



ATTACHMENTS

**Ordinary Council meeting
Separate Attachments 2**

Monday, 27 June 2022

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TAURANGA CITY COUNCIL

Long-term Plan Amendment 2021-2031

Putting the community
at the heart of
everything we do



Tauranga City

TAURANGA CITY COUNCIL

Long-term Plan Amendment 2021-2031

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**Long-term plan
Amendment –
Audit Opinion**



01

Introduction and key decisions

Introduction

It is our pleasure to present this, Tauranga City Council's 2021-31 Long-term Plan.

Every three years the Council is required to create a Long-term Plan that outlines planned investments and activities over the next decade.

For this Long-term Plan we, the commissioners, were appointed to consider the needs of Tauranga City, listen to the community and to make decisions for the social, cultural, environmental and economic needs of Tauranga – now and for the future.

In the six months since we were appointed, we have had to very quickly get up to speed with the issues and concerns of the people of Tauranga, to understand what your ambitions for the city are, and to navigate the complexities, challenges and opportunities that the city and the council faces.

We want to acknowledge and thank the many individuals, residents, community leaders, businesses and organisations who spoke openly and frankly with us during this time and who assisted us to gain insight into the direction that you wanted us to take.

In a nutshell, we discovered that the challenges the city faces are significant, expensive and many have been decades in the making.

However, we also discovered that the community were ready to bring innovative and bold solutions to these challenges and that people wanted greater investment in a broader range of aspirations than roads and pipes. We discovered that the community wanted to be more empowered and involved in the council decision-making processes and were up for developing genuine partnerships.

An overwhelming sentiment we heard, was that people wanted us to support investment in the community and to deliver on what we commit to do. Also, they asked us to engage with them more, involve them early, and have the right conversations about their needs. And even though this takes additional time and resources – the investment would be worth it as the decisions will be stronger and more durable.

In saying that, there were also submitters that asked us not to make any of the investments proposed in the Consultation Document and for the Council to keep the rates requirement much lower – or non-existent. While not a viable option when faced with the City's current and future challenges, we believe we have made the best choices possible to ensure the right investments are made for Tauranga and that everyone is contributing their fair share. That includes a better balance between users of council services, the development community, the Government and commercial and residential ratepayers.

Over these past months, and specifically through this Long-term Plan process, we have listened to hundreds of people and organisations and we are sure that this Long-term Plan does represent a significant step forward for the people of Tauranga.

We are confident that this Plan will helpfully guide the city's future for the next decade and is based on the needs of the Tauranga community both now and for the future.

Putting the community at the heart of what we do.



Commissioners: Bill Wasley, Shadrach Rolleston, Anne Tolley (Chair) and Stephen Selwood.

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This is Tauranga City Council's Long-term Plan for 2021-2031

The Long-term Plan provides clarity for residents and communities on the direction we are headed in the next 10 years, and more specifically, the deliverables we have committed to for the next three.

In developing this Plan, the Commission built on some of the work of the former elected Council as well as undertaking extensive community engagement and consultation from February to May 2021. This included 34 meetings specifically on the draft Long-term Plan and meeting with more than 2,200 people through hui, public forums, the Home Show and joint engagements organised by a wide range of local organisations.

Nearly 1800 submissions were received and the Commission listened to 50 hours of verbal submissions from 220 of the submitters.

The Commission are confident that they have heard and considered the views of the Tauranga community – and made the best decisions possible – now and for the future.

What follows is:

1. Our community outcomes
2. A summary of the key challenges for Tauranga
3. Our Long-Term Plan decisions – and what they mean for the next 10 years

This Long Term Plan was adopted on 26 July 2021. Please note that this is a Breach of the statutory deadline of 30 June 2021. Commissioners made the decision to delay the adoption of the LTP soon after their appointment recognising how critical the LTP is for the community and allowing sufficient time to engage with the community on the plan to make the right decisions. (The impact of COVID-19 pandemic also impacted on the timeframe for adopting the plan.)

Long-term Plan Amendment - Civic Precinct masterplan

In December 2021, we adopted the Civic Precinct masterplan – Te Manawataki o Te Papa – the heartbeat of Te Papa. The masterplan provides a blueprint for the transformation of the city centre into a place where people will want to live, work, play and visit – a place where we can tell the amazing stories of our city's heritage and culture.

How we implement the masterplan is a key focus of the amendment to this Long-term Plan.

Also considered as part of the amendment was an opportunity to introduce a new funding and financing approach, using the Infrastructure Funding and Financing Act (IFF) for some key infrastructure projects.

The 2021-2031 Long-term Plan has been updated to recognise the additional capital expenditure and operational costs, debt and revenue effects of implementing the Civic Precinct masterplan and IFF proposals.

1. Our community outcomes

Community outcomes are a starting point for our Long-term Plan. They guide our decision-making to provide you with the city you want.



We have a well-planned city

Tauranga is a city that is well planned with a variety of successful and thriving compact centres, resilient infrastructure, and community amenities.



We support business and education

Tauranga is a city that attracts and supports a range of business and education opportunities, creating jobs and a skilled workforce.



We are inclusive

Tauranga is a city that recognises and promotes partnership with tangata whenua, and values culture and diversity, and where people of all ages and backgrounds are included, feel safe, connected and healthy.



We value and protect our environment

Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it.



We can move around our city easily

Tauranga is a well-connected city, easy to move around in and with a range of sustainable transport choices.



We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

Tauranga is a well-connected city having a key role in making a significant contribution to the social, economic, cultural and environmental well-being of the region.

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2. Our challenges

Places, spaces and community facilities

Tauranga is one of the most attractive cities in New Zealand with abundant potential to be the most liveable.

However, with accelerated growth and development in the last 30 years, and a focus on keeping rates as low as possible, the supply and upkeep of community places, spaces and facilities no longer meets our city's needs and expectations.

In Tauranga we don't have enough community centres, pools, parks, halls, and facilities for arts and cultural activities to provide for the people who live here now – let alone for those who will move here in the future. And many of our existing places, spaces and facilities are worn out or nearing the end of their lives.

This Long-term Plan needed to front up and address the historic underinvestment in things that support our recreational, social and cultural activity and find ways to fund upgrades and new places, spaces and facilities.

More people coming to live here

In three decades (the same time it has taken our current population to double) there will be another 60,000 people living here.

To cater for these increasing numbers of people, Tauranga must plan and deliver infrastructure that enables homes and businesses to be developed in the right places – as well as ensuring that those who already live here also gain the benefits of this investment.

A key challenge here is that much of our existing infrastructure is old and worn out or under increasing pressure – let alone what is required for new housing areas. Roads, water and wastewater pipes and services are stretched to their limits.

So, as well as investing in infrastructure to support new housing areas, this Long-term Plan needed to invest in infrastructure for existing areas

The other challenge is enabling the right areas to be developed so homes can be built to meet a wider range of residential, economic and social outcomes – ensuring that appropriate and long term servicing needs are met. To meet this challenge we needed to look at new ideas and take opportunities for partnering and working with others.

This Long-term Plan needed to find ways to make more housing availability a reality over the next decade and ensure there is balance between increasing housing options in established suburbs – creating more compact housing – and providing housing options in new growth areas.

Our city centre

As one of New Zealand's biggest cities, and as one-third of the golden triangle, the city centre of Tauranga does not look or feel like the thriving and vibrant hub it should be. This is partly due to years of ad hoc development, lack of commitment to a vision for the city centre, accelerated growth in outer suburbs and delayed investments.

However, with the recent development and addition of new areas and facilities such as the waterfront upgrade, the University campus and Durham St overhaul, the Farmers development, new apartments and student accommodation, and Wharf St Eats, the potential to have a modern and exciting city centre is clear to see.

By enabling more people, life and activity to come into the city centre, this potential will soon be realised.

This Long-term Plan needed to identify ways that the city centre could be revitalised through catalysing investment and working in partnerships instead of silos. By applying fresh ways of thinking and bringing benefits to all of Tauranga and the Bay of Plenty and not just the city centre.

Council has amended the 2021-31 Long-term Plan to implement the Civic Precinct masterplan - Te Manawataki o Te Papa – the heartbeat of Te Papa. The total cost of this proposal is \$303m and facilities would include a library and community hub, civic whare (a venue for council and community meetings), and museum and exhibition/ events space. It also includes landscaping of open spaces between Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

Details of the Long-term Plan Amendment are included on pg 31 of this section.

Resilience

Our city is exposed to a wide range of global and localised threats that challenge us in both expected and unexpected ways with effects occurring over time or very suddenly. We need to be prepared for both.

Climate change will intensify our experiences of intense rainfall events leading to flooding, landslides and erosion. We also need to be aware of, and prepare for, the potential threat of tsunami, earthquakes and volcanic eruptions.

Sea-level rise will lead to inundation of some areas so we need to reduce the likelihood of this happening by planning ahead and providing appropriate infrastructure that will reduce the risks. All this costs money.

Having resilient infrastructure that can withstand anticipated threats is a key focus for this Long-term Plan – to ensure we keep our city and people safe.

Getting around the city

Moving around and through the city is getting increasingly challenging and, at peak times, the main routes are heavily congested. This contributes not just to frustration and delays but also adds increased freight, time and carbon emission costs.

While a lot of residents want more roads, and for existing roads to be widened so they can carry more cars, we know that continuing to build in this way is not sustainable. We need to be smarter about how we go about this and ensure that while we do build new and better connecting roads, we also provide alternatives that allow people to get around by walking, cycling and on public transport. This is a win-win as the fewer people who drive, the more space there is for those people who need to drive.

Funding for roading is always a challenge and so working closely with our partners – Waka Kotahi (who manage the State Highways in our city) and neighbouring councils (such as the Bay of Plenty Regional Council who are in charge of public transport) – will be critical to our success.

This Long-term Plan needed to face up to the fact that with the combination of accelerated growth, economic necessities and our unique geography, our city's transport challenges will never entirely be fixed. Instead we have needed to find a balance between prioritising the needs of current road and transport users, and planning for a future city where these needs will be different.

Affordability

Affordability for people who live here and for those who want to live and work here needs to be both fair and sustainable.

For decades, Tauranga has under-invested in community facilities and key infrastructure like roads and pipes – largely due to limited funding sources and a desire to keep rates down. And while keeping rates low can be attractive,

this has meant that the community pays in other ways – through not having the facilities or amenities that make this a great place to live.

While there is Government support for some initiatives that the council undertakes, such as 51% subsidy for a range of transport and roading activity, Tauranga and its communities are now playing catch up on a wide range of growing needs.

The council has limited ways it can get income to support these needs.

Therefore, this Long-term Plan needed to focus on exploring new ways of funding – including sharing the load more fairly – and addressing the levers of income.

This Long-term Plan includes \$358 million of rates charged to stay within the debt to revenue ratio so that the necessary infrastructure investments can be made. That places a significant financial burden on the community, particularly over years four to 10 of the Long-term Plan with the benefit being received by ratepayer for many years.

Local government reforms

There are three reforms currently underway that will impact local government – and we have no certainty about how they will affect us over the next 10 years.

They are:

- the three waters reform
- the Resource Management Act changes
- future for local government

At this stage this Long-term Plan is taking account of them but is unable to determine what the impacts on our financial and activities will be.

THE THREE WATERS REFORM UPDATE

Just prior to this Long-term Plan being adopted, the Minister of Local Government announced an overview of the three waters reform which included:

- Water services will be amalgamated into four publicly-owned entities to take responsibility of drinking water, wastewater and stormwater infrastructure across New Zealand.
- The release included proposed boundaries (based on scale and population size) of the four water providers, further details on the proposed water services entities, including governance arrangements, the role of iwi, and how they would be regulated.
- However, the Government remains interested in continuing discussion with local government and iwi/Māori most affected by the proposed boundaries for feedback on these before progressing them in legislation.
- It was signalled that further announcements would be made in the coming months.

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3. Long-term Plan decisions

Tauranga City went to the community with a draft Long-term Plan that proposed a range of options. The specific decisions on those options are contained in the table below.

Consultation topics	Options	Option chosen
Building a great city now, for the future	Option 1: Invest in our city now and for the future Option 2: Invest some now and a little for the future	Option 1
Funding the investment priority areas - Targeted rates	Option 1: Introduce new targeted rates for stormwater, transportation and community facilities, and to extend the resilience targeted rate to include capital expenditure Option 2: No new targeted rates but continue to collect through general rates	Option 1
Funding the investment priority areas – Commercial Differential	Option 1: Increase the commercial differential to 1.6 in 2021/22 Option 2: Increase the commercial differential to 1.4 in 2021/22 and then to 1.6 in 2022/23 and onwards	Option 1
Sale of Pitau Road village and Hinau Street village	Option 1 - Proposal: Pitau Road Village and/or Hinau Street Village are separated from the elder housing portfolio and sold for private development Option 2 - Alternate option: Pitau Road village and/or Hinau Street village are sold as part of the elder housing portfolio	Option 1
Supporting community-led initiatives	Option 1: Set up a community grants fund of \$1.8m per year Option 2: Retain the current approaches to community funding and support	Option 1
Our civic administration building (Council building)	Option 1: Proposed 2021-31 LTP - Lease purpose build office 90 Devonport Road - 8000m2 over 15 years completed July 2023 Option 2: Updated 2018-28 LTP - Lease purpose build office located on Willow or Durham Street sites over 15 years - 8000m2 completed July 2025	Option 1

Long-term Plan Amendment 2021-2031

Long-Term Plan Amendment

Tauranga City went to the community with a draft Long-term Plan that proposed a range of options. The specific decisions on those options are contained in the table below.

Consultation topics	Options	Option chosen
Civic Precinct Development	<p>Option 1: Te Manawataki o Te Papa (Civic Precinct) Masterplan (Refreshed 2021) at an estimated capital cost of about \$303 million, subject to achieving 50% of the required funding from sources other than rates-funded debt. Estimated net cost to ratepayers of \$151.5 million.</p> <p>Option 2: Civic precinct projects and services currently included in the Long-term Plan 2021-31 (modified status quo option with updated costings) at an estimated capital cost of just under \$127 million.</p>	Option 1
Funding the TSP	<p>Option 1: Apply for IFF funding to contribute \$200 million to the delivery of Western Bay of Plenty Transport System Plan projects (subject to a competitive finance rate and Government approval), funded by an annual levy on all eligible properties.</p> <p>Option 2: Status quo: Do not proceed with an IFF arrangement and retain the higher transport targeted rate and other rating for debt repayment, as presented in the 2021-31 Long-term Plan.</p>	Option 1
Funding Tauriko West	<p>Option 1: Apply for IFF funding to contribute to the delivery of Tauriko West infrastructure (subject to a competitive finance rate and government approval), funded by an annual levy on the properties which benefit from that investment.</p> <p>Option 2: Status quo: do not proceed with an IFF arrangement and fund the development, when possible, via the council's usual funding methods (development contributions).</p>	Option 1

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What these decisions mean...

The following page describes the impact of the Long-term Plan decisions and how these will be implemented across 12 areas.

1. Funding
2. Places and spaces
3. Arts and culture
4. Homes
5. Transport and roading
6. City centre/economic development
7. Communities
8. Resilience
9. Sustainability
10. Delivery
11. Long-term Plan Amendment - Civic Precinct masterplan - Te Manawataki o Te Papa
12. Partnerships

1. Funding

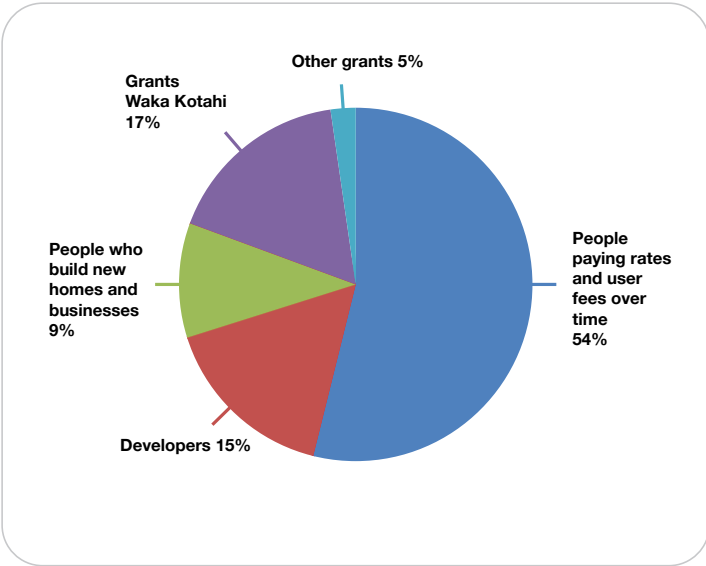
Tauranga City is planning to invest \$5.0 billion in its capital programme over the next ten years to deliver on this Long-term Plan.

There are two ways the council funds what it does:

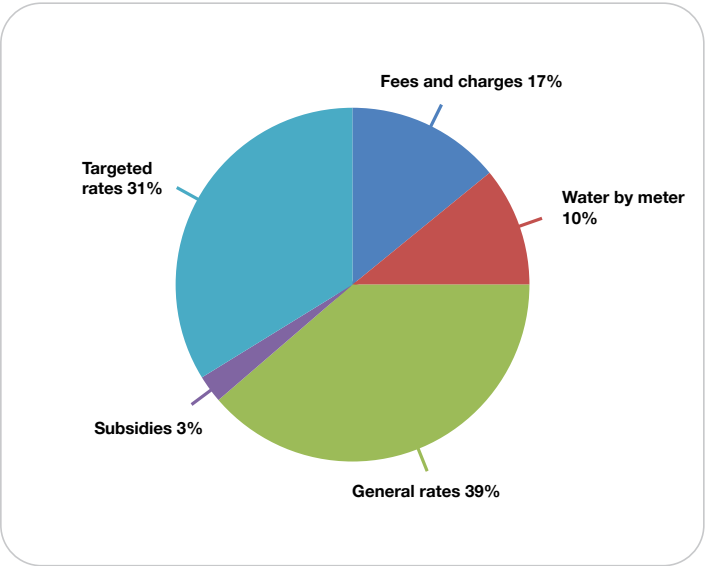
- operational expenditure (the things we do to keep the city ticking over)
- capital expenditure (the things we build to make the city liveable).

