 Equity

Equity is the community's interest in Council as measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

- accumulated funds;
- Council-created reserves;
- asset revaluation reserves; and
- available-for-sale revaluation reserve.

### Council-created reserves

Reserves are a component of equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by Council. Council created reserves are reserves established by Council decision. Council may alter them without reference to any third party or the Courts. Transfers to and from these reserves are at the discretion of Council.

### Asset revaluation reserves

These reserves arise from certain asset classes being revalued, with these classes including land, buildings, infrastructural assets and restricted assets. The treatment of revaluation movements is detailed in 2.17 of the policies.

### Available-for-sale revaluation reserves

These reserves arise from available-for-sale investments being revalued to current fair value. The treatment of revaluation movements is detailed in 2.16 of the policies.

## 2.12 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the Statement of Cash flows, and within borrowings in current liabilities on the Statement of Financial Position.

## 2.13 Receivables

Short-term receivables are recorded at the amount due, less any provision for un-collectability.

A receivable is considered uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollectable is the difference between the amount due and the present value of the amount expected to be collected.

## 2.14 Inventory

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value; and

- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. Any write-down from cost to net realisable value or for the loss of service potential is recognised in the surplus or deficit in the year of the write-down. When sections of land for sale are transferred from non-current assets held for sale, investment property or property, plant and equipment to inventory, the fair value of the land at the date of transfer is its deemed cost.

## 2.15 Financial Assets

Financial assets (other than shares in subsidiaries) are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

### Term deposits and community loans (loans and receivables)

Loans made at nil or below market interest rates are initially recognised at the present value of their expected future cash flow, discounted at the current market rate of return for a similar financial instrument.

After initial recognition, term deposits and community loans are measured at amortised cost using the effective interest method. Where applicable, interest accrued is added to the investment balance.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments are indicators that the asset is impaired.

If the assets are impaired, the amount not expected to be collected is recognised in the surplus or deficit.

### Listed shares

This category has two sub categories: financial assets held for trading (Council does not use this category), and those designated at fair value through surplus or deficit at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance date.

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

Council's equity investments fall into this category.

### Listed bonds (amortised cost)

After initial recognition, listed bonds are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or de-recognised are recognised in the statement of comprehensive revenue and expense.

At year-end, the assets are assessed for indicators of impairment. Impairment is established when there is evidence that Council will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership or liquidation and default in payments is considered to be objective evidence of impairment.

Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit. Council does not use this category presently.

#### **Unlisted shares (fair value through other comprehensive revenue and expense)**

Financial assets at fair value through other comprehensive revenue and expense are those that are designated into the category at initial recognition or are not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of, or realise, the investment within 12 months of balance date. Council includes in this category:

- investments that it intends to hold long-term but which may be realised before maturity; and
- shareholdings that it holds for strategic purposes.

After initial recognition these investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses which are recognised in the surplus or deficit. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. Council's shareholding in Civic Financial Services and the holdings of Government and corporate bonds are included as "unlisted shares".

#### **2.16 Non-current Assets Held for Sale**

An asset is held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. On classification as "held for sale", non-current assets and disposal groups are recognised at the lower of carrying amount and fair value, less costs to sell.

Any impairment losses for write downs of the asset are recognised in the surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised. Non-current assets are not depreciated or amortised while they are classified as held for sale (including those that are part of a disposal group).

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

Property, plant and equipment consist of:

**Operational assets** – These include land, buildings, office furniture and fittings, library books, heritage assets, plant and equipment, and motor vehicles.

**Restricted assets** – Restricted assets are parks and reserves owned by Council, which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

**Infrastructure assets** – Infrastructure assets are the fixed utility systems owned by Council. Each asset type includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and pump stations.

Land and land under roads (operational and restricted) are measured at fair value, buildings (restricted and operational) and infrastructural assets (roads, water, wastewater and stormwater) are measured at fair value less accumulated depreciation. All other asset classes, excluding heritage assets, are measured at cost less accumulated depreciation and impairment losses. Heritage assets are measured at cost.

#### **Revaluation**

Land and buildings (operational and restricted), land under roads and infrastructural assets (roads, water, wastewater and stormwater) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. Revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to asset revaluation reserves in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

#### **Additions**

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

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

In most instances, an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

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

Additions between valuations are shown at cost, except vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested land reserves are initially recognised at the most recent rating valuation. Vested infrastructural assets are valued based on the actual quantities of infrastructure components vested, and the current "in the ground" cost of providing identical services.

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

#### **Disposals**

Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount of the asset. These are included in the surplus or deficit. When revalued assets are sold, the amounts included in other reserves in respect of those assets are transferred to accumulated funds.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land and heritage assets, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Class of asset depreciated	Estimated useful life	Depreciation rates
<b>Operational assets</b>		
Land	not depreciated	Nil
Site Value	13 years	7.69%
Structure	20 - 80 years	1.3% - 5%
Roof	20 - 40 years	2.5% - 5%
Services	20 - 45 years	2.5% - 5%
Internal fit-out	15 - 35 years	2.9% - 6.7%
Plant	20 - 30 years	3.3% - 5%
Machinery	2 - 20 years	5% - 50%
Computer equipment	4 years	25%
Office equipment	4 - 10 years	13.33% - 25%
Leased assets	3 - 5 years	20% - 33.3%
Furniture and fittings	2 - 10 years	10% - 50%
Park furniture	2 - 25 years	4% - 50%
Motor Vehicles	4 - 10 years	10% - 25%
Library books	Not depreciated - 6.5 years	0 - 15.5%
<b>Infrastructural assets</b>		
Buildings	40 - 75 years	1.3% - 2.5%
<b>Roading Network</b>		
Top surface (seal)	3 - 20 years	5% - 33%
Pavement (base course)	45 - 65 years	1.5% - 2.2%
Formation	not depreciated	Nil
Culverts	50 - 80 years	1.25% - 2%
Footpaths	30 - 80 years	1.3% - 3.3%
Kerbs	60 - 80 years	1.25% - 1.67%
Signs	15 years	6.7%
Street lights	15 - 30 years	3.3% - 6.7%
Bridges	60 - 100 years	1% - 1.67%
Land under roads	Not depreciated	Nil
<b>Water system</b>		

Class of asset depreciated	Estimated useful life	Depreciation rates
Pipes	45 - 120 years	1% - 2.2%
Valves, hydrants	40 years	2.5%
Pump stations	20 - 60 years	1.7% - 10%
Tanks	25 - 80 years	1.3% - 4%
<b>Sewerage system</b>		
Pipes	65 - 120 years	1% - 1.5%
Manholes	80 years	1.3%
Treatment plant	10 - 80 years	1.3% - 20%
<b>Stormwater system</b>		
Pipes	50 - 120 years	0.83% - 2%
Manholes, cesspits	75 - 100 years	1% - 1.3%
Flood control systems	50 - 100 years	1% - 2%
<b>Solid waste</b>	4 - 50 years	2% - 25%

The residual value and useful life of an asset is reviewed, and adjusted if appropriate, at each balance date.

#### Impairment of property, plant and equipment

Property, plant and equipment that have a finite useful life are reviewed for impairment at each balance date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

If an asset's carrying amount exceeds its recoverable amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. For revalued assets, the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss on a revalued asset is credited to other comprehensive revenue and expense and increases in the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in the surplus or deficit, a reversal of the impairment loss is also recognised in the surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in the surplus or deficit.

#### 2.18 Forestry Assets

Forestry assets are predominantly standing trees which are managed on a sustainable yield basis. Standing forestry assets are independently revalued annually at fair value less estimated costs to sell for one growth cycle. Gains or losses arising on initial recognition of forestry assets at fair value less cost to sell and from a change in fair value less costs to sell are recognised in the surplus or deficit.



The costs to maintain forestry assets are included in the surplus or deficit.

## **2.19 Intangible Assets**

### **Computer Software**

Acquired computer software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software. Costs are amortised using the straight-line method over their estimated useful lives (3 to 8 years).

Costs associated with maintaining computer software are recognised as an expense when incurred

Costs that are directly attributable to the development of identifiable and unique software products for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised using the straight-line method over their estimated useful lives (not exceeding 8 years).

Software-as-a-service (SaaS) costs are componentised, with development and configuration activities recognised as part of the software asset, and all other costs expensed as they are incurred in accordance with the April 2021 agenda decision from the International Financial Reporting Interpretations Committee (IFRIC) on Configuration or Customisation costs in a Cloud Computing Arrangement.

Staff training costs are recognised in the surplus or deficit when incurred.

### **Amortisation**

The carrying value of an asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each financial year is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3-8 years	12.5% - 33.33%
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### **Impairment of intangible assets**

For further details, refer to the policy for impairment of property, plant and equipment in 2.18. The same approach applies to the impairment of intangible assets.

### **Carbon Credits**

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

### **Impairment of Carbon Credits**

Council considers there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligations from its landfill operations.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.

## **2.20 Investment Property**

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

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

#### **2.21 Trade and other payables**

Short term creditors and other payables are recorded at their face value.

#### **2.22 Employee Entitlements**

##### **Short-term employee entitlements**

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

A liability and an expense are recognised for bonuses where Council has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligations can be made.

##### **Long-term employee entitlements**

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

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

##### **Presentation of employee entitlements**

Annual leave and vested long service leave are classified as a current liability. Non-vested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability.

#### **2.23 Provisions**

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

#### **2.24 Borrowings and Other Financial Liabilities**

Borrowings are initially recognised at their fair value plus transactions costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

**Finance leases**

A finance lease transfers to the lessee substantially all of the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item and the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

**2.25 Derivative Financial Instruments and Hedge Accounting**

Derivative financial instruments are used to manage exposure to interest rate risk arising from Council's financing activities. In accordance with its Treasury Policy, Council does not hold or issue derivative financial instruments for trading purposes. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The associated gains or losses are recognised in the surplus or deficit.

**2.26 Prospective Financial Information**

The financial information contained in this document is prospective financial information in terms of accounting standard PBE FRS42. The purpose for which it has been prepared is to enable ratepayers, residents and any other interested parties to obtain information about the expected future financial performance, position and cash flow of Council. The actual results achieved for any particular year are also likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

APPENDIX 9: FORECASTING ASSUMPTIONS

Significant Forecasting Assumptions

Significant forecasting assumptions provide the basis for the Long-Term Plan. These assumptions are significant because they have a material effect on Council's revenue, operating expenditure, assets, future operating and capital expenditure or levels of service. These significant assumptions identify important trends and projections, and assess their potential impact on our Council and our community.

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation							
1	Population and growth projections	<b>Medium</b> Population projections occur in-line with the medium growth scenario developed using Council's in-house model. However, all long term growth projections carry a level of uncertainty. The figures used for this Long-term Plan are provided in Table 1.	Actual population growth occurs faster or slower than projected and/or growth occurs in different locations than anticipated.	<b>Medium</b> Delivering infrastructure too fast or too slow. This could lead to significant budgeting and servicing issues. If Council delivers infrastructure too fast and there is insufficient growth to match it, then there is likely to be an under collection of development contributions which would increase Council's debt and interest costs.	Population projections are reviewed and updated on an annual basis, and the underlying model is audited by an external consultant to ensure that it is as robust as possible. Any revisions to the projections are reflected in new infrastructure plans or capital expenditure, where possible.							
		TABLE 1 - POPULATION PROJECTIONS BY COMMUNITY CATCHMENT										
			2024	2025	2030	2034	2035	2040	2045	2050	2055	2060
		Taupō Township	27,000	28,000	30,000	32,000	32,000	35,000	38,000	41,000	44,000	48,000
		Tūrangi	4,000	4,000	4,000	4,000	4,000	4,000	4,000	5,000	5,000	5,000
		Marotiri	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
		Mapara	2,000	2,000	3,000	3,000	3,000	4,000	4,000	5,000	5,000	6,000
		Northern Rural	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	5,000	5,000
		Lake Taupō Bays	2,000	2,000	2,000	2,000	2,000	2,000	3,000	3,000	3,000	4,000
		Eastern Rural	400	400	400	400	400	400	500	500	500	500
		Total	41,400	43,400	46,400	48,400	48,400	52,400	56,500	61,500	65,500	71,500
2	Peak Population	<b>Low</b> Peak population is driven by tourists, visitors and holiday home owners during the holiday season ort for large events such as Ironman. Peak population is expected to remain stable at 60,000 - 90,000 additional persons during this period.	Peak population during the holiday season is higher or lower than projected peak population.	<b>Medium</b> A higher peak population than projected would strain Council services, such as kerbside waste collection and risk exceeding current infrastructural capacity to provide water and wastewater services. This would prompt Council to issue warnings and to place limits on infrastructural use, leading to a lower level of service. A lower peak population has a negligible impact on infrastructure or service provision.	Peak population is reviewed and updated on an annual basis. Where possible, infrastructure plans and capital expenditure are revised accordingly, and Council services are scaled up (or down) to reflect peak population.							