The following graphs show where this money comes from for each of these types of expenditure:

Who is paying for the investment in the capital programme over 10 years (\$5,004 million)



Revenue funding operational expenditure over 10 years (\$4,658 million)



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RATING

The Council agreed that to deliver on its work programme, anticipated rates increases over the next 10 years are as follows:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total rates (\$m)	234	269	287	320	355	395	435	467	503	539
Total rates increase (net growth)	21%	13%	5%	10%	10%	9%	8%	5%	5%	5%
Total rates increase (net growth) excluding kerbside	16%	14%	6%	11%	11%	10%	8%	5%	6%	5%

The Council has also agreed to undertake further work on the rates postponement policy and development of a new national scheme to assist rates affordability for people on low or fixed incomes.

Residential

The impact of this on residential rates is as follows:

What your rates are made up of for 2021/2022 (incl gst)													
	Capital Value	Waste water	Kerbside Recycling	New Waste service	Resilience	Storm water	Transport	Community	UAGC	General rates	2021/2022 (without waste)	2021/2022 (with waste)	2020/2021 rates
residential													
low residential (1%)	\$330,000	\$539	\$37	\$173	\$4	\$15	\$14	\$39	\$199	\$824	\$1,671	\$1,844	\$1,605
lower quartile (25%)	\$530,000	\$539	\$37	\$173	\$6	\$24	\$22	\$63	\$199	\$1,324	\$2,215	\$2,388	\$2,069
median (50%)	\$655,000	\$539	\$37	\$173	\$8	\$30	\$28	\$78	\$199	\$1,636	\$2,554	\$2,727	\$2,359
upper quartile (75%)	\$820,000	\$539	\$37	\$173	\$10	\$37	\$34	\$98	\$199	\$2,048	\$3,002	\$3,175	\$2,742
high residential (99%)	\$2,490,000	\$539	\$37	\$173	\$29	\$114	\$105	\$298	\$199	\$6,218	\$7,538	\$7,711	\$6,617

What your rates are made up of for 2021/2022 (incl gst)					
	Capital Value	Increase in total rates without waste	Increase in total rates with waste	Increase in total rates \$/pw without waste	Increase in total rates \$/pw with waste
residential					
low residential (1%)	\$330,000	4%	15%	\$1.28	\$4.60
lower quartile (25%)	\$530,000	7%	15%	\$2.80	\$6.13
median (50%)	\$655,000	8%	16%	\$3.75	\$7.08
upper quartile (75%)	\$820,000	9%	16%	\$5.01	\$8.33
high residential (99%)	\$2,490,000	14%	17%	\$17.72	\$21.04

The Council is also initiating work to identify new commercial rating categories (such as CBD and port and related industries groupings) which would better reflect affordability and benefit profiles.

Commercial differential

The Council is increasing the commercial rating differential from 1:1.2 to 1:1.6.

This brings it more in line with other major urban centres.

What your rates are made up of for 2021/2022 (incl gst)											
	Capital Value	Waste water	Econ Dev	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2021	2020/2021 rates
commercial											
lower quartile (25%)	\$550,000	\$1,078	\$297	\$10	\$40	\$37	\$105	\$199	\$2,198	\$3,964	\$3,120
median (50%)	\$1,070,000	\$1,078	\$577	\$20	\$78	\$72	\$205	\$199	\$4,275	\$6,504	\$4,833
upper quartile (75%)	\$2,140,000	\$1,078	\$1,154	\$40	\$156	\$144	\$409	\$199	\$8,551	\$11,732	\$8,358
high commercial (99%)	\$25,626,000	\$1,078	\$13,824	\$482	\$1,870	\$1,722	\$4,903	\$199	\$102,396	\$126,474	\$85,739

What your rates are made up of for 2021/2022 (incl gst)			
	Capital Value	Increase in total rates	Increase in total rates \$/pw
commercial			
lower quartile (25%)	\$550,000	27%	\$16.23
median (50%)	\$1,070,000	35%	\$32.14
upper quartile (75%)	\$2,140,000	40%	\$64.87
high commercial (99%)	\$25,626,000	48%	\$783.36

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Targeted rates

We are introducing four new targeted rates as follows.

Stormwater

Currently, we use the general rate to fund investments in stormwater. We will be making this a targeted rate so people can see what they are paying for.

Transportation

There is currently no significant targeted rate for transport investments. We will establish a targeted rate from 2022 to fund transport projects and pay off some debt.

Community facilities

There is currently no significant targeted rate for community spaces and places such as libraries and parks. We will establish a targeted rate from 2022 to fund building projects and pay off some debt.

Resilience

A targeted rate for making our city more resilient to disaster and climate change was established in the previous Long-term Plan. This rate initially funded the costs of resilience planning. We are now going to invest heavily in building projects for resilience (which requires capital expenditure). We are increasing the resilience rate to cover the costs of this investment.

DEVELOPMENT CONTRIBUTIONS

Citywide development contributions are increasing by approximately 130% . However Council has agreed to a reduced citywide contribution charge applicable from 1 August 2021 to 31 January 2022. For example, the citywide development contributions for a 3 bedroom dwelling will be:

- \$19,708 (inclusive GST) from 1 August 2021
- \$28,556 (inclusive GST) from 1 February 2022

Most of this increase relates to costs for the Waiari Water Supply scheme and associated trunk mains being introduced into the life of this Long-term Plan.

There may be further increases to the city-wide or local development contributions from 1 July 2022 as determined by the growth share for new community facilities, transport projects and Te Papa peninsula investment.

2. Investment in places and spaces

This Long-term Plan has taken a fresh look at how we can create a more liveable city that has amenities and environments that contribute to a sense of wellbeing and enjoyment.

While catering for new residents and businesses will always be important for New Zealand's fastest growing city, some of this focus had been at the expense of existing and non-infrastructure needs. The Commission have redressed this balance in this Long-term Plan.

Over the next 10 years we will be investing \$689 million in spaces and places including aquatics, sports halls, sportsfields and libraries. Also, through the accessible recreation programme, we are also investing in boardwalks, park furniture, shade, sports facilities and accessibility solutions to enable our varied and growing community to connect, explore and engage in valued experiences across the city.

This expenditure will enable us to:

- catch up on under-investment over recent years
- provide facilities on both sides of the harbour
- replace old facilities that no longer meet the needs of our community
- secure land for future community spaces and places (beyond the timeframe of this Long-term Plan).

Investment decisions included:

- constructing a new Memorial Park aquatic centre and considering bringing forward the indoor sports facility project, if possible, as the aquatic project progresses
- landscaping of open spaces between Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

- a capital grant of \$1.72 million to the Bay Oval Trust, with debt to be retired over the next 11 years, as a contribution towards the cost of the Stage 2 pavilion, event day toilets, generator shelter and broadcast towers
- \$230,000 to assess the needs of roller sports, upgrade skatepark facilities and develop the design of a destination skatepark facility, with a further \$670,000 available in 2022/23 to contribute to construction
- engagement with the Welcome Bay community on reserves and amenity development, utilising funds which had been earmarked for Forrester Drive walkway use in 2022 and an additional \$309,000 in 2023
- Gordon Spratt Reserve initiatives including an additional \$475,000 to contribute to replacing the lights at the netball and tennis courts and retention of \$235,000 to install a pump track, both in 2021/22
- support to Predator Free Bay of Plenty
- improved reserve amenities (drinking fountains, public toilets etc)
- tree planting.

Key LTP investments

- Re-development of the Memorial Park pool
- Re-development of the Memorial Park indoor sports facility
- Development of a new active reserve and associated facilities in the west of the existing urban area
- Development of a new active reserve in the Tauriko area
- Development of a community centre in the Tauriko area
- Development of a library in the Tauriko area
- Development of community centres in existing urban areas (Te Papa, excluding city centre)
- Parks developments and upgrades (some also included in city centre figures)
- Development of sportsfields and associated facilities
- Development of Kopurererua Valley
- Marine Park/Sulphur Point upgrade and capacity increase
- Public spaces and amenity improvements in the Te Papa peninsula
- Strategic land purchases for future community facilities in both the Te Tumu and Tauriko areas
- Ohauti active reserve development
- City centre community spaces and library
- Memorial Park to city centre waterfront pathway

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3. Investment in arts and culture

Following engagement and consultation throughout the development of this Long-term Plan increased recognition has been given to the vital role that the arts, culture and heritage sector play in the social, economic and cultural wellbeing of our city.

For many years arts, culture and heritage investment has taken a back step to other priorities in our city and now is receiving a \$750,000 injection to realise its value in adding to the vitality and uniqueness of our city.

Investment decisions include:

- \$ 150,000 increase for the Art Gallery
- \$125,000 increase in 2022 (and a further \$220,000 in future years) for the Incubator
- \$100,000 increase for the Heritage Collection enabling it to be shared with the community through a range of pop-up and temporary exhibitions
- \$100,000 new funding for the film sector – see section 6 for more information

As well as these initiatives Ngai Tamarawaho, in partnership with the Pukehinahina Charitable Trust, received \$125,000 funding towards the establishment of a cultural centre at Gate Pa/Pukehinahina reserve which would focus on the New Zealand land wars.

A new heritage projects fund was also established (\$150,000) to enable Taonga Tu/Heritage Bay of Plenty Trust to develop an opportunity for a new heritage centre to be located in the CBD.

These new funds are in addition to the current support provided to arts, culture and heritage organisations through the events funding framework, the Creative Communities programme and various partnership funding contracts.

4. Investment in homes

We know that more than 35,000 homes will be needed in the next 45 years to accommodate people who will be living here.

We are going to invest over \$2.7 billion over the next 10 years to establish more liveable places and homes within the current footprint of the city, as well as laying the groundwork for additional homes and businesses in new areas.

While land for new housing is limited in Tauranga there are two areas being developed in Tauriko and Te Tumu that will see fresh new communities spring up [see map]. There is also going to be new 'city-living' type investment in housing infrastructure along the Te Papa peninsula from Sulphur Point to Barkes Corner.

TAURIKO

We will invest \$465 million in and around Tauriko over the next 10 years. This includes \$83 million related to community spaces and places and \$263 million on transport.

These investments will provide for:

- the construction of 3,000 to 4,000 new homes
- improvements to the state highway network including SH29 and connections
- an additional 100-150 hectares of business land providing for around an additional 2,000 jobs.

TE TUMU

We will invest \$478 million in and around the Te Tumu area over the next 10 years. This includes \$36 million related to community spaces and places and \$164 million on transport.

These investments will provide for:

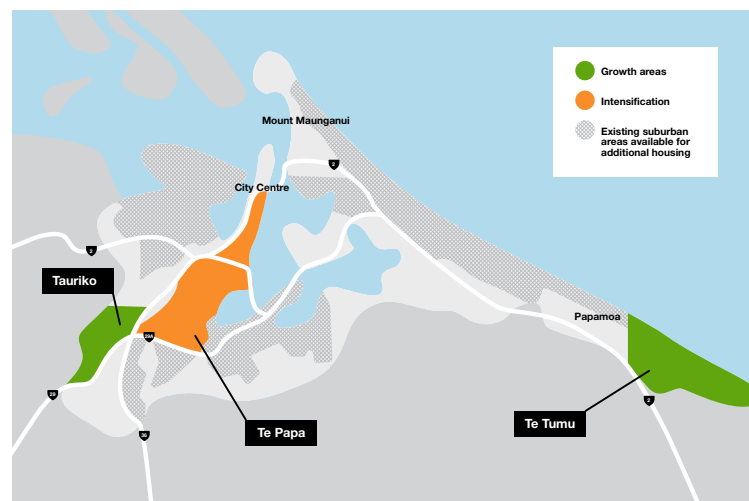
- the construction of 2,000 to 3,000 homes in areas already zoned for housing
- the construction of a further 7,000 to 8,000 homes in Te Tumu once it is zoned for housing
- the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange to support the residential development and also 57 hectares of land for new businesses and employment.

TE PAPA PENINSULA

We plan to invest \$738 million for the Te Papa peninsula developments over 10 years. This includes \$70 million related to community spaces and places and \$502 million on transport.

These investments will provide for:

- an additional 15,000 residents in the area by 2050
- an additional 4,000 jobs in the city centre by 2063
- an improved passenger transport route from Tauriko to the city centre, and improved transport choices throughout the peninsula.



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NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT

The National Policy Statement on Urban Development (NPS-UD) – set by central government - requires us to enable higher-density living in parts of the city that are easily accessible by active or public transport networks. The NPS-UD specifies that sufficient land capacity (ie zoned land and infrastructure) must be provided to meet expected demand.

Tauranga City Council is aware that during the next 10 years there is likely to be more demand than can be met - even though the developments outlined above will be actioned. Therefore, the Tauranga City Council does not currently comply with the NPS-UD standard.

The main reasons for this are due to processes such as re-zoning, issues with access (including State Highway access into development areas) and development of Maori land still needing to be addressed.

The potential housing shortfall identified above does not have a direct effect on the annual rates requirement set out in the LTP for the council. Operating expenditure budgets are based on the cost of:

- providing services to the community,
- maintaining the existing asset base and
- the operating costs of capital investment

The potential variances in population growth within the LTP period as a result of land supply constraints do not significantly impact the proposed expenditure above or the resulting rates requirement for the council. However, from the perspective of ratepayers if there are fewer ratepayers because of the housing shortfall the cost per ratepayer will be slightly higher. The indicative scale of impact based on dividing the expenditure by the total number of ratepayers is \$10 in 2022 increasing to \$132 in 2026 when the shortfall is at its highest before the

shortfall begins to drop away.

There are no other significant financial impacts (particularly capital expenditure) from the potential housing shortfall. Capital expenditure for growth is not altered by the timing variances in the long term plan and is required to meet the land supply needs identified.

Council has utilised the full growth assumption in the Capital expenditure included over the 10 years of the LTP.

Estimated Dwelling Shortfall/(Surplus)	Short term (1-3 yrs)	Medium term (4-10 yrs)
Projected dwellings needed (Citywide)	3,513	7,904
Shortfall/(Surplus)	986	(986)
City shortfall plus 20% as required by NPS	1,689	595

The current long term dwelling projection for Tauranga City for the 2030-50 period is 14,100 dwellings. Applying the 15% competitiveness margin as required under the NPS on Urban Development (NPS-UD) increases the projection to 16,215 dwellings.

The current expectation is that there will be capacity remaining in the current Greenfield UGA's of approximately 1,250 dwellings and in the future Greenfield Urban Growth Areas (UGA's) (Te Tumu, Tauriko West and Keenan Road UGA's) approximately 8,000 dwellings; together totalling around 9,250 dwelling capacity at 30 June 2030. It is not clear at this point whether all of this remaining capacity will be taken up within the long term 20 year period. If all Greenfield capacity was taken up this would leave 4,850 dwellings to accommodate (or 7,000 dwellings including competitiveness margin). It is currently assumed that residential intensification uptake will accelerate in the longer term with Plan Change 26 Housing Choice to the Tauranga City Plan enabling and encouraging increased residential intensification. The Te Papa Spatial Plan, and

the Otumoetai Spatial Plan to be developed, will further support greater dwelling uptake in these established parts of the City.

The current allocation assumes that some capacity will remain in Te Tumu and Keenan Road by 2050, with residential intensification providing for the balance of projected growth not accommodated in current and future UGA's. This assumption will continue to be reviewed and adjusted where necessary through NPS-UD monitoring, and through other NPS-UD mechanisms including future Housing and Business Development Capacity Assessments and Future Development Strategies. Where residential intensification is not able to provide for the required amount of dwelling growth other Greenfield UGA's may need to be released to provide for any identified shortfalls.

WATERS INFRASTRUCTURE THAT WILL SUPPORT THE LIVEABILITY OF OUR CITY

Much of the investment needed to ensure liveability goes on infrastructure that is largely invisible. Within this Long-term Plan there is \$168 million for further development of the Waiari water supply scheme and \$195 million for the further development of the Te Maunga wastewater treatment plant and associated assets.

OTHER HOUSING INITIATIVES

We are committed to engaging with the Tauranga community, government partners, existing users, mana whenua and key stakeholders of the Greerton Racecourse and Golf Course which is Crown-owned land to consider options exploring the most appropriate and efficient use of this land in the short, medium and long term.

We have agreed to establish two new grant funds that will assist the development of community and Papakainga housing within the city. The grants are for \$500,000 per year each and will be available in years 1-3 of this Long-term Plan. These grants will be from the sale of the elder housing units.

ELDER HOUSING

In 2018 the Council agreed to sell seven of its nine elder housing villages to an alternative public housing provider. The money from this is to be put in an elder housing and social/public housing reserve until the Council confirms how this should be used. Formal negotiations are currently underway to sell these to Kainga Ora (central government's public housing provider).

We consulted through this Long-term Plan on the sale of Pitau Road and Hinau Street villages (the last two of the nine) for private redevelopment. The money from these sales will also be put in a reserve until we confirm how this should be used.