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation					
3	Age Structure	<b>Low</b> The district's demographics, in terms of age and gender, will trend in accordance with those projected in the medium growth scenario. A significant aspect of Taupō's demographics is the proportion of population over the age of 65. Currently, around 25% of Taupō's population are elderly (65 year old and over). This is higher than the New Zealand average of 16%. The elderly population is projected to remain at this 25% share, however this cohort is expected to be made up of a higher proportion of very elderly (75 year old and over), as shown in Table 2.	The district's projected demographic structure is substantially different to those projected in the medium growth scenario.	<b>Medium</b> If the district's demographics are substantially different to those projected e.g. a larger share of elderly population, than the forecasted investments to meet the higher demand for infrastructure will need to be accelerated. This may result in unbudgeted costs and higher debt servicing. Conversely, if the elderly population is lower than projected, Council will need to accelerate investments in infrastructure required to meet the needs of a younger population with similar impacts on unbudgeted and servicing costs.	Projections of Taupō's demographic structure are reviewed and updated on an annual basis, or as new Census data is made available. Where possible, infrastructure plans and capital expenditure are revised accordingly.					
		<b>TABLE 2: POPULATION PROJECTIONS BY AGE BAND</b>								
		<b>AGE BRACKET</b>				<b>2025</b>	<b>2030</b>	<b>2040</b>	<b>2050</b>	<b>2060</b>
		0 – 9				5,400	5,300	5,500	6,400	8,100

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation
6	Resource Management Act (RMA) reform	<b>High</b> The Natural and Built Environment Act and the Strategic Planning Act were repealed in December 2023. The Government is expected to progress a replacement for the Resource Management Act that puts more emphasis on the enjoyment of property rights and the introduction of a fast-track consenting regime. In this Long-term plan it was assumed that the new resource management laws will be in place by the end of 2026 but with a long transition period of 3 to 5 years.	The new legislation replacing the RMA and the fast-track consenting regime might require significant changes to how Council undertakes planning and regulates land use and development.	<b>Medium</b> The uncertainty on the RMA reform going forwards might require a change to how District Plans will need to be prepared to give effect to the new legislation. This will, in turn, require significant resourcing from Council.	Continue to engage with Central Government and participate in forums (like LGNZ) to influence legislative proposals. Continue to collaborate with other district and regional councils to respond to change and to streamline plans, policies and strategies. Continue to monitor this reform and respond to changes, as more information is provided. Apply a rolling review approach to the District Plan so Council can make timely decisions on whether to continue, pause or stop work on the District Plan.
7	National Emissions Budget and the National Emissions Reduction Plan	<b>Low</b> The National Emissions Budget and the National Emissions Reduction Plan are required by the Climate Change Response Act 2022 and the 2019 Zero Carbon Act amendments. The Budget will set a limit on emissions over a set time period while the Plan is expected to outline pathways for sectors and industries to reach net zero greenhouse gas emissions by 2050. This Long-term Plan assumes that reducing emissions will be required over time to meet the reductions required under the National Emissions Budget and the National Emissions Reduction Plan.	The pace to reach net zero greenhouse gas emissions may need to be accelerated to meet the timeframes in reductions required under the National Emissions Budget and the National Emissions Reduction Plan.	<b>Low</b> Council may need to change some of its operations to reduce its greenhouse gas emissions at a faster rate than envisaged to meet its obligations under the National Emissions Budget and the National Emissions Reduction Plan.	Council has a climate change strategy and emissions-reduction target to reduce greenhouse gas emissions from Council-operations to net zero by 2050 that provides guidance on the pace of reductions required.
8	COVID-19 resurgence or new Pandemic	<b>High</b> It is not expected that there will be a resurgence of Covid-19 or a new variant requiring Government to institute significant restrictions or lockdowns. However, such an event cannot be predicted and hence it is highly uncertain. This Long-term Plan assumes that no new Covid-19 variant or new pandemic will occur.	A new Covid-19 variant or a new pandemic emerges leading Government to institute restrictions and/or lockdowns.	<b>High</b> Government restrictions and lockdowns would likely reduce Council's revenue or increase its costs.	In the event of Government imposed restrictions or lockdowns, the work programme would be scaled back, as appropriate.
9	Economic Growth	<b>Medium</b> Taupō's economy is expected to continue to grow, particularly the tourism sector, notwithstanding the disruptions caused by supply chain constraints and the Covid-19 pandemic.	Economic growth is slower or faster than projections.	<b>Medium</b> If economic growth is slower than expected and it takes longer for the local economy to recover to pre-pandemic levels, then Council's ability to deliver its work programme in terms of scope and/or timing would need to be scaled back or pushed out in time. Conversely, if economic growth is faster than projected, Council's revenue would be higher than forecasted, resulting in lower rates increases.	Work programme and budget are reviewed annually to respond to changing economic conditions by either reducing or increasing the work programme and/or budget are reduced.
10	Climate change resilience	<b>High</b> Taupō district is likely to experience more frequent extreme events including intense precipitation and recurrent drought. The frequency and severity of climate change impacts on the Taupō district is highly uncertain.	The frequency and severity of climate change impacts are worse than predicted and existing infrastructure is not sufficiently resilient to cope with these events e.g., heavy rainfall events may overwhelm parts of the stormwater network.	<b>High</b> A disruption in key infrastructure, even temporarily, would negatively impact Taupō's communities, economy and/or the environment.	Review infrastructure resilience, including the potential impacts from climate change and identify mitigation responses. Ensure that Council has adequate insurance to cover the district's assets against such events. Maintain involvement with sub-regional emergency management activities and local emergency management.



#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation
11	<b>Natural disasters</b>	<b>High</b> Taupō district is at risk of a range of natural hazards such as earthquakes, flooding, large slips, fire, storms and volcanic activity. Natural disasters are unpredictable and cannot be forecasted. This Long-term Plan assumes that if a disaster were to occur, any costs would be funded from the existing disaster recovery reserve, insurance arrangements, undrawn credit lines with banks, the TEL fund or through Central Government disaster relief funds.	A significant natural disaster occurs within the Long-term Plan period.	<b>High</b> A significant natural disaster would have a major adverse impact on our communities, economy and/or the environment. It would result in large unforeseen costs, and place demands on Council's funding streams, largely through debt funding and possibly remitting rates. Although short-term lending opportunities are available with the Local Government Funding Agency, substantial funding support from Central Government would be required.	Continue carrying out resilience assessments and implement mitigation measures. Ensure that Council has adequate insurance, including self insurance, to cover the district's assets against such events. Maintain involvement with sub-regional emergency management activities and local emergency management. In the event of a natural disaster, Council's response will be immediate and appropriate resources are redirected for that purpose. Council continues to fund the disaster recovery reserve to assist with immediate response costs.
12	<b>Service levels</b>	<b>Low</b> Service levels will continue to be maintained over this Long-term plan notwithstanding changes to the method used to deliver some services e.g. kerbside waste collection.	Substantial unplanned changes to the level of service and/or method to deliver them.	<b>Medium</b> Under-delivering services or the quality of service levels would negatively impact our communities, economy and/or the environment.	All parts of the organisation will set realistic service levels that take into consideration current and expected constraints eg. high interest rates. Adequate financial and human resources are provided to delivery these service levels.
13	<b>Transport subsidies</b>	<b>High</b> The Financial Assistance Rate (FAR) that Council receives from Waka Kotahi NZ Transport Agency will continue at the same rate. The overall average for FARs is 51%. Waka Kotahi funds specific programmes of work and agrees a three year funding schedule across maintenance and renewals for district roads in line with currently known Waka Kotahi work categories and classifications, and Transport Government Policy Statement and the National Land Transport Programme.	Waka Kotahi provides less funding than assumed in the LTP.	<b>High</b> The roading work programme will be slowed down and/or scaled back, adversely impacting the levels of service set out in the Long-term Plan. If the projects are essential then Council may need to make up for any shortfall.	Council will continue to engage with Waka Kotahi and the sector regularly in the lead up to Waka Kotahi budget decisions to advocate for information being received in a timely manner. Council will manage the financial impact by limiting expenditure on CAPEX and/or OPEX in the roading work program to be within Council's affordability of local share.
14	<b>Solid waste subsidy</b>	<b>Low</b> Council pays a levy to Central Government on the solid waste disposed in the landfill. Central Government pays back part of this levy to Council in the form of a subsidy. Both the levy and subsidy are currently known. In this Long-term plan it was assumed that the subsidy on solid waste disposal paid back by Central Government will remain unchanged.	Central government reduces the solid waste subsidy provided to Council.	<b>Low</b> If the subsidy is reduced, then Council's income is also reduced, which would impact the planned waste minimisation programme. This programme will either be scaled back or discontinued or the difference is funded by Council. In the latter case, this would impact Council costs and likely result in an increase in rates. A scaled back or discontinued waste minimisation programme would likely result in an increase in solid waste going to the landfill, which would increase the levy paid to Central government and higher costs to Council.	Continue to actively engage with Central Government on its waste minimisation legislative and policy proposals.
15	<b>Price for carbon credits on landfill waste disposal</b>	<b>High</b> Council is required to purchase carbon credits to offset greenhouse gas emissions from waste disposed at the local landfill. The unit carbon price has more than doubled in the last year and there is high uncertainty on the future carbon price movements. In this Long-term plan it was assumed that the price of carbon will not increase in a way that influences the refuse charges or rates applicable to dispose of waste at the landfill.	The price of carbon increases substantially to what is projected.	<b>Medium</b> A large increase in carbon price would require Council to increase the charges to dispose of waste at the landfill and/or rates	Continue to monitor the price of carbon and review refuse charges accordingly.

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16	Condition and lifecycle of significant assets	<b>Medium</b> The useful lives of assets is updated when these assets are revalued. Assets for roading, three waters infrastructure, land and buildings are revalued on a three yearly cycle. The condition of some underground assets, particularly for water supply and wastewater has not been assessed and their condition is unknown. In this Long-term plan, it was assumed that there will not be a major failure of an unassessed underground asset.	There is a risk of asset failure of some of the as-yet unassessed underground assets.	<b>Medium</b> An asset failure would result in Council taking remedial action and incurring unbudgeted costs if remedial actions exceed the redundancy factored in the renewal budget. Any increase in unplanned costs may delay other planned projects and increase Council's debt funding requirements.	Continue the programme of assessing the condition of underground assets to establish their condition and base renewal decisions accordingly.																																																																																				
17	Sources of funds for the future replacement of significant assets	<b>Medium</b> Council fully funds depreciation through rates and maintains this funding in depreciation reserves to fund renewals. The level of this funding is impacted by several factors including inflation, asset revaluations, external funding and borrowing. The Council is able to access borrowings at the levels forecasted in the Long-term Plan.	Changes to one or more factors that would constrain Council's ability to replace its significant assets or impacts other funding sources such as rates and borrowing.	<b>Medium</b> Council can partly fund depreciation on its significant assets and will need to defer collecting this shortfall through future rates. Consequently, rates increases would be higher.	Council will regularly review and update its depreciation reserves.																																																																																				
18	Inflation forecasts	<b>High</b> The Local Government Cost Index (LGCI) measures cost drivers specific to local government and projections are produced by the Business and Economic Research Limited (BERL). It is expected that the cost of future projects is consistent with the mid-scenario projections produced by BERL as shown in Table 3.	LGCI is higher than the BERL mid-scenario projections.	<b>Medium</b> Higher than projected LGCI would lead to higher costs and additional funding requirements to carry out the work programme, assuming the same level of service is maintained. Higher costs relating to capital expenditure would result in higher debt levels and increased operating costs from interest expense that will need to be recovered from higher rates.	Work programme and budget are reviewed annually to respond to changing economic conditions. If LGCI changes, then the programme and/or budget are reduced or increased, as appropriate.																																																																																				
<table><tr><th colspan="12">TABLE 3 - LOCAL GOVERNMENT COST INDEX</th></tr><tr><th></th><th>2024</th><th>2025</th><th>2026</th><th>2027</th><th>2028</th><th>2029</th><th>2030</th><th>2031</th><th>2032</th><th>2033</th><th>2034</th></tr><tr><td>Planning &amp; Regulation</td><td>4.1</td><td>4.2</td><td>3.2</td><td>3.0</td><td>2.6</td><td>2.4</td><td>2.3</td><td>2.2</td><td>2.1</td><td>2.0</td><td>2.0</td></tr><tr><td>Roading</td><td>3.8</td><td>4.2</td><td>3.2</td><td>3.2</td><td>3.0</td><td>2.9</td><td>2.8</td><td>2.7</td><td>2.6</td><td>2.5</td><td>2.3</td></tr><tr><td>Transport</td><td>4.0</td><td>4.1</td><td>3.2</td><td>3.2</td><td>2.8</td><td>2.6</td><td>2.5</td><td>2.4</td><td>2.3</td><td>2.2</td><td>2.1</td></tr><tr><td>Community</td><td>3.9</td><td>3.2</td><td>2.5</td><td>2.7</td><td>2.5</td><td>2.4</td><td>2.3</td><td>2.2</td><td>2.2</td><td>2.1</td><td>2.0</td></tr><tr><td>Water &amp; Environment</td><td>6.0</td><td>5.0</td><td>4.0</td><td>3.9</td><td>3.5</td><td>3.3</td><td>3.3</td><td>2.9</td><td>2.7</td><td>2.7</td><td>2.5</td></tr></table>						TABLE 3 - LOCAL GOVERNMENT COST INDEX													2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Planning & Regulation	4.1	4.2	3.2	3.0	2.6	2.4	2.3	2.2	2.1	2.0	2.0	Roading	3.8	4.2	3.2	3.2	3.0	2.9	2.8	2.7	2.6	2.5	2.3	Transport	4.0	4.1	3.2	3.2	2.8	2.6	2.5	2.4	2.3	2.2	2.1	Community	3.9	3.2	2.5	2.7	2.5	2.4	2.3	2.2	2.2	2.1	2.0	Water & Environment	6.0	5.0	4.0	3.9	3.5	3.3	3.3	2.9	2.7	2.7	2.5
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19	Borrowing and interest rates	<b>Low</b> Access to loan funds is available at competitive rates and interest rates are in-line with the projections prepared by Council's financial advisors. Interest rates for investments are set at a margin compared to external debt rates. Council will meet its financial commitments and maintain its AA-Standard & Poors credit rating. This will provide Council access to lower interest rates on its borrowing through the NZ Local Government Funding Agency. Table 4 below sets out the borrowing interest rates.	Interest rates increase significantly from the rates used when preparing this plan.	<b>Medium</b> Significantly higher interest rates than projected would increase Council costs and impact future borrowing requirements and Council's ability to deliver the agreed work programmes, resulting in lower service levels and higher rates.	Manage changes in interest rates as set out in the Treasury Management Policy and take advantage of hedging, fixed rates, and swaps. Source debt from a combination of bank financing, commercial paper issuance and floating rate notes through NZLGFA with the majority overlaid with fixed rate swaps. This assists Council to minimise the impact of interest rate fluctuations.																																																																																				