We will no longer be providing any elder housing services once this process is complete but has committed to ensuring that tenants from all these villages will be rehoused in affordable and secure housing elsewhere.

5. Investment in transport and roading

As we know, congestion and an inability to move freely around the city have arisen from a combination of our geography and our rapid growth. With New Zealand's biggest export port in our city centre, housing developments that have spread out along the coastal strip, two long narrow peninsulas and limited access points to the city, Tauranga has some unique challenges.

This Long-term Plan provides for \$2.0 billion investment over the next decade to address some of these. However, even with this level of expenditure there are no quick fixes and many of the current transport-related issues will remain for some time.

Included in the transportation and roading expenditure is \$301 million on walkways and cycleways and more accessible streets, \$112 million on bus infrastructure (including park and ride facilities) and \$175 million on local road renewals.

PUBLIC TRANSPORT

This Long-term Plan includes \$112 million to deliver improvements to public transport such as new and renewed bus shelters, improved customer information systems like 'real-time information' at bus stops, park and ride facilities and bus facilities/hubs at key interchange locations like the city centre.

In addition to this, other significant projects in the city such as 15th Ave/Turret Rd improvements and Future Proofing Cameron Road, will also be focusing on ways to improve accessibility to public transport – making it easier and faster to get around (eg dedicated bus lanes).

This work will be undertaken jointly with the Bay of Plenty Regional Council and Waka Kotahi – as part of our

commitment to the Urban Form and Transport Initiative and the Transport System Plan (see box to right).

PAPAMOA EAST INTERCHANGE

We have agreed to bring forward preliminary work and design on the Papamoa East Interchange (which will connect the eastern parts of the city to the Eastern Link Highway) with a commitment to \$15.1 million investment in year one of this Long-term Plan.

By agreeing to bring this work forward the project could be completed in 2024 and will enable housing developments to be accelerated in the eastern corridor. And while the interchange undoubtedly unlocks the delivery of much needed new homes it also provides connectivity benefits to those who already live in the eastern part of the city.

Work will continue with central government partners on financing options before any final decision is made to proceed to construction.

Here is a list of other key investments:

- 15th Avenue / Turret Road corridor
- Hewletts Road / Totara Street / Hull Road sub-catchment
- Bus infrastructure (inc Park n Ride)
- Accessible streets, including walkways and cycleways
- Te Papa intensification (including Cameron Road, and Transport Hub)
- Local Roads Safety and upgrades
- Vested Assets
- Resilience Projects (also included under Resilience)
- Other Transport Projects

CYCLING

The Accessible Streets programme will deliver safe, convenient, reliable and accessible transport choices for people who bike as well as supporting a future micro mobility network catering to all ages and abilities.

To achieve this, we intend investing \$171.3m to provide 30kms of separated bicycle facilities. This will enable accessibility for school, work or recreation within local neighbourhoods as well as across the city.

WAKA KOTAHİ NZ TRANSPORT AGENCY

Waka Kotahi NZ Transport Agency provides a 51% subsidy to council for maintenance and renewal of some of our roading network. They have indicated that the projected total value they will support with subsidy is \$14 million lower than we budgeted in the draft for the first three years.

The impact of this on our maintenance and renewal budgets for roading will see an estimated reduction of \$14 million lower than we budgeted in the draft LTP for the first three years and \$22 million less than initially requested.

Levels of service will need to be adjusted to accommodate this change.

There is also risk around the amount and timing of Waka Kotahi investment in the TSP and other transport projects. To reflect this uncertainty about funding levels and timing, transport investment in the first five years has been reduced by \$227m, with this budget moved into the last five years. Further information will be forthcoming over the next months and refined in later years as Waka Kotahi considers its priorities. The capital adjustments included for TSP across all investment options provides flexibility for council to respond to deliverability and funding uncertainty.

Please refer to Section 04 Financial Strategy for more information.

6. Investment in the city centre/ economic development

Our city centre is slowly transitioning from being a traditional retail/service centre to becoming the major civic, cultural, business, educational, residential and commercial hub of our region.

This Long-term Plan has a number of initiatives specifically aimed at the city centre to facilitate a more speedy and cohesive transition and finding a balance between supporting what's already there and encouraging additional private investment. The key to success will be that this is not just council-driven but that all stakeholders and different groups work together.

Potential private sector developments with a capital value of \$650 million are already in the pipeline over the next 10 years. We need to ensure these can progress into profitable outcomes not just for the developers but for everyone who lives and works in the central business district.

CIVIC ADMINISTRATION BUILDING

We are going to lease a new civic administration building at 90 Devonport Road from 2024. This changes an earlier decision to lease a new building at the Willow St site in 2018.

There are three main advantages to this change in approach.

1. Being located in the northern end of the CBD will be a significant stimulus to this area of the city.
2. This frees up the Willow St site for other community facility development such as the new library, community hub and open space elements.
3. Enabling staff to be located in one centralised office sooner (staff currently operate from three

central city sites) as the Willow St option would have taken longer to get underway.

Overall, this decision means there will be council-led activation at both ends of the CBD which will stimulate further private investment as well as increasing the vibrancy and activity in the city centre.

NEW CENTRAL LIBRARY AND COMMUNITY HUB

We'll be proceeding with the planned development of a new central library and community hub on the land at Willow Street.

This will support engagement with, and delivery of the library network (both physically and digitally) and contribute to a vibrant city centre.

We anticipate that it will:

- provide a wide spectrum of programmes and events, co-created with our community
- improve access to information, technology and resources
- enable study, business and personal development
- provide space for meetings, gatherings and community services
- demonstrate a visible partnership with Mana Whenua
- provide an expanded heritage and collection space to reflect our evolving history
- become a place for current and future generations to love.

The new central library and community hub will commence in 2022 with an expected completion in late 2024.

CIVIC PRECINCT MASTERPLAN

We're proceeding with the planned development of the Civic Precinct masterplan - Te Manawataki o Te Papa on the land at Willow Street.

This will support engagement with, and delivery of the library network (both physically and digitally) and contribute to a vibrant city centre.

We anticipate that it will:

- Accelerate development of the entire precinct, to be completed by 2029.
- Provide potential capital investment savings, as a result of a procurement process offering a multi-year construction opportunity.
- Allow consistency of design across the precinct.
- Allow co-location of facilities across buildings.
- Align with mana whenua aspirations for the site.
- Allow us to tell important stories of Tauranga Moana's past and make our history accessible for future generations in the proposed museum and heritage centre.
- Fast-track community social, economic and cultural benefits.
- Deliver a vibrant city centre where people will want to meet.
- Align with strategies and policies relating to the city centre and help achieve the 'connected centres' approach outlined in the sub-region's Urban Form and Transport Initiative.
- Deliver a suite of projects (e.g. museum and exhibition/events space, new library) that align with community perceptions about what they would like in the city centre.
- Promote other private investment in the city centre.

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OTHER INITIATIVES

A \$500,000 city centre development incentive fund has been established targeting the costs of inner-city residential development such as consenting fees, parking fees and the creation of nearby public amenities. This will be funded 50% from each of the general and commercial rate. Criteria for this fund will be agreed at a later date.

There is to be continuation of two-hour free parking availability in the CBD until February 2022. By this time the Parking Strategy will have been completed including community engagement on a local implementation plan. It is however signaled that the cost of parking in the CBD is likely to increase as a result of the direction from the Transport Systems Plan (TSP) and Urban Form and Transport Initiative (UFTI) work.

Another decision that combines art, culture and economic development outcomes is the establishment of a \$100,000 fund for the film and media sector, to be administered by Priority One. This will be used to attract and support a range of businesses and educators across film and media creating both new jobs and a more skilled workforce.

7. Investment in communities

A significant number of submissions during the Long-term Plan process recognised the important role Tauranga City Council has in building thriving communities and supporting them to have a sense of belonging, connection and wellbeing.

A very strong theme also emerged around the desire of people to be heard, to play a stronger role in decision-making for their own communities and a willingness to partner with the council in a wide range of ways.

This Long-term Plan has therefore established a range of initiatives and actions that bring to life the increased commitment towards social and community connections and proactive community engagement.

CONTESTABLE GRANTS FUND

We approved a contestable community grants fund of \$1.81 million to support community organisations with one-off projects or to enable longer-term partnership agreements to be established.

This new fund will ensure consistency, fairness, and transparency in how we support community organisations.

The fund will have \$1.31 million (initially rates-funded) and \$500,000 (loan-funded) with the rates-funded portion increasing by \$100,000 each year until the fund is fully rates-funded by the 2027 financial year.

Submissions were received from a range of organisations that may now be able to apply for these Funds once the Policy and process has been established.

These include:

- Citizens Advice Bureau Tauranga
- Water Safety Bay of Plenty
- He Kaupapa Kotahitanga Trust (Awhina House)
- Kāinga Tupu Taskforce – people living in cars
- Age Concern's assisted community shopping service.

OTHER COMMUNITY PARTNERSHIP INITIATIVES

We confirmed one full-time equivalent role to coordinate the Kāinga Tupu programme to address homelessness.

In principle support has been given to provide financial support to the Kāinga Tupu Taskforce for a Tauranga Food Security Hub (co-location of Foodbank and Good Neighbour services) that will provide fit-for-purpose premises as well as increased collaboration and service coordination.

In principle support has also been given to the Tauranga Community Wellbeing Hub (a centralised facility for people experiencing homelessness) for three years from 2023.

Then Support for both these projects is dependent on feasibility studies being completed before the in principle support becomes confirmed.

We will be engaging with Age Concern Tauranga and others to review community centre provision, services and models – with the potential to consider development of a Wellness Centre.

We are also committed to strengthening relationships and support for community groups such as the Arataki Community Liaison Group, The Lakes Community Association, and the Welcome Bay and Papamoa Residents and Ratepayers' Associations.

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8. Investment in resilience

With increasing threats from natural hazards and already stressed infrastructure, continued and renewed investment to ensure our communities are safe is important.

We are planning for this changing environment so that our assets – particularly pipes and roads - continue to operate during hazard events and provide a solid platform for communities to thrive.

We have identified 315 projects to improve our city's resilience to natural hazards including:

- sea level rise
- tsunami
- land slide
- flooding
- liquefaction
- inundation
- erosion.

The Council introduced a targeted rate for resilience in the previous Long-term Plan. This was for the costs of planning for resilience projects.

We have agreed that this targeted rate will now be increased to cover capital costs enabling us to bring forward delivery of resilience projects that will futureproof our city.

Early program of works total \$125m and include the following:

- Joyce raw water supply
- Tauranga Hospital and Historic Village
- Oropi and Joyce water supply trunk mains
- Chapel St Bridge and causeways
- Slips in vicinity of Cambridge Road/Ferland Spa

9. Investment in sustainability

In addition to ensuring we have resilient infrastructure that can respond to the challenges that will come from climate change, we have a range of strategies and actions that together will achieve measurable reductions in our city's carbon emissions.

As a city we generate 5.9 tonnes of carbon dioxide emissions equivalent per person. The Urban Form and Transport Initiative (UFTI) and the Western Bay of Plenty Transport System Plan (TSP) include investment objectives of reducing emissions to net zero by 2050, and the SmartGrowth partners are also committed to achieving the Government's climate change targets for transport emissions.

Through the implementation of both the UFTI and TSP plans, tailpipe emissions are anticipated to reduce by as much as 50% by 2030 and 90% by 2050. Specific projects through the TSP include Cameron Road – Stage 1 and Stage 2, the accessible streets programme, the parking strategy, the Tauriko enabling works, and the Totara Street and 15th / Turret Road improvements.

Aligned with these plans, Plan Change 26 focuses development within the city to create more compact living environments. This has the effect of reducing the need for cross-city travel as well as improving accessibility to public transport along main transit routes - thereby also reducing carbon emissions.

And while most emissions in Tauranga are related to road transport (60%) the council also needs to look at electricity consumption and solid waste disposal which together make up another 22% of our greenhouse gas emissions.

A sustainability stocktake has been undertaken to review the performance of council and the city so we can develop

a Sustainability Framework by the end of 2021. This will provide the council with clarity around the outcomes we want for Tauranga and measurable objectives and an implementation plan. Resourcing for this will be proposed through the 2022/23 Annual Plan process for the balance of this Long-term Plan.

New rubbish, recycling and food scraps kerbside collections began in July 2021 with Tauranga aiming to halve the amount of waste being sent to landfill by 2028. The new system was established to ensure that 65% of current waste is diverted to composting or recycling.

This decision, following community consultation on Council's last Long-term Plan, has now been enacted with fortnightly rubbish and recycling, weekly food scraps collection and an optional fortnightly or four-weekly garden waste collection.

As a result of this decision, the majority of households will now have their previous waste disposal costs reduced while receiving a more comprehensive service. This also means a reduction in methane produced by landfills and therefore a reduction on our greenhouse gas emissions

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10. Investment in delivery

The investments outlined in this Long-term Plan are by far the biggest ever proposed for the city. Being able to deliver on our commitments as outlined in this Long-term Plan requires significant investment in both our people and our systems, as well as providing an appropriate place for our city-based staff to work.

We need a highly capable, responsive and skilled organisation if we are to deliver for our community.

Some of the key areas where there will be increased investment and focus include:

- building the capacity and capability of our staff to deliver on the huge capital programme (replacing consultants where possible and ensuring we are paying competitively for the specialists that we need)
- establishment of a Capital Assurance Projects Division (CPAD)
- community engagement and consultation (meeting the needs of the community for us to be more proactive, to be more responsive, and empowering the community to become more involved in the decision-making processes of council)
- digital systems, security and public-facing tools
- measuring ourselves always against best practice and ensuring we meet performance standards.

In 2022, the additional investment for delivery will be \$31 million. This is predominantly in areas that will help us to deliver against our ambitious capex programme. This amount increases by around \$3 million each year of this Long-term Plan.

SUPPLY CHAIN ISSUES

Due to the current and projected disruptions from COVID on world-wide supply chains, our ability to deliver on the capital programme outlined in this Long-term Plan may still be constrained – despite the additional investment in people and systems. These will be monitored and reported on throughout the course of this Plan.

11. Long-term Plan Amendment - Civic Precinct Masterplan - Te Manawataki o Te Papa

The Civic Precinct masterplan proposal included in the Long-term Plan Amendment would provide: a library and community hub, civic whare (a venue for council and community meetings), and a museum and exhibition/

events space. It would also include landscaping of open spaces Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

This is to be a single-phase, staged development of the full refreshed Civic Precinct Masterplan.

The capital investment and associated operating cost impacts are as follows:

Capital expenditure per year													
Project	Total capital (\$, m)	Total external grants (\$, m)	Total net cost after grants (\$, m)	2022 (\$, m)	2023 (\$, m)	2024 (\$, m)	2025 (\$, m)	2026 (\$, m)	2027 (\$, m)	2028 (\$, m)	2029 (\$, m)	2030 (\$, m)	2031 (\$, m)
Site A Civic Establishment	7.0	-	7.0	-	5.7	1.3	-	-	-	-	-	-	-
Civic Library and Community Hub	88.2	13.8	74.5	1.1	7.6	35.3	34.3	10.0	-	-	-	-	-
Civic Plaza	15.7	5.8	9.9	-	-	0.5	1.9	6.6	6.6	-	-	-	-
Masonic Park	10.9	-	10.9	-	-	-	0.7	3.5	6.7	-	-	-	-
Museum & iSite	42.6	36.9	5.7	-	-	-	1.5	4.6	13.0	13.4	10.1	-	-
Exhibition & Gallery	61.6	36.9	24.7	-	-	2.2	6.5	19.2	19.8	13.8	-	-	-
Civic Whare	15.4	13.3	2.1	-	-	0.5	1.6	4.7	4.9	3.6	-	-	-
Baycourt Upgrade	11.0	1.3	9.8	-	-	1.8	9.2	-	-	-	-	-	-
Strand Waterfront Reserve	7.5	-	7.5	-	-	-	1.6	5.9	-	-	-	-	-
Wharf as part of Waterfront Reserve	25.4	-	25.4	-	5.1	6.6	6.6	7.1	-	-	-	-	-
Willow St Upgrade	8.9	-	8.9	-	-	-	1.1	2.4	3.6	1.9	-	-	-
Hamilton, Wharf & Durham footpath Upgrade	9.2	-	9.2	-	-	-	-	1.9	7.2	-	-	-	-
Total	\$303.4	\$107.8*	\$195.6	\$1.1	\$22.8	\$35.8	\$73.8	\$39.1	\$60.4	\$55.5	\$14.8	\$0.0	\$0.0

*Note that the actual grants by project in the above table is at \$108m but we have taken a more conservative approach in the consultation document by assuming a total of \$152m of external funding including the governments "Better off" funding. The amount of grant funding is uncertain, as we will not be in a position to seek funding support until approved plans are in place. As we firm up our funding options we will check in at key project milestones to confirm we have the investment we need before we proceed. For more information please see page 406.