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#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation																															
		<table><tr><th colspan="6">TABLE 4 - PROJECTED BORROWING INTEREST RATES</th></tr><tr><th>2025</th><th>2026</th><th>2027</th><th>2028</th><th>2029</th><th>2030</th><th>2031</th><th>2032</th><th>2033</th><th>2034</th></tr><tr><td>5.17%</td><td>4.46%</td><td>4.18%</td><td>4.27%</td><td>4.39%</td><td>4.51%</td><td>4.62%</td><td>4.71%</td><td>4.80%</td><td>4.90%</td></tr></table>									TABLE 4 - PROJECTED BORROWING INTEREST RATES						2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	5.17%	4.46%	4.18%	4.27%	4.39%	4.51%	4.62%	4.71%	4.80%	4.90%
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20	Financial Ratios	<p><b>Medium</b></p> <p>Council has a statutory obligation to set limits on its level of debt. These are measured by the financial ratios shown in Table 5. These ratios are set by Council in accordance with the Treasury Management Policy. External factors outside Council's control could impact Council's ability to remain within these pre-established limits. There is uncertainty around whether these external factors eventuate and what would be the impact on Council's debt.</p>	External factors outside Council's control eventuate in a way that have a substantial impact on interest rates for borrowing or which result in uncontrolled operational or capital spending that would unfavourably impact financial ratios and debt limits.	<p><b>High</b></p> <p>Exceeding financial ratios and debt limits could result in a downgrade of Council's credit rating by Standard and Poors. This would have a direct impact on the rates at which Council can borrow funds, leading to higher costs and rates increases.</p>	Continue to monitor external factors and report financial ratios on a monthly basis.																															
		<table><tr><th colspan="2">TABLE 5 – FINANCIAL RATIOS</th></tr><tr><th>Ratio</th><th>Limit</th></tr><tr><td>Net External Debt / Total Revenue</td><td>Must not exceed 250%</td></tr><tr><td>Net Interest on External Debt / Total Revenue</td><td>Must not exceed 10%</td></tr><tr><td>Net Interest on External Debt / Annual Rates Revenue</td><td>Must not exceed 25%</td></tr><tr><td>Liquidity / Net External Debt</td><td>Must be greater than 110%</td></tr></table>									TABLE 5 – FINANCIAL RATIOS		Ratio	Limit	Net External Debt / Total Revenue	Must not exceed 250%	Net Interest on External Debt / Total Revenue	Must not exceed 10%	Net Interest on External Debt / Annual Rates Revenue	Must not exceed 25%	Liquidity / Net External Debt	Must be greater than 110%														
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21	Delivery of capital works programme	<p><b>High</b></p> <p>The capital works programme has to meet the direction and policies set out in Council's Financial Strategy and Treasury Management policy, particularly around debt limits. The programme envisaged for this Long-term plan is substantial and internal factors (e.g. budgeting constraints) and external factors could influence its delivery. Table 6 sets out the impact on borrowings and interest cost to deliver the capital works programme. In this Long-term plan it was assumed that the capital works programme will advance in-line with Council's budgets.</p>	The capital works programme is not delivered as planned to remain within Council's debt servicing and debt control benchmarks.	<p><b>High</b></p> <p>The impact on our community depends on the capital project(s) that is delayed. Delaying key network infrastructure would negatively impact service levels.</p>	Council will undertake a rationalisation exercise of its capital expenditure programme through annual plans, particularly on core infrastructure, to determine what can realistically be delivered within the timeframes and budgets. Council will continue to ensure project delivery resourcing is fit for purpose for the future capital programme.																															

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		TABLE 6 - DELIVERY OF CAPITAL PROGRAMME & IMPACT ON BORROWINGS AND INTEREST COST										
			LTP 2024/25 (\$000)	LTP 2025/26 (\$000)	LTP 2026/27 (\$000)	LTP 2027/28 (\$000)	LTP 2028/29 (\$000)	LTP 2029/30 (\$000)	LTP 2030/31 (\$000)	LTP 2031/32 (\$000)	LTP 2032/33 (\$000)	LTP 2033/34 (\$000)
		70% Delivery	51,225	60,769	55,504	69,709	61,284	81,400	70,570	39,133	42,273	34,030
		Debt	32,440	37,780	30,917	33,713	27,981	51,639	44,705	13,490	15,419	11,012
		Interest	839	842	646	720	614	1,164	1,033	318	370	270
		90% Delivery	65,900	78,132	71,362	89,626	78,793	104,657	90,733	50,314	54,351	43,753
		Debt	41,709	48,574	39,750	43,345	35,976	66,392	57,478	17,344	19,824	14,158
		Interest	1,079	1,083	831	925	790	1,497	1,328	408	476	347
		100% Delivery	73,222	86,813	79,291	99,584	87,549	116,285	100,814	55,904	60,390	48,614
		Debt	46,343	53,971	44,167	48,161	39,973	73,769	63,864	19,271	22,027	15,731
		Interest	1,199	1,204	923	1,028	877	1,663	1,475	454	529	385
		22	External funding support including central government grants, climate action loans, subsidies for large capital projects or operational programmes excluding transport subsidies	<b>Medium</b> Large capital projects or operational programmes that rely on government funding are included in the Long-term Plan only when there is a level of certainty that these funds will be granted. However, the actual funds that are granted could be lower than the expected amount. In this Long-term plan it was assumed that the expected government funding is fully provided.	External funding is denied or is substantially lower than expected.	<b>Medium</b> The capital projects or operational programmes that rely on external funding are unlikely be continued if this funding is denied or is substantially lower than expected. This would result in lower levels of service and loss of Council funds, if these cannot be recouped. Cancelling projects or programmes would also have a detrimental effect on Council's reputation.	Clearly established the cost of capital projects and operational programmes including by making realistic assumptions about access to external funding, taking into account the current economic environment.					
23	Limit on rate increases	<b>Medium</b> The average rate increase for existing ratepayers will be no greater than the Local Government Cost Index (LGCI) plus 5 percent (excluding growth). Inflationary fluctuations or inaccurate LGCI forecast can result in breaches to this limit, due to timing or misalignment of inflationary impacts. External factors that result in unbudgeted costs would require an increase in rates that exceeds this limit.	Unplanned increases in rates that breach this limit for any given year in the Long-term Plan.	<b>Medium</b> Raising the average rate for existing ratepayers above the limit would be detrimental to Council's reputation.	Disclose the nature, timing and extent of any potential breach and Council's proposed action to address this matter at the earliest opportunity.							