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Operating costs by year (including the impact of inflation)										
Project	2022 (\$,000)	2023 (\$,000)	2024 (\$,000)	2025 (\$,000)	2026 (\$,000)	2027 (\$,000)	2028 (\$,000)	2029 (\$,000)	2030 (\$,000)	2031 (\$,000)
Site A Civic Establishment	-	86	191	357	356	386	381	374	366	357
Civic Library and Community Hub	211	327	684	1,447	1,827	6,001	5,978	5,926	5,844	5,732
Civic Plaza	-	-	7	44	97	245	737	763	758	749
Masonic Park	-	-	-	10	74	265	662	659	653	645
Museum & iSite	-	-	-	22	108	199	316	1,289	3,222	3,242
Exhibition & Gallery	-	-	33	164	426	776	1,242	3,707	3,783	3,753
Civic Whare	-	-	1	3	27	65	135	901	901	894
Baycourt Upgrade	-	-	27	174	746	788	776	760	740	715
Strand Waterfront Reserve	-	-	-	23	136	463	462	459	455	450
Wharf as part of Waterfront Reserve	-	77	252	450	656	1,465	1,458	1,445	1,427	1,404
Willow St Upgrade	-	-	-	16	68	185	281	534	532	528
Hamilton, Wharf & Durham footpath Upgrade	-	-	-	-	29	194	521	518	514	508
Civic Precinct Support	-	1,027	556	468	481	494	508	462	475	487
Total Operational Cost	211	1,516	1,751	3,178	5,031	11,526	13,457	17,799	19,670	19,463

Long-term Plan Amendment 2021-2031

12. Partnerships

COMMITMENT TO TANGATA WHENUA AND THE BROADER MĀORI COMMUNITY

Legislation – Local Government Act

As required by the Local Government Act 2002, Council is committed to maintaining and improving opportunities for Māori to contribute to Local Government decision-making processes within its area.

Tauranga City Council continues to prioritise the engagement of Tangata Whenua, valuing the connection and history that they add to the fabric of Tauranga. The iwi of Tauranga Moana play an important role in shaping our city and creating experiences for both residents and visitors. We are looking for the best ways to help iwi tell their stories and develop their communities.

There are exciting times ahead for Tangata Whenua, and we want to partner with iwi and hapū to bring their aspirations to the fore while delivering benefits to the wider community.

Our engagement with Tangata Whenua is facilitated by our Te Pou Takawaenga Māori Unit which has built a strong foundation for collaboration with Tangata Whenua over many years. This enables us to work closely alongside Tauranga Moana iwi to achieve our respective aims and aspirations. The Council does this through:

Engagement Forums

A number of formal engagement forums and committees have been established to facilitate better involvement and participation of Tangata Whenua. These include: Te Rangapū Mana Whenua o Tauranga Moana, the Joint SmartGrowth Committee, the Wastewater Management Review Committee, Te Maru o Kaituna River Authority and the Joint Mauao Administration Board.

Protocol Agreements

Council has formed protocol agreements with all Hapu and Iwi in the Tauranga City rohe. The protocols formalise the commitment between Council and Tangata Whenua setting out clearly:

- the basis of the relationship between Council and the Hapu/Iwi
- representation and mandates
- communication and consultation processes
- specific issues relating to each Hapu/Iwi
- regular reviews and evaluation occur with each of the Hapu/Iwi with regard to the implementation of each protocol agreement.

Iwi/Hapu Management Plans

Council has supported the development of Iwi/Hapu Management Plans with the majority having completed their plans, and a regular update of existing plans occurring.

Cultural Awareness Training

Cultural awareness training is available for all staff, elected members and city strategic partners and provides a good vehicle for better understanding of issues and key Māori relationships. These include:

- Te Kete ā Rohe: Cultural Connections training
- Te Kete Wānanga: Marae Based Workshops
- Te Kete Ipurangi: Online mātauranga Māori seminars
- Te Kete Mahi Pai: Best Practice Tool Kit
- Te Kete Kōrero: Pronunciation classes

Post Treaty Settlement Environment

The settlement of the Treaty Claims for local Iwi groups

will determine a new regime of participation with local authorities focusing on co-governance and co-management structures over community assets like Mauao and the Tauranga Harbour.

Facilitating Papakainga proposals

Te Keteparaha Mo Nga Papakainga Māori Housing Toolkit, is a step-by-step guide designed to help Māori develop papakainga proposals (development plans) on multiple-owned Māori land. Council is part of a joint agency group that supports Māori land trusts to develop their proposals through the use of the toolkit. Council is working on further support for papakainga housing focused on removing barriers to utilisation of Māori land. Most recently a papakainga development contributions grant scheme has been established. This will ensure this nationally recognised programme can continue to help provide affordable modern housing for Tangata Whenua.

The future is exciting for Tauranga City and Tangata Whenua, the key to achieving positive cultural and environmental outcomes is the ability to work productively together and participation lies at the heart of this.

COMMITMENT TO WORKING WITH OTHER COUNCILS AND CENTRAL GOVERNMENT

Strategies and plans – now and for the future

In recent years we have developed strategies and plans that provide a balance between being future focused, as well as providing pathways for improvements to our existing infrastructure and facilities – to make Tauranga a better place to live, work, play and learn.

These are not just our strategies and plans but have been developed in partnerships with tangata whenua, neighbouring councils, central government and other organisations to meet these challenges.

SmartGrowth

Launched in 2004, SmartGrowth provides a unified vision, direction and voice for the future of the western Bay of Plenty as we help develop a great place to live, learn, work and play.

The SmartGrowth Strategy forms an implementation plan focused on six key outcomes:

1. visionary leadership and collaboration
2. sustaining and improving the environment
3. building community
4. growing a sustainable economy
5. recognising cultural identity and change
6. integrated planning.

The underlying success of SmartGrowth has been the strength of collaboration and shared vision between the strategy partners: Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council, tangata whenua, partner community/business organisations and key Governmental agencies - like the Waka Kotahi NZ Transport Agency.

In October 2020 two Government ministers (Urban Development and Local Government) were formally added to the partnership with voting rights.

Urban Form and Transport Initiative (UFTI)

The Urban Form and Transport Initiative (UFTI) is a collaborative project led by SmartGrowth and Waka Kotahi NZ Transport Agency and involves Western Bay of Plenty District Council, Tauranga City Council, the Bay of Plenty Regional Council, iwi, and community leaders.

Together, we have committed to developing a refreshed, coordinated and aligned approach to key issues across the sub-region – such as housing, transport and urban development.

UFTI is focused on supporting liveable community outcomes – finding answers for housing capacity, intensification, multi-modal transport (such as public transport and cycleways) and network capacity.

Western Bay of Plenty Transport System Plan (TSP)

This document focuses on our region's future transport needs. Tauranga City Council, Western Bay of Plenty District Council, Waka Kotahi NZ Transport Agency, Bay of Plenty Regional Council, tangata whenua, Port of Tauranga, Priority One and KiwiRail have all helped to develop the Western Bay of Plenty Transport System Plan (TSP).

The TSP takes UFTI's Connected Centres vision and focuses on the first 30 years of transport planning required to make it happen.

It prioritises and decides what projects need to begin in 0-3 years, 3-10 years, and 10-30 years.

The TSP looks at the Western Bay's entire transport system including roads, rail, public transport, walking, cycling, parking and travel demand management, and the impact they all have on one another. It's vital our transport planning keeps everyone in mind.

Bay of Plenty Regional Council (BoPRC)

Council also works closely with BoPRC on the Regional Parks Strategy and the Kaituna River and Maketu Estuary Management Strategy.

Western Bay of Plenty District Council (WBoPDC)

The Western Bay of Plenty District Council/ Tauranga City Council Joint Committee also work in partnership to develop opportunities for joint service delivery and to oversee joint activity.

As a partner in the SmartGrowth Strategy 2051, Council has agreed along with the other partners not to adopt policies or take actions which are inconsistent with the outcome sought by SmartGrowth - without full negotiation and acceptance by the other partners.

Central Government Organisations

Council works with a number of central government organisations and recognises that these relationships have great importance especially as we continue to implement SmartGrowth and jointly achieve the outcomes identified through UFTI and the TSP.

In addition to this some of the work together with central government includes:

Futureproofing Cameron Road - \$45 million grant to promote urban growth, road safety, alternate transport choices and create attractive public spaces for the community. The grant we have received supports local economic recovery from Covid-19.

Kāinga Tupu: Growing Homes - Local government, central government agencies, local philanthropic funders and community organisations in the western Bay of Plenty have joined forces with the aim of eliminating homelessness throughout the western Bay of Plenty. Organisations involved in the taskforce include the Ministry of Housing and Urban Development, Te Pūni Kōkiri, Ministry of Social Development, Kāinga Ora: Homes and Communities, NZ

Police, Ministry of Education, Department of Corrections, BOP District Health Board, Wise Group, Te Rūnanga o Ngāi te Rangi Iwi Trust, Ngāti Ranginui Iwi Society Trust, BayTrust, EmpowermentNZ, Under the Stars, Accessible Properties, Huria Marae, and Tauranga City Council Action Group membership will also draw upon a range of other social agencies.

Reduce waste and improve recycling - Tauranga City Council has received \$20.5 million in funding from the Ministry for the Environment (MfE) to provide essential waste infrastructure which will reduce the waste sent to landfill by Tauranga and the wider Bay of Plenty. The MfE funding will go towards:

- kerbside collection bins for 58,000 Tauranga households
- optical sorting equipment at the material recycling facility
- upgrading the council's Te Maunga Transfer Station into a resource recovery park, including a construction and demolition waste recovery plant.

Tauranga City Council is committed to working closely with its neighbouring councils and central government organisations.

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Long-term Plan Amendment 2021-2031



02

Groups of Activities

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To see the Capital Expenditure programme for the whole of Council please refer to section 04: Financial Strategy

To see the Funding Impact Statement for the whole of Council please refer to section 05: Finance

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Transportation



How this affects you

The activity contributes to the efficient and safe movement of people and goods on the local road network, providing better transport choices, connecting communities and supporting businesses that operate across the city.

What we do

The Transportation activity manages Tauranga's transportation network, improving road safety and ensuring people enjoy easy access to different modes of transport. The activity operates and maintains local roads (including streetlights, bridges, footpaths, traffic signals, sumps, berms, bus shelters, parking buildings and parking machines), and monitors crash statistics to identify problem areas and determine solutions. Resilience of the transport network is supported by identifying the impacts of land use, growth and development on the network and parking resource, and identification of where future upgrades or control is required. The activity invests in walking and cycling projects, Public Transport projects and education to encourage greater use of more sustainable transport modes.

We will provide an efficient transport network, minimising all-day congestion	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average speed across key parts of the transport network* (freeflow speed = 59k/hr)	35km/h	27km/hr	27km/hr	29km/hr	29km/hr
Duration of peak across the transport network* (where traffic is travelling at 50% of freeflow speed of 59k/hr)	238min	345min	345min	330min	330min

We will provide opportunities for walking, cycling and bus travel, and encourage increasing awareness of sustainable transport initiatives, including school walking/cycling programmes	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Proportion of people journey to work via:					
1) a vehicle as the driver	46%	56%	54%	52%	50%
2) a vehicle as a passenger	2%	1-2%	2-3%	3-5%	3-5%
3) walking/jogging	2%	3%	3%	3%	4%
4) cycling	5%	6%	8%	8%	8%
5) bus	3%	8%	10%	10%	10%
6) didn't go to work or not stated	20%	23-25%	23-25%	23-25%	23-25%
7) Worked from home	8%	5-6%	5-6%	5-6%	5-6%
Number of participants in school children's walking and cycling programmes	8,065	5,800	6,000	6,000	6,200

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We will provide a well-maintained and fit-for-purpose road and footpath network, and well-utilised and available city centre parking	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average quality of ride of the sealed road network as measured by Smooth Travel Exposure e.g. percentage of smooth travel exposure (DIA measure)	90%	91-92%	91-92%	91-92%	91-92%
Percentage of footpaths that fall within the level of service standard for the condition of footpaths set out in the asset management plan (less than or equal to 1.5m of grade 4 or 5 faults per km of footpath). (DIA measure)	95%	98-100%	98-100%	98-100%	98-100%
The percentage of the sealed local road network that is resurfaced. (DIA measure)	2%	4%	4%	4%	4%
The percentage of customer service requests relating to roads and footpaths responded to within 7 calendar days. (DIA measure)	93%	85%	88%	90%	90%

We will identify and respond to safety issues, through education and engineering solutions	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The change from the previous year in the number of deaths and serious injury crashes on the local road network expresses as a number. (DIA measure)	+14 (previously 179)	Reducing	Reducing	Reducing	Reducing

* Hewletts Road (between Aerodrome Road and Totara Street); Turret Road/15th Avenue (between Hairini Bridge and Fraser Street); Cameron Road (between 15th Avenue and Elizabeth Street); Totara Street (between Hull Road and Hewletts Road)

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Failing to achieve a significant shift from the present single occupancy travel behaviour pattern will result in the increase in congestion on key corridors resulting in additional CO ₂ omissions, delays, fossil fuel consumption and have a negative influence on economic development.	●			●	Council, with NZTA and BoPRC, is proactively developing and implementing strategies and plans to support a shift to more sustainable transport modes.
Funding shortfalls for road maintenance such as reseals and rehabilitations could lead to the premature deterioration of very costly assets, which will result in poor and unsafe roads that will require a significant investment to restore the level of service.	●		●	●	Pavement Management Systems are implemented and maintained to forecast the pavement reseal and rehabilitation needs of the roading network for future years based on tested and accepted scientific practices. This allows Council to budget according to these future identified needs.
Construction of roads can have a significant negative effect on the environment and community, such as congestion and delays, air pollution, safety and stormwater issues and disturbance of cultural sites during earthworks.	●	●	●	●	Council addresses this by putting in place strong contractual and resource consent conditions to ensure that effects are kept to a minimum.

TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - TRANSPORTATION											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	25,507	27,742	28,834	24,489	24,949	33,447	27,869	35,703	41,744	49,862	58,424
Targeted Rates	308	2,167	3,548	5,558	9,510	16,614	27,465	38,574	43,487	46,154	52,598
Subsidies and grants for operating purposes	6,546	7,294	6,715	6,906	7,374	7,728	8,187	10,100	10,581	11,067	11,840
Fees and charges	3,626	3,507	4,738	5,272	5,833	6,171	6,510	6,870	7,245	7,636	8,034
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,665	1,688	1,737	1,788	1,839	1,893	1,944	1,998	2,054	2,112	2,169
Total Sources of Operating Funding (A)	37,652	42,398	45,572	44,013	49,505	65,853	71,975	93,245	105,111	116,831	133,065
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	22,907	22,529	21,764	22,188	23,202	30,845	25,204	29,359	30,481	31,691	33,821
Finance Costs	5,158	4,887	5,760	5,986	7,020	8,849	12,159	13,384	15,236	18,096	21,622
Internal Charges and Overheads applied	6,081	10,014	11,430	12,481	13,699	14,351	15,141	15,677	16,371	17,087	17,408
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	34,146	37,430	38,954	40,655	43,921	54,045	52,504	58,420	62,088	66,874	72,851
Surplus/(Deficit) of Operating Funding (A-B)	3,506	4,968	6,618	3,358	5,584	11,808	19,471	34,825	43,023	49,957	60,214

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - TRANSPORTATION											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	22,057	35,753	49,652	100,797	134,666	134,265	182,431	148,989	112,903	134,678	119,774
Development and financial contributions	3,673	4,958	5,070	5,575	5,859	5,268	4,913	5,943	6,184	5,778	3,101
Increase/(Decrease) in debt	9,639	16,497	(32,735)	(6,747)	36,647	54,196	57,534	53,268	96,323	120,880	141,220
Gross proceeds from the sale of assets	2,990	20	21	21	22	23	23	24	25	25	26
Lump sum contributions	526	90	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	38,885	57,318	22,008	99,646	177,194	193,752	244,901	208,224	215,435	261,361	264,121
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	11,180	27,477	(43,539)	66,964	122,427	127,470	97,467	104,657	181,116	220,181	182,193
- to improve level of service	25,377	39,221	75,251	51,239	55,266	61,126	133,352	93,127	21,849	28,621	69,275
- to replace existing assets	9,965	16,024	19,705	17,062	16,742	18,768	23,542	15,912	16,503	16,867	18,094
Increase/(Decrease) in reserves	(4,130)	(20,436)	(22,791)	(32,261)	(11,657)	(1,804)	10,011	29,353	38,990	45,649	54,773
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	42,391	62,286	28,626	103,004	182,778	205,560	264,372	243,049	258,458	311,318	324,335
Surplus/(Deficit) of Capital Funding (C-D)	(3,506)	(4,968)	(6,618)	(3,358)	(5,584)	(11,808)	(19,471)	(34,825)	(43,023)	(49,957)	(60,214)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		17,302	18,708	17,183	21,197	28,936	33,469	51,774	62,997	71,268	82,948

TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - TRANSPORTATION											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
GROWTH	54,355,930	-22,655,584	50,407,209	100,454,505	30,527,994	51,739,841	50,798,946	115,449,542	141,330,227	91,333,789	663,742,400
Eastern Corridor - Pap East Interchange	15,148,588	37,040,330	34,689,503	21,334,523	-	-	-	-	-	-	108,212,944
Eastern Corridor - Te Tumu	380,000	257,500	265,225	-	-	2,314,000	2,383,400	7,365,000	8,407,595	5,198,800	26,571,520
Eastern Corridor Growth Area	1,410,000	1,355,207	2,305,256	-	8,778,900	-	-	-	-	-	13,849,363
Infrastructure Resilience Capital Works	-	-125,602,001	-73,715,967	-20,889,420	-7,386,346	12,700,313	20,071,038	78,992,557	100,995,275	58,556,667	43,722,117
Local Roads Upgrades and Improvements	100,000	206,000	1,857,108	218,540	168,825	173,550	855,075	-	509,260	779,820	4,868,177
Ohauti South - Growth Area	-	-	-	-	-	-	-	184,125	1,453,945	2,794,355	4,432,425
Other Misc Western Corridor Development	-	-	-	-	-	9,165,754	-	-	-	-	9,165,754
Vested Assets	11,032,094	13,800,826	16,424,760	17,074,590	21,615,750	21,333,726	21,255,413	22,486,561	23,160,700	23,809,193	191,993,614
WC - Pyes Pa West Growth Area	4,533,938	-	-	-	-	-	-	-	189,645	194,955	4,918,538
WC - Tauriko Business Estate	12,718,960	30,895,171	18,944,997	15,060,164	-	-	-	-	-	-	77,619,293
Western Corridor - Tauriko West	1,050,000	17,920,001	45,426,091	45,106,375	5,887,716	6,052,498	6,234,021	6,421,298	6,613,806	-	140,711,807
Western Corridor Existing Growth Area	7,982,350	1,471,382	4,210,235	22,549,733	1,463,150	-	-	-	-	-	37,676,849
GROWTH & LEVEL OF SERVICE	9,194,304	37,596,601	52,661,568	54,493,197	136,154,803	161,674,222	157,398,944	102,434,138	112,522,574	121,733,671	945,864,022
Accessible Streets	1,300,000	2,729,500	8,370,501	2,185,400	-	51,735,255	77,651,172	-	-	-	143,971,828
Bus Infrastructure	2,678,000	5,632,040	17,893,670	14,546,022	3,714,150	3,673,475	3,616,810	10,828,391	5,527,520	3,944,590	72,054,667
Capital Delivery Adjustments	-18,000,000	-15,450,000	-40,314,200	-87,416,000	-28,137,500	-17,355,000	35,751,000	55,237,500	69,536,500	79,281,700	33,134,000
Domain Rd Upgrading Capital Works	-	-	2,619,488	1,748,320	2,662,370	-	-	-	-	-	7,030,179
Eastern Corridor Growth Area	-	288,400	742,630	10,708,460	-	-	-	-	-	-	11,739,490
Local Roads Upgrades and Improvements	3,336,750	12,851,310	7,298,641	-	-	-	1,050,406	-	-	-	24,537,107
Otumoetai Intensification	-	-	-	1,311,240	8,216,150	-	8,937,750	9,206,250	9,482,250	9,747,750	46,901,390
Park & Ride Activation	-	597,400	3,032,583	9,211,461	10,320,835	13,233,824	4,021,988	-	-	-	40,418,090
Tauranga Traffic Operations Projects	50,000	51,500	53,045	54,635	56,275	57,850	59,585	61,375	63,215	64,985	572,465
Te Papa Intensification	19,123,554	29,365,822	50,523,443	101,828,961	121,314,523	70,065,218	26,310,233	27,100,622	27,913,089	28,694,647	502,240,113
Welcome Bay, Turret Rd & 15th Ave Corridor	706,000	862,110	2,441,767	314,698	18,008,000	40,263,600	-	-	-	-	62,596,175
Western Corridor Existing Growth Area	-	668,518	-	-	-	-	-	-	-	-	668,518

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TAURANGA CITY COUNCIL- CAPITAL EXPENDITURE - TRANSPORTATION											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
LEVEL OF SERVICE	16,359,949	32,159,611	32,497,594	43,752,435	46,391,123	41,681,505	13,872,864	13,095,369	24,205,758	63,457,591	327,473,799
Accessible Recreation & Sporting Experiences	-	-	-	-	-	6,942,000	-	-	-	-	6,942,000
Accessible Streets	1,879,827	12,360,301	23,434,770	32,996,622	31,025,339	21,726,190	10,990,073	3,238,268	10,196,009	9,320,390	157,167,790
Infrastructure Resilience Capital Works	600,000	-	-	-745,336	-1,196,781	39,608	-2,931,084	3,263,856	7,269,548	46,983,187	53,282,997
Local Roads Pedestrian Improvements	-	-	1,043,926	1,092,877	-	-	-	-	-	-	2,136,803
Local Roads Upgrades and Improvements	7,817,111	14,239,542	6,874,894	9,495,867	7,654,345	7,979,922	5,372,946	6,445,945	6,588,485	6,998,050	79,467,107
Parking Infrastructure	4,891,000	4,749,330	137,917	142,051	146,315	150,410	154,921	159,575	164,359	168,961	10,864,839
Prop Management Upgrades & Renewals	35,150	-	-	-	-	-	-	-	-	-	35,150
Property Disposals	-20,000	-20,600	-21,218	-21,854	-22,510	-23,140	-23,834	-24,550	-25,286	-25,994	-228,986
Tauranga Traffic Operations Projects	278,333	235,183	194,499	-	-	-	-	-	-	-	708,015
Transportation Model	853,528	463,500	700,194	781,281	534,613	289,250	297,925	-	-	-	3,920,290
TTOC Projects	-	-	79,568	-	-	-	-	-	-	-	79,568
Vested Assets	25,000	51,500	53,045	10,927	11,255	11,570	11,917	12,275	12,643	12,997	213,129
WC - Pyes Pa West Growth Area	-	-	-	-	1,658,706	-	-	-	-	-	1,658,706
Western Active Reserve Capital Works	-	80,855	-	-	6,579,842	4,565,696	-	-	-	-	11,226,392
RENEWAL	16,024,287	19,705,348	17,062,475	16,741,795	18,767,754	23,541,618	15,912,068	16,502,501	16,867,265	18,093,913	179,219,024
Parking Infrastructure Renewals	440,333	917,043	944,554	239,770	246,967	253,879	261,494	269,349	277,424	285,192	4,136,006
Transportation Infrastructure Renewals	15,583,954	18,788,305	16,117,921	16,502,025	18,520,787	23,287,738	15,650,575	16,233,152	16,589,841	17,808,721	175,083,019
GRAND TOTAL	95,934,470	66,805,975	152,628,846	215,441,932	231,841,675	278,637,186	237,982,822	247,481,551	294,925,824	294,618,964	2,116,299,245

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Water Supply



How this affects you

To provide a high quality, efficient and reliable Water Supply system that is affordable, protects public health and safety, and meets the levels of service for customers in residential, rural residential and commercial / industrial areas.

To manage the effects of population growth on the water supply network and water volumes and provide sustainable long-term solutions.

What we do

The Water Supply activity provides residents and businesses of Tauranga City with drinking water. Water is a primary resource for living, economic activity and firefighting.

Through this activity customers are supplied with a constant, adequate, sustainable and high-quality water supply.

The activity will:

- Manage the water supply catchments, which protect source water, abstract and treat raw water from source streams and produce drinking water of suitable quality and quantities. The supply of water is managed in accordance with the Water Safety and Asset Management Plans.
- Distribute drinking water to the point of supply where it meets specific flow, pressure and quality standards.
- Efficiently operate, maintain and renew TCC water assets with a replacement cost in excess of \$600 million.
- Plan and timeously deliver infrastructure assets to meet future water supply requirements for the growing city.
- The activity aims to educate the community about water, wastewater and stormwater conservation, and to source water in an environmentally acceptable way that acknowledges and respects Te Mana o te Wai the values Tangata Whenua place in water resources.

We will provide a water supply network across the city, delivering safe drinking water that meets with drinking water standards (bacteria and protozoal) and customer expectations around clarity, taste, odour, water pressure and continuity of supply	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The extent to which Council's drinking water supply complies with: Part 4 of the drinking-water standards (bacteria compliance criteria);	100%	100%	100%	100%	100%
The extent to which Council's drinking water supply complies with: Part 5 of the drinking-water standards (protozoal compliance criteria) (DIA measure)	100%	100%	100%	100%	100%

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We will manage the average consumption of drinkable water	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The percentage of residents who are aware of ways they can conserve water and have taken steps to do so.	85%	≥ 80%	≥ 80%	≥ 80%	≥ 80%
The percentage of real water loss from Council's networked reticulation system (includes real losses through leaks in the network, non-revenue water and apparent losses through metering inaccuracies or water theft) (DIA measure)	17.3%	≤ 18%	≤ 18%	≤ 18%	≤ 18%
Annual peak demand in litres per capita per day.	397	≤ 450	≤ 450	≤ 450	≤ 450
The average consumption of drinking water per day per resident within the city based on water leaving the water treatment plants in litres per capita per day	299	≤ 330	≤ 330	≤ 330	≤ 330
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site. (DIA measure)	26 min	≤ 60 min	≤ 60 min	≤ 60 min	≤ 60 min
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (DIA measure)	2hr 26min	≤ 5hr	≤ 5hr	≤ 5hr	≤ 5hr
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (DIA measure)	4hr 17min	≤ 24hr	≤ 24hr	≤ 24hr	≤ 24hr
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (DIA measure)	16hr 49min	≤ 28hr	≤ 28hr	≤ 28hr	≤ 28hr
The total number of complaints received by the local authority for any of the following: (a) drinking water clarity; (a) drinking water taste; (b) drinking water odour; (c) drinking water pressure or flow; (d) continuity of supply; and (e) the local authority's response to any of these issues, expressed per 1000 connections to the local authority's networked reticulation system. (DIA measure)	2.59	≤ 10	≤ 10	≤ 10	≤ 10

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cost of desired infrastructure improvements and operations may exceed the community's ability to pay.	●		●		Recovery of expenditure via metered user fees. Asset creation due to growth funded via development contributions. Depreciation collected to fund renewals of networks and assets.
Negative effect of abstraction on streams, including the effects on river ecology caused by river water extraction during low flows.		●	●	●	Resource consents are followed closely. Ongoing monitoring. Water restrictions when required. Water take consents (Tautau and Waiorohi) due for re consenting by 2026.
Disruption of water supply due to asset failure may result in losses or damage for communities and businesses.	●		●		Operate, maintain, renew and replace assets in a manner that minimises risk of failure. Operation and maintenance manuals, as well as Incident Response Plans and services contracts developed to ensure quick response to and resolution of failures. Where disruptions or shutdowns are required adequate notification and consultation are performed.
Installation and maintenance of water supply infrastructure may cause disruption to the community and businesses. The works may cause impacts e.g. service interruption, noise, dust, nuisance and visual impact on traffic flow, business activities and community activities.	●	●	●	●	Notification of the public and businesses about the works planned through various media channels and communication options. Public Engagement and Consultation
Potential to affect historic and wahi tapu sites.		●			Consultation with affected parties prior to undertaking works. Undertaking cultural assessments and site monitoring of work sites as required.
Residential customers may be impacted by water restrictions	●		●		Provision of additional storage and processing capacity to meet growth (reservoir construction and new Waiāri Water Supply System) Demand management processes e.g. metering, leak detection and pressure management. Education programmes to improve consumption and the efficient use of water.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - WATER SUPPLY											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	26,542	34,956	40,734	44,963	51,546	55,779	60,257	65,052	70,246	75,944	82,425
Subsidies and grants for operating purposes	0	538	0	0	0	0	0	0	0	0	0
Fees and charges	200	862	206	964	431	224	230	237	243	661	1,396
Internal charges and overheads recovered	90	11	9	9	10	11	11	14	18	24	30
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	26,832	36,367	40,949	45,936	51,987	56,014	60,498	65,303	70,507	76,629	83,851
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	11,769	16,331	16,857	18,553	19,833	20,739	20,350	21,934	24,126	25,933	27,909
Finance Costs	5,477	7,252	8,260	8,921	10,007	11,612	15,819	16,265	16,615	16,692	15,996
Internal Charges and Overheads applied	3,975	5,733	6,547	7,186	7,823	8,234	8,696	9,020	9,440	9,856	10,049
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	21,221	29,316	31,664	34,660	37,663	40,585	44,865	47,219	50,181	52,481	53,954
Surplus/(Deficit) of Operating Funding (A-B)	5,611	7,051	9,285	11,276	14,324	15,429	15,633	18,084	20,326	24,148	29,897

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WATER SUPPLY											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	3,673	809	1,187	685	613	0	0	0	0	0
Development and financial contributions	4,025	6,541	13,919	13,256	15,914	18,342	22,494	25,086	25,504	25,501	25,053
Increase/(Decrease) in debt	2,108	7,343	9,875	24,295	42,687	55,138	24,528	21,495	22,015	20,649	2,198
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	(1)	620	0	0	0	0	0	0	0	0	0
Other dedicated capital funding		0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	6,132	18,177	24,603	38,738	59,286	74,093	47,022	46,581	47,519	46,150	27,251
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	61,677	51,156	32,370	25,866	54,762	66,176	31,758	28,155	34,792	10,846	11,827
- to improve level of service	1,998	2,418	4,442	10,849	13,256	19,250	19,229	16,661	17,090	21,218	2,783
- to replace existing assets	8,435	9,819	7,320	8,979	10,157	19,318	17,446	7,468	7,551	7,206	10,269
Increase/(Decrease) in reserves	(60,366)	(38,165)	(10,244)	4,320	(4,565)	(15,222)	(5,778)	12,381	8,412	31,028	32,269
Increase/(Decrease) of investments		0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	11,743	25,228	33,888	50,014	73,610	89,522	62,655	64,665	67,845	70,298	57,148
Surplus/(Deficit) of Capital Funding (C-D)	(5,611)	(7,051)	(9,285)	(11,276)	(14,324)	(15,429)	(15,633)	(18,084)	(20,326)	(24,148)	(29,897)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - WATER SUPPLY											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	52,971,488	32,848,889	21,137,207	28,206,503	38,339,416	31,308,654	30,613,643	37,846,432	13,802,685	4,624,967	291,699,884
Eastern Corridor - Pap East Interchange	791,528	487,515	318,270	-	-	-	-	-	-	-	1,597,313
Eastern Corridor - Te Tumu	-	-	-	163,905	337,650	925,600	5,600,990	13,025,567	9,392,042	-	29,445,754
Eastern Corridor Growth Area	400,000	618,000	848,720	765,539	45,020	-	-	-	-	-	2,677,279
Vested Assets	1,082,989	1,561,670	1,496,692	1,872,241	2,608,021	3,252,754	3,649,996	4,282,263	4,410,643	4,494,997	28,712,265
Waiari Water Treatment Plant Capital	45,948,344	20,376,375	6,153,220	19,012,980	23,022,812	23,827,200	14,443,404	15,370,942	-	-	168,155,276
WC - Tauriko Business Estate	3,090,353	1,751,000	-	109,270	-	-	-	-	-	-	4,950,623
Western Corridor - Tauriko West	450,000	545,900	6,365,400	327,810	6,753,000	-	-	-	-	-	14,442,110
Western Corridor Existing Growth Area	1,208,274	7,508,429	5,954,905	5,954,758	5,572,913	3,303,100	6,919,253	5,167,661	-	129,970	41,719,263
Growth & Level of Service	3,253,345	4,810,100	12,226,024	34,105,829	47,008,527	25,103,957	7,342,546	3,093,245	3,342,120	14,665,392	154,951,084
Capital Delivery Adjustments	-5,000,000	-	1,060,900	-	-	-	1,191,700	1,227,500	1,264,300	1,299,700	1,044,100
Oropi WTP Capacity Upgrade	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Other Misc Western Corridor Development	-	-	-	-	303,885	-	-	-	-	-	303,885
Storage & Distribution Asset Renewals	2,351,000	4,036,570	6,967,991	7,170,774	9,926,115	14,890,539	6,150,846	1,865,745	2,077,820	13,365,692	68,803,093
Te Papa Intensification	359,000	413,030	4,197,133	26,935,055	36,778,526	7,783,718	-	-	-	-	76,466,461
Water Supply Treatment Renewals	1,535,000	-	-	-	-	-	-	-	-	-	1,535,000
Waters CIP	2,758,345	-	-	-	-	-	-	-	-	-	2,758,345
Western Corridor - Tauriko West	-	-	-	-	-	2,429,700	-	-	-	-	2,429,700
Western Corridor Existing Growth Area	250,000	360,500	-	-	-	-	-	-	-	-	610,500
Level of Service	950,000	1,596,500	6,895,850	10,847,337	10,337,211	3,623,497	11,532,467	16,005,306	20,328,173	1,084,050	83,200,391
Infrastructure Resilience Capital Works	950,000	1,596,500	6,895,850	9,511,091	9,354,405	3,507,797	11,532,467	16,005,306	20,328,173	1,084,050	80,765,640
Water Supply Treatment Renewals	-	-	-	1,044,494	982,806	-	-	-	-	-	2,027,300
Welcome Bay, Turret Rd & 15th Ave Corridor	-	-	-	291,751	-	-	-	-	-	-	291,751
Western Active Reserve Capital Works	-	-	-	-	-	115,700	-	-	-	-	115,700
Renewal	7,301,108	6,438,040	6,931,875	6,887,963	11,666,273	11,649,891	6,445,991	6,770,045	6,207,745	8,999,324	79,298,255
Storage & Distribution Asset Renewals	4,555,540	4,843,650	5,212,879	5,157,585	3,819,888	6,534,776	4,872,512	3,185,683	3,358,837	7,576,528	49,117,879
Water Supply Treatment Renewals	2,745,568	1,594,390	1,718,996	1,730,378	7,846,385	5,115,114	1,573,479	3,584,363	2,848,908	1,422,796	30,180,376
Grand Total	64,475,941	45,693,528	47,190,956	80,047,632	107,351,427	71,685,998	55,934,648	63,715,029	43,680,723	29,373,733	609,149,615

Long-term Plan Amendment 2021-2031

Wastewater



How this affects you

The safe removal of all wastewater from every connected property in the city. High quality effluent returned to the environment that meets community expectations and environmental standards.

What we do

The Wastewater activity provides a network of infrastructure to manage sewage, protecting public health and the natural environment.

The activity collects wastewater from all connected properties in the City and transports it to two treatment plants. The wastewater receives tertiary treatment to a high-quality effluent standard via wetlands and ultraviolet disinfection prior to ocean discharge.

The Te Maunga Wastewater Treatment Plant is being upgraded to accommodate the additional flow and load resulting from the City's growth.