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation
24	Development contributions revenue	<b>Medium</b> Revenue from development contributions used by Council to pay for new infrastructure depends on the projected growth and timing of new developments. The scale and timing of these developments is uncertain and are dependent on several external factors that are difficult to predict. In this Long-term plan it was assumed that development will occur in line with population and development projections, and the revenue collected from development contribution will pay for new infrastructure, as set out in the Development Contributions policy.	Revenue from development contributions is different from that projected.	<b>Medium</b> If revenue from development contributions is lower than projected then growth-dependant infrastructural projects and programmes will need to be scaled back or delayed.	Continue to monitor growth projections and development revenue against actual levels. Review and amend work programmes and related budgets, including development contribution rates, when significant changes occur.
25	Income from the development and sale of surplus Council property	<b>High</b> Income from the development and sale of surplus Council property, as part of the East Urban Lands, will be received at the levels and timing indicated in the financial statements. The inflow from Stage 1A & 1B is expected to be \$21.1M from the sale of 116 lots while the outflow to develop the site is estimated to be \$7.5M. The outflows are expected to be incurred between 2024/25-2027/28 with inflows received between 2025/26-2027/28. For Stage 2 and for Block Sales, the outflows are estimated at \$19.3M to develop 120 lots and 3 block sales with inflows of \$41.6M. These will be incurred/obtained in 2025/26-2030/31 for Stage 2 and between 2027/28-2033/34 for the Block Sales. Other project outflows and interest costs amounting to \$3.76M will be incurred over 2023/24-2033/34. Therefore, the total net cash flow from the EUL development is expected to be \$32.2M between 2024/25-2033/34 on the sale of 116 lots (stages 1A & 1B), 120 lots (stage 2) and from 3 Block Sales.	<p>If the estimated net sales proceeds are not achieved due to market pressures, or infrastructure costs are incurred at a higher level than planned, then the net cash flow will be reduced. Failure to achieve the projected number of property sales per year will also impact negatively on projected cashflows. Reduced cashflow or revenue would impact the planned repayment of debt with consequential impacts on debt financing cost and potential impacts on rates.</p> <p><u>The levels and timing of the expected income and costs are highly uncertain because the development agreement with the Council's development partner has not yet been signed, although commercial terms were agreed by each party which formed the basis of the draft development agreement. If the levels or the timing of expected income and costs differ significantly, debt might need to be increased, or debt repayments might need to be amended, depending on the circumstances. This could also have consequential impacts on rates.</u></p>	<b>Medium</b> Any cash flow delays will require interim bridging in the form of additional borrowing and interest cost especially for projects which are dependent on funding from the development and sale of surplus Council property.	Monitor market conditions and the progress of our property sales programme and respond to any changed cash flow circumstances in each annual plan.
26	Availability of staff and contractors	<b>Low</b> Sufficient internal and external resources will be available to undertake capital works and maintain operational needs in the years outlined in the financial statements, over and above resourcing required for business as usual responsibilities.	Qualified staff, contractors and consultants are difficult to employ or to contract, limiting the level of resource available and driving up costs.	<b>Low</b> If there is a shortage of resources, Council may not be able to complete projects in the timeframes indicated and for the costs budgeted.	Actively undertake workforce planning on an annual basis, reflecting resourcing needs for capital works projects and taking into consideration business as usual workloads. Ensure budgets and work programmes are adjusted accordingly.

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation							
27	<b>Resource consent requirements on planned capital projects</b>	<b>Low</b> The resource consent required by planned capital projects are obtained on-time and without incurring significant costs of compliance. There is uncertainty in relation to the resource consent, enforcement and regulatory regime under a replacement to the RMA. That all existing resource consents will be renewed where appropriate. It is expected that the environmental standards requirements will increase, with corresponding requirements imposed through resource consents.	Consenting authorities may decline resource consents or impose less affordable conditions or take longer than anticipated to approve the consent. There is also the risk that consenting processes will change with changes to the RMA, which might impose additional costs or delay the implementation of some capital projects. <a href="#">That existing consents are not renewed or require us to meet significantly changed conditions.</a>	<b>High</b> Some capital projects are scrapped or delayed, impacting service performance measures and service levels. If new developments are impacted, it would introduce funding uncertainties. <a href="#">Failure to renew existing consents, or the requirement to meet significantly higher consent conditions may require significant expenditure.</a>	Continue to work with consenting authorities and key stakeholders to ensure that our consent applications address their concerns. Engage early with iwi and hapu, where relevant, prior to lodging applications. Monitor legislative change and work with central government and other councils around implementing any reform of the RMA. <a href="#">Budget revisions will take place where there are anticipated changes to consent requirements. Early communication with affected parties and resource consent issuing bodies may enable early identification of issues.</a>							
28	<b>Forecast return on investments</b>	<b>Medium</b> Interest rates for investments will be set at a margin compared to external debt rate and are in line with the projections prepared by Council's financial advisors. The estimated level of investments will be an outflow of cashflow modelling of cash inputs and outputs.	A change of 1% in forecast interest rates on Council's general fund investments would equate to approximately a \$550k movement in interest revenue.	<b>Medium</b> A reduction in investment income could mean that less income is available to offset rates, which could require a rates increase the following year to cover the shortfall in investment income.	Monitor and manage cashflows in line with our Treasury Management Policy to maximise returns on investments with appropriate investment terms.							
		<b>TABLE 7 – PROJECTED INVESTMENT RETURNS</b>										
			2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
		General Funds	4.73%	3.76%	3.74%	3.97%	4.18%	4.38%	4.53%	4.62%	4.68%	4.76%
		TEL	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	6.01%	
29	<b>Income from the harvest of Council's forests</b>	<b>High</b> Council obtains income from the sale of logs harvested from forestry blocks. The level of income is subject to the price of logs sold on the open market. Factors influencing this market, including foreign exchange fluctuations and worldwide demand for logs are unpredictable. In this Long-term plan it was assumed that the income obtained from the sale of logs will be in-line with projected income.	The market price for logs fluctuates substantially from projected and a lower income is obtained from the sale of logs.	<b>Low</b> A downwards movement in the price for logs or a drop in demand from one or more major buyer would negatively impact income from this activity. This would likely require deferring planned capital projects to access existing forestry blocks or establish new ones.		Continue to closely monitor the market price for logs and income levels derived from their sale.						
30	<b>Obligations under Local Government Funding Agency (LGFA) guarantee commitments</b>	<b>Low</b> The risk of the LGFA defaulting on repayment of interest or capital is very low. If further funds are required, the local government legislation enables local authorities to levy a rate to recover sufficient funds to meet any debt obligations. In this Long-term plan it was assumed that the LGFA will not default on its repayment of interest or capital.	New Zealand Local Government Funding Agency defaults on an interest or loan repayment.	<b>High</b> If the New Zealand Local Government Funding Agency defaults, a call on the unpaid capital would be made, which for Council is \$100,000. This call would raise \$20m from all Councils. If the amount defaulted is more than \$20m, Council is jointly liable with all other shareholder Councils and would be required to raise its share of funds to discharge the debt.		Continue to monitor New Zealand Local Government Funding Agency guarantee commitments and overall position as set out in its reports.						