We will provide a reliable, well-maintained wastewater system that is available to all serviced zones	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (DIA measure)	1.1	≤2	≤2	≤2	≤2
Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:					
a) abatement notices; b) infringement notices; c) enforcement orders; and d) convictions, received by Council in relation those resource consents (DIA measure)	Nil	Nil	Nil	Nil	Nil

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We will provide emergency response to sewage overflows, to minimise risk of safety to persons or damage to property	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (DIA measure)	26 min	≤ 60 min	≤ 60 min	≤ 60 min	≤ 60 min
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. (DIA measure)	3 hr 08min	≤ 5 hr	≤ 5 hr	≤ 5 hr	≤ 5 hr

We will provide satisfaction to our customers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The total number of complaints received by Council for any of the following: a) Sewage odour; b) Sewerage system faults; c) Sewerage system blockages; and d) the Council's response to issues with its sewerage system expressed per 1,000 connections to the Council's sewerage system. (DIA measure)	4.42	≤10	≤10	≤10	≤10

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cost of desired infrastructure improvements and operations may exceed the community's ability to pay	●		●		Procurement policy ensures cost effective tendering and quotations processes. Asset creation due to growth to be funded via development contributions. Depreciation collected to fund renewals of networks and assets.
The discharge from treatment plants does not meet consent conditions and may result in pollution to the receiving environment and public health risks	●	●		●	Upgrade of the wastewater treatment plants and construction of major rising mains for improving conveyance of effluent to meet resource consents
Odour due to hydrogen sulphide from operational failures at treatment plants, pipelines or pump stations may be offensive and a nuisance to the public	●	●		●	Installation of odour beds at problematic treatment plants and other areas. Chemical dosing and carbon filters used to reduce production of hydrogen sulphide.
Overflows of untreated wastewater from the wastewater network due to <ul style="list-style-type: none">blockages;pump station or other plant malfunction;excessive inflow/infiltration of stormwater into the wastewater system; orinsufficient capacity. This may impact on the environment and public health. It may also affect the ability of the public at some beaches to gather shellfish.	●	●			Council's telemetry and customer contact systems are linked with the maintenance contractor's workflow and dispatch system to ensure prompt response. Response times and job priorities defined in maintenance contract to ensure urgent tasks are given immediate attention. CCTV inspections are used to identify blockages and root intrusion in pipes. CCTV condition monitoring identifies structural defects that may lead to blockages or overflows and enable renewals planning to be prioritised. Inflow and infiltration issues are managed by monitoring flows to identify problem catchments and further investigation and remedial actions are employed to eliminate the inflows and infiltration.
Discharge of insufficiently treated (i.e. untreated or only partly treated) wastewater through the ocean outfall.	●	●		●	Ongoing monitoring of treatment processes and discharge quality. Upgrade of treatment plants to meet resource consents and water quality levels.
Disruption of wastewater services for extended periods due to asset failure may result in losses or damage for communities and businesses.	●	●	●	●	Operate, maintain, renew and replace assets in a manner that minimises risk of failure. Operation and maintenance manuals, as well as incident response plans and services contracts developed to ensure quick response to, and resolution of, failures. Where disruptions or shutdowns are required adequate notification and consultation are performed.
Disposal of wastewater treatment by-products, such as biosolids (stabilised solids extracted from the wastewater during the treatment process) may lead to health and safety issues and restrict the public enjoyment of amenities	●	●	●	●	Disposal to properly managed and consented disposal sites to minimise the cultural, social and environmental impact. Investment in new technology and treatment processes to reduce the amount of solids requiring disposal.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - WASTEWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	32,246	34,802	40,216	44,615	52,424	61,396	67,348	71,801	75,474	81,838	86,707
Subsidies and grants for operating purposes	0	166	0	0	0	0	0	0	0	0	0
Fees and charges	1,870	1,970	2,033	2,097	2,197	2,397	2,469	2,546	2,454	2,522	2,590
Internal charges and overheads recovered	(4)	6	2	(1)	(2)	(3)	(1)	4	12	20	29
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	34,112	36,944	42,251	46,711	54,619	63,790	69,816	74,351	77,940	84,380	89,326
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	15,208	15,883	17,263	17,204	17,864	18,815	19,141	20,151	20,794	21,417	22,160
Finance Costs	5,552	5,516	6,621	7,518	7,798	7,751	9,912	10,437	11,454	12,545	13,410
Internal Charges and Overheads applied	4,566	6,097	6,959	7,651	8,283	8,729	9,225	9,569	10,019	10,467	10,671
Other Operating Funding applications	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Total Applications of Operating Funding (B)	25,326	28,996	32,343	33,873	35,445	36,795	39,778	41,657	43,767	45,929	47,741
Surplus/(Deficit) of Operating Funding (A-B)	8,786	7,948	9,908	12,838	19,174	26,995	30,038	32,694	34,173	38,451	41,585

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WASTEWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	7,174	2,152	400	40	0	0	0	0	0	0
Development and financial contributions	6,638	10,652	11,114	11,520	13,232	14,240	17,180	17,322	18,407	18,742	17,945
Increase/(Decrease) in debt	7,017	18,411	12,241	1,869	4,837	4,403	10,721	15,803	22,028	21,756	16,893
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	694	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	13,655	36,931	25,507	13,789	18,109	18,643	27,901	33,125	40,435	40,498	34,838
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	17,697	43,927	45,619	42,123	17,708	28,148	36,780	49,020	64,779	66,894	67,007
- to improve level of service	3,483	6,939	2,889	802	2,414	5,414	7,995	11,144	13,851	9,024	6,187
- to replace existing assets	7,868	12,048	10,929	9,995	12,025	12,564	8,467	9,500	8,931	15,974	12,712
Increase/(Decrease) in reserves	(6,606)	(18,035)	(24,022)	(26,293)	5,136	(488)	4,697	(3,845)	(12,953)	(12,943)	(9,483)
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	22,441	44,879	35,415	26,627	37,283	45,638	57,939	65,819	74,608	78,949	76,423
Surplus/(Deficit) of Capital Funding (C-D)	(8,786)	(7,948)	(9,908)	(12,838)	(19,174)	(26,995)	(30,038)	(32,694)	(34,173)	(38,451)	(41,585)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL- CAPITAL EXPENDITURE - WASTEWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	13,373,198	16,364,801	10,206,659	8,809,117	9,837,970	15,410,613	34,240,959	44,762,550	49,478,264	50,031,832	252,515,962
Eastern Corridor - Pap East Interchange	100,000	618,000	-	-	-	-	-	-	-	-	718,000
Eastern Corridor Growth Area	1,800,000	5,510,500	3,182,700	5,026,420	4,952,200	9,660,950	28,318,856	37,620,494	40,579,645	42,729,629	179,381,393
Vested Assets	2,448,208	2,744,683	2,654,748	3,279,618	4,885,770	5,749,663	5,922,103	6,896,557	7,103,313	7,302,203	48,986,866
Wastewater Renewals/Upgrades Programme	5,000	-	-	-	-	-	-	245,500	1,795,306	-	2,045,806
WC - Tauriko Business Estate	7,278,725	3,512,143	3,092,948	503,079	-	-	-	-	-	-	14,386,895
Western Corridor - Tauriko West	801,265	3,763,174	-	-	-	-	-	-	-	-	4,564,439
Western Corridor Existing Growth Area	940,000	216,300	1,276,263	-	-	-	-	-	-	-	2,432,563
Growth & Level of Service	38,993,520	45,956,791	44,342,809	19,052,362	40,404,315	38,532,223	20,820,293	27,753,169	18,771,057	17,120,710	319,747,250
Capital Delivery Adjustments	-8,000,000	-	-	-	-	-	-	-	-	-	-
Eastern Corridor Growth Area	750,000	9,270,000	13,221,997	546,350	2,025,900	1,966,900	-	-	-	-	27,781,147
Other Misc Western Corridor Development	-	-	-	-	303,885	-	-	-	-	-	303,885
Te Maunga WW Treatment Plant	32,762,930	30,642,182	27,873,719	11,686,433	32,031,359	31,075,509	9,319,963	13,042,273	4,289,836	3,612,516	196,336,720
Te Papa Intensification	8,565,000	1,950,820	-	2,185,400	-	-	-	-	-	-	12,701,220
Wastewater Reticulation Renewals	2,565,590	1,204,523	2,550,742	4,033,194	4,738,590	1,174,205	1,716,149	2,527,958	3,949,602	3,214,570	27,675,123
WW Reticulation Upgrades & Renewals	2,300,000	2,837,766	643,305	546,350	1,248,307	4,257,760	9,657,438	12,182,938	10,531,619	10,293,624	54,499,107
WW Treatment Plant Renewals	50,000	51,500	53,045	54,635	56,275	57,850	126,743	-	-	-	450,048
Level of Service	4,588,750	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,342,668	4,861,209	27,843,674
Infrastructure Resilience Capital Works	-	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,269,548	4,861,209	23,181,805
Wastewater Renewals/Upgrades Programme	-	-	-	-	-	-	-	-	73,120	-	73,120
Waters CIP	4,423,750	-	-	-	-	-	-	-	-	-	4,423,750
WW Reticulation Upgrades & Renewals	165,000	-	-	-	-	-	-	-	-	-	165,000
Renewal	8,407,208	9,644,997	7,390,943	7,937,365	7,768,925	7,234,773	7,723,965	6,402,851	12,023,997	9,497,451	84,032,476
Te Papa Intensification	119,717	-	-	-	-	-	-	-	-	-	119,717
Wastewater Reticulation Renewals	8,287,491	9,644,997	7,390,943	7,937,365	7,768,925	7,234,773	7,723,965	6,402,851	12,023,997	9,497,451	83,912,759
Grand Total	65,362,676	71,966,589	61,940,411	37,065,225	60,015,725	63,619,192	64,859,929	82,182,426	87,615,986	81,511,203	684,139,362

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Stormwater



How this affects you

This activity manages stormwater in an environmentally acceptable way to protect public health and safety whilst managing the effects of population growth.

It provides sustainable long-term solutions acknowledging Te Mana o te Wai and respecting the values tangata whenua place in water resources.

What we do

This activity manages stormwater through infrastructure to receive, treat and dispose of stormwater through a network of soakage systems, pipes, open drains, treatment devices, secondary flow paths, and natural assets. In addition, this activity utilises planning mechanisms such as the City Plan, and education activities.

We will provide a conveyance and treatment network to effectively manage stormwater and to deliver safety to persons	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of flooding events that occur in a territorial authority district. (DIA measure). *	New Measure	No more than one flooding event	No more than one flooding event	No more than one flooding event	No more than one flooding event
For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) (DIA measure)	0.14	<1	<1	<1	<1

We will provide a timely response to a flooding event	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
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. (DIA measure)	30 min	<90 min	<90 min	<90 min	<90 min
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 resolve the problem. (DIA measure)	2 hr 13 min	<8 hr	<8 hr	<8 hr	<8 hr

We will provide satisfaction to our customers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
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. (DIA measure)	2.68	<2	<2	<2	<2

* A flooding event refers to an overflow of stormwater that enters a habitable floor (meaning a building, including a basement, but does not include garden sheds or garages).

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We will provide a stormwater system that avoids impact on the environment	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Council's stormwater compliance with resource consents for discharge from its stormwater system measured by the number of: a. abatement notices; b. infringement notices; c. enforcement orders; d. convictions received in relation to those resource consents (DIA measure)	Nil	Nil	Nil	Nil	Nil

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Changing weather patterns may result in extreme weather events causing damage to valuable assets.	●	●	●	●	Improvements made to assets on an ongoing basis as a result of improvements to TCC's Infrastructure Development Code and/or specialist studies (e.g. Lifelines). Most properties developed in Tauranga are serviced by an overall system designed to cope with a 50 year ARI (annual return interval) event. Resilience building projects to mitigate and adapt to extreme events have been developed and will be implemented progressively throughout this period.
The cost of desired infrastructure improvements and flood risk mitigations may exceed the community's ability to pay	●		●		2D Modelling continued to identify high risk areas. Safety to persons levels of service implemented. Reactive Reserve Fund established to aid flood affected landowners. Asset creation due to growth funded via development contributions. Depreciation collected to fund renewals of networks and assets.
Discharge of polluted stormwater impacting on public health, environmental, cultural and aesthetic values.	●	●		●	Implementation of the Stormwater (Pollution Prevention) Bylaw 2015. City Waters Pollution Prevention Team proactively works with industry and the wider public to minimise the risk of stormwater contamination through education, cooperation and enforcement. Swift response from TCC staff and contractors in case of spills or contamination to minimise the impact. Development of comprehensive catchment management plans. Monitoring identifies any future mitigation requirements which will be reported in the relevant catchment management plans. Installation of stormwater treatment devices or other means of stormwater quality improvement in high risk areas as indicated by catchment consents and management plans.
Stormwater systems unable to cope with large rainfall events causing flooding, which could have significant negative social and economic impacts.	●		●		Completion of 2D modelling to prepare flood hazard maps for Tauranga city to identify the potential flood risk to land and buildings within specified storm events. TCC levels of service focused on 'safety to persons' with priority on areas with the highest risk. Residual risk and emergency management to ensure an appropriate service is provided to flood affected landowners following future flood events Information about flood prone areas displayed on TCC GIS system. Long term planning of required infrastructure to ensure correct timing and capacity. Identification and development of policy controls to mitigate the effects of future development and potential for flooding.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - STORMWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	22,097	24,088	27,181	28,497	31,149	33,304	36,013	37,808	39,468	41,813	43,923
Targeted Rates	148	2,341	2,370	2,439	2,521	2,626	2,753	2,883	3,321	3,772	5,381
Subsidies and grants for operating purposes	0	833	0	0	0	0	0	0	0	0	0
Fees and charges	9	10	10	10	11	11	11	12	12	12	13
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1	0	1	1	1	1	1	1	1	1	1
Total Sources of Operating Funding (A)	22,255	27,272	29,562	30,947	33,682	35,942	38,778	40,704	42,802	45,598	49,318
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	7,135	10,093	10,552	10,336	10,741	11,121	11,246	11,571	11,814	12,238	12,552
Finance Costs	5,496	4,756	5,226	5,912	6,461	6,861	8,555	9,090	9,680	10,344	11,007
Internal Charges and Overheads applied	3,095	3,634	4,157	4,591	4,985	5,280	5,582	5,806	6,095	6,363	6,496
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	15,726	18,483	19,935	20,839	22,187	23,262	25,383	26,467	27,589	28,945	30,055
Surplus/(Deficit) of Operating Funding (A-B)	6,529	8,789	9,627	10,108	11,495	12,680	13,395	14,237	15,213	16,653	19,263

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - STORMWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	49	1,559	0	0	0	0	0	0	0	0	0
Development and financial contributions	2,328	3,288	3,341	3,675	4,350	3,866	3,119	3,208	2,948	2,614	2,579
Increase/(Decrease) in debt	5,840	14,422	14,967	21,896	22,102	20,205	13,161	18,811	29,265	33,026	29,362
Gross proceeds from the sale of assets	48	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	8,265	19,269	18,308	25,571	26,452	24,071	16,280	22,019	32,213	35,640	31,941
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	(101)	4,400	17,876	11,049	13,411	5,181	20,057	10,911	6,405	5,093	9,292
- to improve level of service	7,695	12,099	10,888	21,319	14,748	14,015	9,112	14,149	24,478	28,095	23,253
- to replace existing assets	0	1,395	1,637	1,522	1,355	1,688	1,520	1,978	1,207	1,392	1,034
Increase/(Decrease) in reserves	7,201	10,164	(2,466)	1,789	8,433	15,867	(1,014)	9,218	15,337	17,712	17,625
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	14,794	28,058	27,935	35,679	37,947	36,751	29,675	36,256	47,427	52,292	51,204
Surplus/(Deficit) of Capital Funding (C-D)	(6,529)	(8,789)	(9,627)	(10,108)	(11,495)	(12,680)	(13,395)	(14,237)	(15,214)	(16,652)	(19,263)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		7,032	8,059	8,740	10,091	11,126	12,082	13,028	13,893	15,056	16,387

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - STORMWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	7,340,184	18,590,598	14,332,353	7,520,909	6,964,489	22,612,225	15,827,542	11,536,468	9,353,728	9,615,629	123,694,125
Capital Delivery Adjustments	-2,500,000	-	2,652,250	-	-	-	-	-	-	-	152,250
Eastern Corridor - Pap East Interchange	1,207,039	650,506	296,638	-	-	-	-	-	-	-	2,154,183
Eastern Corridor - Te Tumu	-	-	-	109,270	225,100	15,041,000	7,746,050	2,455,000	-	-	25,576,420
Eastern Corridor Growth Area	59,924	-	-	1,541,649	-	-	-	-	-	-	1,601,573
Freshwater Management	330,000	473,800	116,699	-	-	-	-	-	-	-	920,499
SW Minor Capital Works & Renewals	39,346	-	-	-	-	-	283,196	-	-	-	322,542
Vested Assets	1,701,929	3,614,232	3,495,804	4,318,639	6,305,928	7,571,225	7,798,297	9,081,468	9,353,728	9,615,629	62,856,879
Wairakei Stream Landscaping	100,000	730,975	-	-	-	-	-	-	-	-	830,975
WC - Tauriko Business Estate	4,661,946	162,534	-	404,016	-	-	-	-	-	-	5,228,496
Western Active Reserve Capital Works	-	-	-	-	433,462	-	-	-	-	-	433,462
Western Corridor Existing Growth Area	1,740,000	12,958,552	7,770,961	1,147,335	-	-	-	-	-	-	23,616,847
Growth & Level of Service	5,466,667	5,242,941	6,055,916	19,210,034	12,143,020	7,751,900	10,904,055	14,975,500	15,424,460	16,896,100	114,070,593
Local Roads Upgrades and Improvements	-	-	-	373,985	-	-	-	-	-	-	373,985
Mount Intensification	100,000	257,500	265,225	273,175	-	-	-	-	-	-	895,900
Otumoetai Intensification	50,000	51,500	106,090	109,270	281,375	289,250	297,925	-	-	-	1,185,410
Te Papa Intensification	2,966,667	3,605,000	3,748,513	10,107,475	9,285,375	7,231,250	10,129,450	13,502,500	13,907,300	15,596,400	90,079,930
Wairakei Stream Culvert Upgrade	-	-	1,538,251	8,182,224	2,351,170	-	-	-	-	-	12,071,644
Wairakei Stream Landscaping	1,150,000	1,328,941	397,838	163,905	225,100	231,400	-	-	-	-	3,497,184
Western Corridor Existing Growth Area	1,200,000	-	-	-	-	-	476,680	1,473,000	1,517,160	1,299,700	5,966,540