#	Assumption	Level of Uncertainty	Risk	Consequence	Mitigation
31	Insurance	<b>High</b> Localised and global impacts of events resulting in insurance claims may have an effect on the premiums council pays. In this Long-term plan it was assumed that no localised claims will occur that affect Council's insurance policy. The insurance rate paid in the first year will only be adjusted for inflation.	Localised claims affecting Council's insurance policies may have a flow on affect on premiums in the following years.	<b>Medium</b> The consequence on Council financing will depend on the unforeseen increases to insurance claims. A 20% increase in premiums adds approximately 0.25% to rates.	Annually review the assets and other risks Council insures for and identefy the level of risk Council is willing to take.
32	Depreciation rates	<b>Low</b> Council uses the depreciation rates within their accounting policies as the basis of the rates used in the LTP financial modelling. Where there are multiple rates the most likely rate is used based on the useful life of the overall asset. It is unknown with many large projects the type of assets that will eventually be created and the actual useful lives of each individual part which is why an average depreciation rate has been assumed for capital projects.	The depreciation rates used by Council in the calculation of the depreciation cost are different to the actual rates applied when the asset is capitalised which could mean an under recovery of cost from the ratepayer.	<b>Low</b> The consequence on Council financing will depend on the timing of the completion of capital projects and the mix of assets created in a project and the mix of projects that are completed in a year. The affect on the ratepayer in any given year is assumed to be low.	Council uses the depreciation rates in their accounting policies to calculate the budgeted depreciation on assets over their useful lives. These rates are regularly reviewed.
33	Asset Revaluation	<b>Medium</b> Global, national and localised events can impact the cost to build infrastructural assets, this consequently affects the valuation of our existing assets as they are valued at optimised depreciated replacement cost. The risk in times of increasing costs is that the revaluation of assets is higher than anticipated which increases the depreciation cost. Council has assumed that the relative BERL capex indices are a fair reflection of increased asset values over time.	The cost of building infrastructural assets increases more than assumed in our financial models increasing depreciation in future years	<b>Low</b> The consequence on Council financing will depend on the timing of the completion of capital projects and the mix of assets created in a project and the mix of projects that are completed in a year. The affect on the ratepayer in any given year is assumed to be low.	Council revalues its roading, three waters, land & buildings on three yearly cycles. In order to smooth the effect of these revaluations on the ratepayer, (via depreciation), Council has applied a growth factor year on year on these asset types in order to account for an increased level of depreciation due to revaluation every year instead of every three years.

## APPENDIX 10: COUNCIL CONTROLLED ORGANISATIONS

### Local Government Funding Authority Limited (LGFA)

#### Nature and scope of activities

LGFA raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (participating borrowers). LGFA may raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency. LGFA only lends to participating borrowers that have entered into required relevant legal and operational arrangements and comply with the LGFA's lending policies. In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidentally to, or in connection with, that business.

#### Key performance targets<sup>1</sup>

Performance Measure	Targets 2024/25
LGFA's total operating income for the period to 30 June	> 31.4
LGFA's total operating expenses (excluding AIL) for the period to 30 June	< \$11.5 million
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%
Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained.
Increase our GSS lending book and Climate Action Loans (CALs)	Two new GSS loans undertaken. Three new borrowers enter into CALs.
Review each Participating Borrower's financial position.	100%
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested	100%

<sup>1</sup> LGFA, Statement of Intent 2024 – 2027. Performance measures included in this document are considered some of the key measures applicable to Council.



## Destination Great Lake Taupō (DGLT)

### Nature and scope of activities

DGLT is a Council Controlled Organisation (CCO) for the purposes of the Local Government Act 2002. It has no subsidiaries and is a not-for-profit organisation. DGLT is governed by a Board appointed by the Taupō District Council (TDC) under the Trust Deed (6 September 2010) establishing the CCO. DGLT is funded largely by a grant from TDC, on behalf of Taupō District ratepayers, along with industry and partnership contributions to various marketing initiatives.

DGLT's core focus is to promote the destination to attract more visitors, encourage them to stay longer and spend more. The organisation also provides an advocacy and leadership role around management and development of the destination to ensure tourism not only brings benefit to the local economy but does so in a way that preserves and enhances our environment, our culture and local community whilst delivering an exceptional world class experience for our visitors.

### Key performance targets<sup>2</sup>

Objective	Performance Measure	Targets		
		2024/25	2025/26	2026/27
Growth in tourism expenditure	Monthly Regional Tourism Estimates	Retain domestic spend Grow international spend to 100% of pre-Covid level of \$210M	Grow total spend by 2%	Grow total spend by 2%
Implement a Destination Management strategy ensuring the balance of economic growth with the social, cultural, and environmental well-being of the community	Quarterly meetings of Te Ihirangi Governance Group Grow industry capability. Fill product gaps through new product development. Social license - connect with residents.	Limited activity 2 workshops Ongoing N/A	Ongoing TBC Ongoing May 2026	Ongoing TBC Ongoing N/A
Support for DGLT marketing initiatives	Measured by free of charge, in-kind or advertising support for marketing and famils activity Participation in DGLT hosted activities and campaigns	\$85,000	\$90,000	\$90,000
Stakeholder satisfaction	Annual Industry Survey	85%	85%	85%

<sup>2</sup> Destination Great Lake Taupō, Statement of Intent 2024 - 2027

## Bay of Plenty Local Authority Shared Services (BOPLASS)

### Nature and scope of activities

BOPLASS Ltd is a company owned by nine councils (including Taupō District Council).

The company aims to improve levels of service and reducing costs for Councils through joint procurement and shared services providing efficiencies, reducing duplication, and delivering economies of scale.

### Key performance targets<sup>3</sup>

Target	How	Measure
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts	Contracts reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration.	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of active users to increase by 5% per year.
Communicate with each shareholding council at appropriate levels	Actively engage in obtaining political support for identified projects.	Information provided to elected members, and feedback sought, on BOPLASS projects, benefits to local communities, and value added to each council.
Ensure current funding model is appropriate	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

<sup>3</sup> BOPLASS Ltd, Statement of Intent 2024 - 2027

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## Taupō Airport Authority

### Nature and scope of activities

The Taupō District Council and the Crown - represented by the Ministry of Transport, own the Taupō Airport Authority (TAA) equally. TAA is managed, under agreement with the Crown, by the Taupō District Council. TAA is governed by a Standing Committee of TDC consisting of the mayor, two councillors and two independent skills-based representatives chosen from local businesses

The Airport provides services to allow the safe and efficient facilitation of travellers and freight and, ancillary to this, it leases terminal space and land at the Airport. It owns the passenger terminal, airside infrastructure, car parking areas, roading and underground utilities. These facilities are sited on land owned by TDC that is designated for Airport use. The Airport provides a complimentary mix of aviation and commercial activities. This includes scheduled passenger transport services, general aviation, skydiving adventure operations, scenic flights, agricultural aviation operations as well as nonaviation commercial and retail offerings.

### Performance Targets

Performance Measure
Maintain the Airport facilities to avoid any disruption of scheduled commercial flights other than for weather or airline related problems
Manage Taupō Airport in full compliance with the approved operating procedures of Civil Aviation Authority Rule Part 139
Manage the health and safety risks and provide a safe and healthy environment
Meet all the operating, maintenance and interest costs from Airport revenue
Complete the Airport apron extension project by the end of January 2025

## The Lake Taupō Protection Trust

The Lake Taupō Protection Trust was previously a council-controlled organisation that was co-managed with Waikato Regional Council. The previous governance structure of the trust was disestablished, and control of the trust was fully handed over to Taupō District Council. Council since the handover of the trust has resolved to exempt the trust from CCO reporting requirements under Section 7 of the Local Government Act 2002. The activities of the trust are managed by Council Officers.

## Destination Lake Taupō Limited (DLTL)

Taupō District Council is the 100 percent owner of Destination Lake Taupō Limited (DLTL). Destination Lake Taupō Limited is a non-trading company that is held only for name-protection purposes. It has no revenue or expenditure, assets or liabilities. Council has passed a resolution, under section 7 of the Local Government Act 2002, making Destination Lake Taupō Limited exempt from definition as a council-controlled organisation.

### Data Capture Systems Limited (DCSL)

Taupō District Council is the 100 percent owner of Data Capture Systems Limited (DCSL). Data Capture Systems Limited was a council-controlled organisation (CCO) as defined by the Local Government Act 2002. In February 2006, the directors of Data Capture Systems Limited resolved that it would cease operations. In June 2006, resolutions were passed to wind down the company during the course of the 2006/07 year. The company is now exempt, under section 7 of the Local Government Act 2002, from definition as a council-controlled organisation.

### Waikato Local Authority Shared Services (WLASS)

WLASS now Co-Lab is a shared service provider for the Waikato. Taupō District Council is no longer a shareholder of WLASS but still procures services from Co-Lab to support the delivery of Council services. As we are no longer a member Council this organisation is no longer a Council Controlled Organisation for Taupō District Council.

## APPENDIX 11: SIGNIFICANCE AND ENGAGEMENT POLICY OVERVIEW

Council is committed to the principle of localism. Localism is about giving voice, choice, and control to our communities; with the goal of enabling local solutions and providing the conditions for our local communities to thrive. Community engagement is central to legitimate localism as it allows Council to have meaningful discussions with our community on challenging matters and how best to resolve them.

The significance and engagement policy sets out the engagement and decision-making principles we will follow, our statutory consultation requirements, and how we will go about determining the significance of a matter. Council makes decisions about a wide range of matters, and most will have a degree of importance, but not all issues will be “significant”. The appropriate level of engagement on a matter will correspond to its level of significance.

The greater the importance of a matter, the more robust the level of analysis and engagement required. All Council projects will be assessed in line with the provisions of the policy to determine their significance and the appropriate level of community engagement.

The Significance and Engagement Policy sets out that Council will consider the following criteria when assessing how significant a matter is.

- What are the financial consequences to Council?
- Are many people, organisations or businesses affected?
- Will additional funding from the community be required?
- Will there be a diversion of already committed resources?
- Has there been recent community engagement?

Council's full Significance and Engagement Policy 2022 is available here:

<https://www.taupodc.govt.nz/rules-regulations-and-licenses/policies>

## APPENDIX 12: STATEMENT OF COMPLIANCE AND REPORT FROM COUNCIL'S AUDITOR

### Statement of compliance

Council and management of Taupō District Council confirm that all the relevant statutory requirements of part 6 of the Local Government Act 2002 have been complied with.

Council and management of Taupō District Council accept responsibility for the preparation of the Long-term Plan and the prospective financial statements presented, including the assumptions underlying the prospective financial statements.

The prospective financial statements contained within this Long-term plan were authorised for issue on the 30th of September 2024 by Council.

The opening balances in the prospective statement of financial position is derived from the most recently completed financial statements being 30 June 2023, adjusted according to the 2023/24 Annual Plan movements and/or any other forecast movements that are materially different from the 30 June 2023 closing position.

Future annual plans will be used to update the financial forecasts outlined in this Long-term plan. The Long-term-plan will be formally reviewed every three years. In the opinion of Council and management of Taupō District Council, the Long-term Plan for the ten years commencing on 1 July 2024 provides a reasonable basis for long term integrated decision making, co-ordination of the Taupō District Council's resources and provides a basis for accountability to the community about the activities of the Taupō District Council.

David Trewavas  
**Mayor**  
XX September 2024

Julie Gardyne  
**Chief Executive**  
XX September 2024

## Report from Council's auditor

### To the readers:

### Independent Auditor's Report on Taupo District Council's 2024-34 Long-term Plan

I am the Auditor-General's appointed auditor for Taupo District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's Long-term plan (plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 30 September 2024.

### Opinion

In our opinion:

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

In accordance with clause 45 of Schedule 1AA of the Local Government Act 2002, the consultation document on the Council's plan did not contain a report from the Auditor-General. The consultation document is therefore unaudited. Our opinion on the plan does not provide assurance on the consultation document or the information that supports it.

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

### Emphasis of matter – uncertainty over the income and costs related to the development and sale of surplus council property

Without modifying our opinion, we draw attention to page 199, which outlines the Council's assumed income and costs related to the development and sale of surplus council property, as part of the

Eastern Urban Lands project. The levels and timing of the expected income and costs are highly uncertain because the development agreement with the Council's development partner has not yet been signed, although commercial terms were agreed by each party which formed the basis of the draft development agreement. If the levels or the timing of expected income and costs differ significantly, debt might need to be increased, or debt repayments might need to be amended, depending on the circumstances. This could also have consequential impacts on rates.

### Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

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

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;

- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

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

### Responsibilities of the Council and auditor

The Council is responsible for:

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

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

### Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (PES 3)* issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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.

Leon Pieterse  
Audit New Zealand  
On behalf of the Auditor-General, Hamilton, New Zealand

Appendix 12: Statement of compliance and Report from Council's auditor