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - STORMWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	6,916,369	8,617,130	15,475,783	5,746,451	6,393,966	6,375,382	6,126,492	13,452,106	17,763,238	15,648,719	102,515,637
CSC Stormwater Treatment Capital Works	829,420	1,030,000	1,060,900	1,639,050	1,125,500	578,500	595,850	613,750	632,150	649,850	8,754,970
Harrisons Cut Stabilisation	1,000,000	2,027,797	-	-	-	-	-	-	-	-	3,027,797
Infrastructure Resilience Capital Works	-	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,269,548	4,861,209	23,181,805
Stormwater Flooding Improvements	200,000	1,390,500	2,599,205	-	-	-	-	-	-	-	4,189,705
SW Bulk Fund & Reactive Reserve	2,012,449	3,715,633	11,253,401	2,185,400	2,251,000	2,314,000	2,383,400	3,437,000	3,540,040	3,639,160	36,731,484
SW Minor Capital Works & Renewals	1,900,000	412,000	424,360	655,620	1,012,950	1,041,300	1,072,530	6,137,500	6,321,500	6,498,500	25,476,260
Te Maunga WW Treatment Plant	-	41,200	137,917	-	-	-	-	-	-	-	179,117
Waters CIP	974,500	-	-	-	-	-	-	-	-	-	974,500
Renewal	1,394,521	1,636,940	1,521,568	1,355,437	1,687,698	1,519,635	1,977,540	1,207,012	1,392,119	1,033,608	14,726,080
Stormwater Renewals	1,394,521	1,636,940	1,521,568	1,355,437	1,687,698	1,519,635	1,977,540	1,207,012	1,392,119	1,033,608	14,726,080
Grand Total	21,117,741	34,087,609	37,385,620	33,832,832	27,189,173	38,259,143	34,835,629	41,171,086	43,933,545	43,194,057	355,006,435

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Sustainability and Waste



How this affects you

The Sustainability and Waste activity supports both the Council and community to improve its sustainability performance and ensure the protection of public health and the environment via managing the collection and disposal of the community's waste. This activity aims to achieve the outcomes within the 2016 Waste Management and Minimisation Plan (WMMP), implement Council's corporate Energy Management Action Plan, develop a refreshed corporate sustainability framework and achieve and maintain Council's Certified Emissions Measurement and Reduction Scheme (CEMARS) certification. The activity will contribute to the development and implementation of a City-wide Environmental Strategy.

While the activity is primarily focused on the environmental aspect of community well-being through its education programmes and community activities also has a social focus. The implementation of kerbside recycling and effective management of waste facilities aims to ensure the economic wellbeing of the community. The activity is also actively working with Hapu and Iwi about the way the activity is managed and how the activity can be even better in the future.

What we do

The Sustainability and Waste activity enables the Council and community to take action to improve their sustainability performance and contributes to the protection of public health and the environment through managing the collection and disposal of the community's waste. It focusses on:

- Reducing and recovering waste within the City
- Reducing energy consumption and carbon emissions within Council operations
- Applying the latest proven, and cost effective waste and sustainability approaches
- Collection of information and data to enable effective decision-making
- Ensuring waste is transported to approved waste facilities for treatment, recovery and/or disposal
- Providing comprehensive sustainability and waste programs
- Supporting Council activities to deliver improved sustainability outcomes for both corporate operations and individuals in the community.

We will provide a rubbish collection service to all residential properties in urban and rural-residential areas	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents that satisfied with Council run rubbish collection service.	New Measure	75%	75%	75%	75%
We will provide transfer stations, and maintain closed landfill sites	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Transfer stations provide customers with a 7-day service for refuse and green waste facilities and free access to a recycling centre (except on Good Friday and Christmas Day)	Not achieved	Achieved	Achieved	Achieved	Achieved
Number of abatement notices/infringements issued in relation to closed landfill resource consents	Nil	Nil	Nil	Nil	Nil
Providing behaviour change programmes across community that target community behaviours and lead to a reduction of waste to landfill	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average amount of waste sent to landfill per capita/per annum based on current operating environment	523kg	550kg	500kg	450kg	450kg

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
<p>The most significant effect is on the environment through the depositing of waste in landfills.</p> <p>Additionally, the following may occur during collection times:</p> <ul style="list-style-type: none"> • water and/or land pollution (loose waste blown into private properties or waterways or illegally dumped) • odour emissions • spread of disease and water/land contamination • vermin • obstruction of footpaths 	●	●	●	●	<p>We will continue to aim to reduce the quantity of waste going to landfill through proven minimisation strategies and programmes for waste streams that we can control/ influence.</p> <p>We will continue to educate residents on the collection days/ times and we will monitor the services (rubbish/recycling/organics collections) provided by the private sector to ensure contractor requirements are complied with.</p>
Kerbside recycling system does not meet the needs of the community	●	●	●	●	<p>Education plan to get behaviour change. Continue working with the community to respond to complaints. Continually review the process.</p>
Sustainable practices are not implemented by TCC and the community.	●	●	●	●	<p>Focus on education with businesses and individuals, develop reporting frameworks. Ensure TCC is a leader in its practices.</p>

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - SUSTAINABILITY AND WASTE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	3,479	4,761	4,767	5,623	6,164	6,728	7,166	7,379	7,624	7,863	8,033
Targeted Rates	1,853	11,206	11,915	12,731	13,629	14,617	15,726	16,916	18,124	19,403	20,734
Subsidies and grants for operating purposes	485	520	535	551	567	583	599	616	633	650	668
Fees and charges	1,632	56	58	60	62	64	65	68	70	72	74
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	7,449	16,543	17,275	18,965	20,422	21,992	23,556	24,979	26,451	27,988	29,509
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,835	10,767	11,762	12,966	13,927	14,645	15,360	16,128	16,971	17,861	18,778
Finance Costs	133	233	357	461	500	584	775	755	735	713	690
Internal Charges and Overheads applied	936	2,799	3,208	3,503	3,894	4,089	4,308	4,472	4,677	4,870	4,970
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	9,904	13,799	15,327	16,930	18,321	19,318	20,443	21,355	22,383	23,444	24,438
Surplus/(Deficit) of Operating Funding (A-B)	(2,455)	2,744	1,948	2,035	2,101	2,674	3,113	3,624	4,068	4,544	5,071

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUSTAINABILITY AND WASTE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	3,725	9,811	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	1,324	1,864	6,201	1,602	2,000	4,738	12	11	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	1,324	5,589	16,012	1,602	2,000	4,738	12	11	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	1,569	5,609	16,893	2,543	2,969	5,737	1,038	1,068	1,093	1,126	1,157
- to replace existing assets	276	207	294	104	50	26	126	33	105	66	71
Increase/(Decrease) in reserves	(2,976)	2,517	773	990	1,082	1,649	1,961	2,534	2,870	3,352	3,843
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(1,131)	8,333	17,960	3,637	4,101	7,412	3,125	3,635	4,068	4,544	5,071
Surplus/(Deficit) of Capital Funding (C-D)	2,455	(2,744)	(1,948)	(2,035)	(2,101)	(2,674)	(3,113)	(3,624)	(4,068)	(4,544)	(5,071)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		416	592	1,063	1,233	1,507	1,551	1,599	1,649	1,698	1,744

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SUSTAINABILITY AND WASTE											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	5,609,089	16,892,808	2,542,915	2,968,801	5,736,607	1,037,761	1,067,624	1,092,763	1,125,578	1,157,038	39,230,985
Capital Delivery Adjustments	-3,500,000	2,060,000	1,591,350	-	-	-	-	-	-	-	151,350
Kerbside Waste Collection Capital Works	750,000	860,587	919,738	947,306	975,742	1,003,051	1,033,255	1,092,763	1,125,578	1,157,038	9,865,059
Sustainability & Waste Upgrds & Renewals	8,359,089	13,972,221	31,827	2,021,495	4,760,865	34,710	34,369	-	-	-	29,214,576
Renewal	207,070	294,109	103,554	50,424	26,034	126,042	32,947	104,544	65,897	70,804	1,081,425
Sustainability & Waste Upgrds & Renewals	207,070	294,109	103,554	50,424	26,034	126,042	32,947	104,544	65,897	70,804	1,081,425
Grand Total	5,816,159	17,186,917	2,646,469	3,019,225	5,762,641	1,163,803	1,100,571	1,197,307	1,191,475	1,227,842	40,312,409

City & Infrastructure Planning



How this affects you

The activity has an active role in promoting sustainable management of Tauranga City's natural and physical resources for existing and future people and communities with a focus on taking an integrated land use and infrastructure approach to managing the city's current and future population and urban growth.

What we do

The City & Infrastructure Planning activity is responsible for the preparation of City Plan, plan changes, and implementation issues within the statutory requirements of the Resource Management Act 1991 plus technical input into the SmartGrowth partnership. This includes responsibility for leading greenfields structure planning and intensification spatial planning.

It provides professional policy and technical advice to Council on national, regional, sub-regional and local planning and growth management issues and practice.

The activity monitors national, sub-regional and local population and land-use trends so that good information is available for Council policy development and decision making.

The activity is responsible for ensuring land use and infrastructure planning is undertaken in an integrated manner. The team is responsible for progressing transport, water supply, wastewater, stormwater and resilience planning for the City in conjunction with the Infrastructure Group. This includes input into Waka Kotahi NZ Transport Agency (NZTA) projects.

The team is also responsible for growth funding through development contributions, developer agreements and new funding sources such as IFF levies.

We will develop and review the City Plan, including public consultation, to guide the growth of the City and the provision of land able to be developed for the next ten years	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of building consents approved for new dwellings that will be located in the zone(s) where permitted (refer City Plan zones)	100%	100%	100%	100%	100%
We will deliver and monitor a planning framework for the city that provides sufficient development capacity to accommodate ongoing growth	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Compliance with the National Policy Statement for Urban Development Capacity which require 3, 10 and 30 years of development capacity and infrastructure capacity to be provided/identified along with additional buffers	Short term compliance achieved	Short term compliance achieved	Short term compliance achieved	Short term compliance achieved	Full compliance achieved

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We will provide a Development Contributions Policy which enables collection of development contributions to fund growth related capital expenditure	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Ensure DC policy is current and updated annually with the Annual or Long-term Plan	New Measure	100%	100%	100%	100%

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cumulative effects of subdivision, land use and development can have significant negative environmental and social effects.	●			●	<p>Working with strategic partners in implementing SmartGrowth and other sub-regional strategic programmes related to urban growth and development.</p> <p>Preparing a new City Plan and making it operative through the RMA process. Including appropriate objectives, policies and rules to promote sustainable management of natural and physical resources.</p> <p>Monitoring growth trends and resource management issues regularly and responding to those issues as appropriate.</p> <p>Monitoring national, regional and local trends and environmental policy initiatives in order to provide high quality advice to the organisation.</p>
The costs of city growth must be met by existing ratepayers.			●		<p>Monitoring the growth of the city, developing infrastructure plans to address provision and costs of growth and providing this for inclusion in the Development Contributions Policy</p> <p>Working closely with other key public agencies, such as Western Bay of Plenty District Council and NZTA, and private sector developers on efficient methods of infrastructure delivery and funding, including direct funding and delivery of infrastructure by developers; ensuring in-house resources support integrated growth management policy and technical delivery.</p>

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - CITY AND INFRASTRUCTURE PLANNING											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	5,933	9,591	13,674	14,047	13,661	13,202	14,597	15,272	14,514	14,516	14,821
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,675	236	1,214	641	257	1,322	697	279	1,932	758	303
Fees and charges	1,452	1,294	1,422	1,463	1,505	1,549	1,591	1,635	1,681	1,726	1,772
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	9,060	11,121	16,310	16,151	15,423	16,073	16,885	17,186	18,127	17,000	16,896
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,358	11,619	14,304	12,527	10,369	10,765	11,719	11,771	12,611	11,127	10,848
Finance Costs	117	188	263	287	277	252	230	212	193	173	149
Internal Charges and Overheads applied	1,668	2,775	3,180	3,458	3,956	4,132	4,351	4,512	4,712	4,907	5,003
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	10,143	14,582	17,747	16,272	14,602	15,149	16,300	16,495	17,516	16,207	16,000
Surplus/(Deficit) of Operating Funding (A-B)	(1,083)	(3,461)	(1,437)	(121)	821	924	585	691	611	793	896

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - CITY AND INFRASTRUCTURE PLANNING											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	1,587	4,329	2,940	1,890	976	729	905	698	658	370	128
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	1,587	4,329	2,940	1,890	976	729	905	698	658	370	128
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in reserves	504	868	1,503	1,769	1,797	1,653	1,490	1,389	1,269	1,163	1,024
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	504	868	1,503	1,769	1,797	1,653	1,490	1,389	1,269	1,163	1,024
Surplus/(Deficit) of Capital Funding (C-D)	1,083	3,461	1,437	121	(821)	(924)	(585)	(691)	(611)	(793)	(896)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

There is no Capital Expenditure for this activity.

	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation	29	29	29	29	29	29	29	29	29	29

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Community Services



How this affects you

We improve social equity while building a sense of community, mana and regional identity. Our activities attract visitors to Tauranga.

The city centre is the commercial heart of Tauranga, providing employment and other economic activity. It produces environmental, economic, and social benefits by enabling the interaction of people for business, cultural and social activities.

What we do

We educate and support community organisations and internal teams.

We also:

- manage the Tauranga Heritage Collection, Baycourt and the Historic Village
- help fund Tauranga Art Gallery and The Elms
- manage relationship agreements with Creative Bay of Plenty and The Incubator
- add economic value to the city centre through the upgrade of the Civic Precinct and the Waterfront
- encourage greater visitation to the city centre by providing spaces and activities that encourage people to visit the city centre

- increase collaboration with the private sector to support opportunities for the growth and development of the city centre
- work to help build a city centre that is a great place to live, work, learn and play
- encourages a sense of pride and ownership people feel in their city
- approve events on Council's public open spaces (parks, roads etc.)
- provide financial support to events
- provide civic events such as ANZAC Day commemorations
- provide 246 elder housing units within nine villages

Activities Include:

- Arts and Culture
- City Centre Development
- Community Partnerships
- Elder Housing
- Libraries
- Venues and Events

Arts and Culture

We will facilitate, support and advocate for the arts in Tauranga including management of relationships with Creative Bay of Plenty, Tauranga Art Gallery, and The Elms	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of community facilitations undertaken	New Measure	30	30	30	30
Number of proposals received for the Creative Communities Scheme	New Measure	60	65	65	70

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Arts and Culture

We will provide a museum collection which is available to the community, whilst safeguarding historical and culturally important items.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of items loaned to schools through the Hands On Tauranga service	465	300	300	300	300

Venues and Events

Provide a comprehensive and fully functional performing arts venue, which is for use by the community and to attract high quality performing arts events to our city.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of patrons attending ticketed events at Baycourt	34,264	60,000	70,000	70,000	70,000
Level of satisfaction based on monthly survey of hirers to Baycourt	100%	>80%	>80%	>80%	>80%

Venues and Events

Deliver a diverse programme of arts experiences and events through a year-round programme.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of event days that Baycourt is occupied from total possible available days using booking information.	New Measure	255	280	280	280

Venues and Events

We will provide a well maintained and managed Historic Village as a community facility, available for commercial and community tenancies and as a function and events venue	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of annual visitors to Historic Village	214,556	200,000	225,000	250,000	250,000
Occupancy rate of Historic Village leasable village space	95%	95%	95%	95%	95%
Occupancy rate of Historic Village hireable venue space	8%	25%	25%	35%	50%

Venues and Events

We will invest in and/or attract events to Tauranga that meet the objectives of the Legacy and Major Event Funds	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of visitor nights as a direct result of Legacy and Major Event Fund investments	110,579	75,000	80,000	85,000	90,000
Total “Net Benefit” contribution of events within the Legacy and Major Event Funds	New Measure	\$4.5M	\$5M	\$5.5M	\$6M
Percentage of all Event Funding Framework supported events held in off-peak months (i.e. April to November)	47%	45%	50%	55%	55%

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Venues and Events

We will deliver successful Council-led events.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Public attendees are satisfied or very satisfied (via survey) with the Council-delivered event they attended	97%	85%	85%	85%	85%

Community Partnerships

We will facilitate social outcomes by working with other organisations, and coordinate approaches to enable community-led initiatives and community capacity building	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of proposals received for the Match Fund	New Measure	20	25	30	30
Number of proposals received for the Community Grant Fund	New Measure	20	5	5	5
Community projects contributed to by Project Tauranga partners each year	24	8	8	8	8

Libraries

Resources for information, reading and recreation are provided digitally	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Virtual visits total	584,632	460,000	480,000	500,000	520,000

Libraries

Library spaces are community hubs for place making in the city centre and neighbourhood centres	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Visits to Council Libraries (all four combined)	New Measure	600,000	600,000	600,000	600,000
Residents satisfaction with library services	New Measure	75%	75%	75%	80%

Libraries

Programmes, events and learning opportunities build skills and connect our community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of participants in all programmes	22,712	27,500	28,000	28,600	30,500

SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Growth – potential for growing expectations regarding delivery of arts and heritage activity, in particular the provision of a museum for a city of our size.	●	●	●	●	Review of role of arts and culture in our city, Council's role in this and an appropriate model for delivery.
Perceptions of Tauranga not having a culturally rich and diverse arts scene. Stories of our history being lost.	●	●	●	●	Establish clear direction on the contribution that arts and culture can make to the future of our city, and the role that Council has in this. Identify the most effective model of delivery. Consider collaboration, partnerships, new initiatives that contribute to the arts and culture scene in Tauranga.
Further disruption to the social and economic qualities of the city centre during construction.	●		●		Council will ensure the work on Council-owned sites are undertaken with the minimum amount of disruption possible
Continued council ownership of the site may not be tangata whenua's preferred approach to longstanding grievances on the site.		●			Tangata whenua closely involved in the design of the site.
Investment in the city centre means that funds might not be available to invest in other smaller centres.	●		●		Through the Urban Form and Transport Initiative, Council has adopted a connected centres approach and this identifies the importance of a strong CBD for the success of other centres in the city.
Lack of available dates for hirers due to high demand for venue bookings		●	●		Update of programme strategy to ensure a balanced and diverse programme, and drive high utilisation of both performance spaces
Impact of COVID-19 on performing arts sector limits hirer's capacity to deliver events at Baycourt	●	●	●		Targeted presenting programme and marketing support to grow capacity and capability, and attract new events to Baycourt
Low resilience of community organisations to respond and adapt to social, cultural, environmental and economic impacts, including COVID-19.	●	●	●	●	Work in partnership with the community to build capacity, capability and resilience.
Lack of fit-for-purpose community facilities available.	●				Work in partnership with the community to develop and implement a staged community infrastructure investment plan, including the development of community hubs.
Significant lack of housing supply to support delivery of the Kāinga Tupu – Growing Homes strategy.	●		●	●	Work in partnership with the community to develop a housing strategy and plan.
Events managed, facilitated or assisted by Council may have negative effects on the environmental wellbeing of non-participants. Such negative effects include increased noise, increased traffic congestion and restricted access to public facilities.	●			●	Council works with event managers and affected parties to minimise these negative effects wherever possible. Council has an organisation-wide Event Planning team that meets regularly to consider event compliance with the City Plan provisions.

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SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Impact of COVID-19 on the events industry limits mass gatherings and therefore the ability for events to take place.	●	●	●		Relook at Council's approach as the industry evolved with the Event Funding Framework and support to the industry and local event organisers.
Lack of fit-for-purpose housing and wraparound services currently provided to Council's elder housing tenants and the lack of capital funds for redevelopment.	●	●	●		Divestment to a community housing provider would ensure long-term sustainability of the activity and access to income related rent subsidies and wraparound social services.
In addition, there's the future problem of rapidly growing demand for affordable (rental) elder housing in Tauranga, with Statistics NZ indicating that demand will increase by 81% over the next 12 years.					It would also provide the opportunity for portfolio redevelopment and growth to meet current and future elder housing demand.
While, there is an acceptance that community housing providers are better placed to provide an elder housing service, the welfare of current tenants must continue to be the primary consideration, with tenants no worse off than before.	●	●	●		We would include terms to ensure the retention of stock and protection of the current tenant welfare (including secure tenure), along with monitoring arrangements to assess the performance of the community housing provider.
The community does not get optimum benefit from resources provided from rates.	●	●			Increase promotional activities so the community is aware of resources and assistance available. Library Website is refreshed.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	21,219	25,137	28,247	29,304	31,503	32,914	34,781	35,681	35,744	36,269	37,303
Targeted Rates	0	1,400	5,505	5,873	4,981	5,540	8,699	9,178	13,673	16,367	16,576
Subsidies and grants for operating purposes	1,933	405	168	172	177	183	188	193	198	266	273
Fees and charges	1,880	2,969	2,180	2,287	2,347	2,411	2,569	2,651	3,674	4,233	4,352
Internal charges and overheads recovered	(29)	2	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	25,003	29,913	36,100	37,636	39,008	41,048	46,237	47,703	53,289	57,135	58,504
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	16,411	21,545	22,299	22,309	21,705	22,522	23,235	24,388	27,394	29,146	30,068
Finance Costs	533	536	705	1,199	2,105	2,774	3,431	3,305	3,109	3,069	3,119
Internal Charges and Overheads applied	5,051	7,025	8,046	8,725	10,027	10,446	10,994	11,389	11,879	12,370	12,606
Other Operating Funding applications	21	21	22	22	23	24	24	25	26	26	27
Total Applications of Operating Funding (B)	22,016	29,127	31,072	32,255	33,860	35,766	37,684	39,107	42,408	44,611	45,820
Surplus/(Deficit) of Operating Funding (A-B)	2,987	786	5,028	5,381	5,148	5,282	8,553	8,596	10,881	12,524	12,684

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY SERVICES												
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's	
SOURCES OF CAPITAL FUNDING												
Subsidies and grants for capital expenditure	0	0	0	0	750	4,449	22,791	13,513	6,330	0	0	
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0	
Increase/(Decrease) in debt	1,399	4,507	8,196	35,533	36,401	20,301	5,090	693	691	9,590	5,941	
Gross proceeds from the sale of assets	0	23,102	0	0	0	0	0	0	0	0	0	
Lump sum contributions	(1)	242	0	0	10,500	8,000	5,000	13,750	3,750	0	0	
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0	
Total Sources of Capital Funding (C)	1,398	27,850	8,196	35,533	47,651	32,750	32,881	27,956	10,771	9,590	5,941	
APPLICATION OF CAPITAL FUNDING												
- to meet additional demand	0	0	0	0	0	0	0	596	614	9,482	5,849	
- to improve level of service	1,592	4,538	8,677	39,488	51,650	33,811	32,797	27,269	10,086	6	6	
- to replace existing assets	3,538	3,064	2,880	2,656	2,493	2,217	2,179	2,303	1,745	2,140	2,385	
Increase/(Decrease) in reserves	(744)	21,034	1,667	(1,230)	(1,344)	2,004	6,458	6,384	9,207	10,486	10,385	
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0	
Total Applications of Capital Funding (D)	4,385	28,636	13,224	40,914	52,799	38,032	41,434	36,552	21,652	22,114	18,625	
Surplus/(Deficit) of Capital Funding (C-D)	(2,987)	(786)	(5,028)	(5,381)	(5,148)	(5,282)	(8,553)	(8,596)	(10,881)	(12,524)	(12,684)	
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0	
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's	
Depreciation and amortisation		2,498	2,592	2,747	2,816	2,762	5,855	5,948	8,165	9,735	9,823	

Long-term Plan Amendment 2021-2031

GROUPS OF ACTIVITIES 85

TAURANGA CITY COUNCIL- CAPITAL EXPENDITURE - COMMUNITY SERVICES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	3,559,607	7,853,292	39,487,608	51,650,074	33,811,176	32,796,689	27,865,003	10,699,968	9,488,572	5,855,149	223,067,135
Civic Rebuild Capital Programme	-	-	4,015,000	17,218,787	23,832,033	32,790,904	27,263,194	10,080,080	-	-	115,199,998
Community Facilities Investment Plan (CFIP)	3,093,022	7,569,478	35,308,168	34,255,817	9,973,516	-	595,850	613,750	9,482,250	5,848,650	106,740,501
Historic Village Capital	461,585	278,663	159,135	170,006	-	-	-	-	-	-	1,069,389
Library Capital Works	5,000	5,150	5,305	5,464	5,628	5,785	5,959	6,138	6,322	6,499	57,247
Renewal	4,081,327	3,703,561	2,655,840	2,493,468	2,216,933	2,179,491	2,302,698	1,745,002	2,140,199	2,385,008	25,903,527
Baycourt Capital Renewals	425,245	270,356	417,793	303,969	301,607	357,864	389,387	283,706	435,632	356,473	3,542,032
Elder Housing Upgrades	482,888	-	-	-	-	-	-	-	-	-	482,888
Historic Village Capital	1,955,557	2,148,825	945,808	651,686	489,678	313,799	261,024	62,443	168,180	294,452	7,291,453
Library Capital Works	892,000	1,168,973	1,204,042	1,505,577	1,277,358	1,313,108	1,352,490	1,393,120	1,434,886	1,475,062	13,016,616
Prop Management Upgrades & Renewals	325,637	115,406	88,197	32,236	148,290	194,720	299,797	5,732	101,502	259,021	1,570,538
Grand Total	7,640,934	11,556,852	42,143,448	54,143,542	36,028,109	34,976,179	30,167,701	12,444,969	11,628,771	8,240,156	248,970,662

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Community, People and Relationships



How this affects you

We connect people with Council, helping communities understand how we work and how they can play a part in the decision-making that shapes our city.

What we do

This activity involves both our mayor and councillors (and commissioners until the end of the triennial local authority elections in October 2022), and the staff who support them to foster closer relationships between tangata whenua and communities and be effective, responsible and accountable decision makers.

We:

- respond to face-to-face enquiries, LIM and property file applications
- respond to enquiries via other channels
- communicate and engage with our communities
- internally, coach and advise staff about the best ways to communicate and engage
- support the mayor and councillors while facilitating Council meetings
- maintain strategic relationships between Council, tangata whenua and the wider Māori community

Activities Include:

- Community Relations
- Customer Service
- Democracy Services
- Te Pou Takawaenga Māori Unit

Community Relations

Organisational capability for delivery of communication and engagement activity is enhanced.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Trust and confidence in the organisation will increase shows increase in satisfaction by survey	New Measure	Baseline established	Improvement on 21/22 baseline	Improvement on 22/23	Improvement on 22/23

Customer Service

We will provide a service centre and a 24/7 contact centre to respond to enquiries by multiple access channels where customers can make enquiries and request information	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Enquiries at service centre will be managed at First Point of contact	New Measure	97%	97%	97%	97%
Percentage of calls at contact centre that are resolved at first point of contact	New Measure	80%	80%	80%	85%
Customer Satisfaction for service centre and contact centre - NPS rating will be above 40	New Measure	40	40	45	45

Customer Service

We will provide a Land Information Memoranda service	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
10 Day Statutory timeframes are met	New Measure	100%	100%	100%	100%

Democracy Services

We provide opportunities for the community to participate in decision making.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents who are satisfied or neutral with the way the Council involves the public in decision-making processes.	New Measure	59%	60%	61%	62%

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SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
That performance measures for LIM applications are not achievable due to material changes in the housing market outside of activity specific assumptions.			●		Multi-skill Service Centre advisors to ensure greater flexibility of workforce to assist with fluctuating LIM volumes.
Significant conflict among the mayor and councillors comes to the attention of the Minister of Local Government with the risk that the Minister could use their powers under Part 10 of the Local Government Act 2002,	●	●	●	●	Trust and confidence in the mayor and councillors ability to meet the Crown's expectations of a high performing council is maintained.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY AND RELATIONSHIPS											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	3,336	0	0	0	0	0	0	0	0	0	0
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	2	2	3	3	3	3	3	3	3	3	3
Fees and charges	992	1,596	1,796	1,689	1,738	1,957	1,837	1,889	2,124	1,996	2,050
Internal charges and overheads recovered	4,416	7,796	9,458	9,514	10,274	10,987	10,965	11,457	12,284	11,973	12,264
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	8,746	9,394	11,257	11,206	12,015	12,947	12,805	13,349	14,411	13,972	14,317
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	7,770	9,306	11,118	11,067	11,877	12,813	12,654	13,198	14,260	13,824	14,174
Finance Costs	(12)	104	104	104	104	104	121	121	121	121	121
Internal Charges and Overheads applied	828	0	0	0	0	0	0	0	0	0	0
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	8,586	9,410	11,222	11,171	11,981	12,917	12,775	13,319	14,381	13,945	14,295
Surplus/(Deficit) of Operating Funding (A-B)	160	(15)	35	35	34	30	30	30	30	27	22

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY AND RELATIONSHIPS											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	(27)	0	0	0	0	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	(27)	0	0	0	0	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in reserves	133	(15)	35	35	34	30	30	30	30	27	22
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	133	(15)	35	35	34	30	30	30	30	27	22
Surplus/(Deficit) of Capital Funding (C-D)	(160)	15	(35)	(35)	(34)	(30)	(30)	(30)	(30)	(27)	(22)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

There is no Capital Expenditure for this activity.

	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation	35	35	35	34	30	30	30	30	27	22

Economic Development



How this affects you

Our investments improve prosperity for the whole community while building economic resilience and sustainability. The airport connects Tauranga with the rest of the country and the world.

What we do

We act as an economic development facilitator, mostly through Priority One and Tourism Bay of Plenty. Our focus is on visitors, investors, business and skill attraction, skill development, and supporting innovation.

We provide a high-quality airport that is self-funding and generates income.

Activities Include

- Airport
- Economic Development

Airport

We will provide an airport that caters for scheduled commercial flights and enables growth in traveller numbers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of passengers through the airport each year - this is a 12-month running total	389,000	396,000	400,000	450,000	>500,000

Airport

We will provide airport customers with fit-for-purpose airport facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Customer satisfaction with airport facilities as measured by point of user survey	Not measured	90-100%	90-100%	90-100%	90-100%

Economic Development

Priority One will provide facilitation service to increase investment and innovation in Tauranga, leading to a more productive economy	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Gross Domestic Product per Employee in the city	\$94,976	\$95,000	\$96,000	\$97,000	\$1,000,000

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Economic Development

We will provide improved alignment of residents' skills with business needs, leading to meaningful work outcomes for our community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Knowledge Intensive Jobs – share of total jobs	New Measure	28.5%	28.7%	28.9%	Increase of .2% per annum
Unemployment Rate	New Measure (pre-Covid 3.4%)	<10%	<8%	<6%	<5%
Mean annual earnings	New Measure (\$58,336 pre-Covid)	\$58,000	\$59,000	\$60,000	Increase of \$1000 per annum

Economic Development

We will work collaboratively with Tourism Bay of Plenty and the tourism sector to increase visitor expenditure at a faster rate than Tauranga's GDP	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Increased visitor spend - international and domestic	\$804M	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.

Economic Development

Resident likelihood to recommend Tauranga as visitor destination	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Net promoter score	New Measure (+27 June 2020)	Maintain	Maintain	Maintain	Maintain

SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Aircraft noise negatively impacting the local community.	●				Maintaining noise within the airport noise contour limits in the Tauranga City Plan.
High levels of economic growth (and population growth) can have significant social and environmental negative effects.	●		●	●	Ensuring support for economic development has regard for social and environmental sustainability.
Economic outcomes may not benefit all of our community in an evenly distributed way; or may be negative for some sections of the community, particularly during times of economic downturn.	●		●		Effective covid-19 response. Investment in education and alignment to labour market trends. Activities to improve labour market skill levels. Activities to retain and/or grow employment opportunities in the area.
Population and economic growth may place a strain on infrastructure assets.	●		●		Robust long term urban, transport and spatial planning, including an understanding of sustainable growth (population and industrial/commercial) rates, and location of commercial/industrial land. Aligned planning across local and central government including economic and urban growth strategies. Alternative funding of infrastructure assets aligned to growth.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - ECONOMIC DEVELOPMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	4,582	4,851	5,008	5,165	5,673	5,830	5,979	6,138	6,302	6,469	6,634
Subsidies and grants for operating purposes	25	0	0	0	0	0	0	0	0	0	0
Fees and charges	5,800	8,786	9,387	9,964	10,695	11,185	11,687	12,355	12,946	13,582	14,250
Internal charges and overheads recovered	68	6	11	16	22	30	38	46	55	64	75
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	10,475	13,643	14,406	15,145	16,390	17,045	17,704	18,539	19,303	20,115	20,959
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,087	8,540	8,791	9,043	9,028	9,287	9,535	9,801	10,074	10,355	10,634
Finance Costs	373	193	183	170	287	396	469	442	417	392	368
Internal Charges and Overheads applied	850	919	1,054	1,168	1,281	1,362	1,439	1,501	1,579	1,646	1,683
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	9,310	9,652	10,028	10,381	10,596	11,045	11,443	11,744	12,070	12,393	12,685
Surplus/(Deficit) of Operating Funding (A-B)	1,165	3,991	4,378	4,764	5,794	6,000	6,261	6,795	7,233	7,722	8,274

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - ECONOMIC DEVELOPMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	(1,842)	366	0	212	8,742	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	(1,842)	366	0	212	8,742	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	100	0	212	7,103	0	0	0	0	0	0
- to improve level of service	258	258	0	0	1,639	0	0	0	0	0	0
- to replace existing assets	3,935	197	678	175	192	118	6	6	98	6	58
Increase/(Decrease) in reserves	(4,869)	3,802	3,700	4,589	5,602	5,882	6,255	6,789	7,135	7,716	8,216
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(677)	4,357	4,378	4,976	14,536	6,000	6,261	6,795	7,233	7,722	8,274
Surplus/(Deficit) of Capital Funding (C-D)	(1,165)	(3,991)	(4,378)	(4,764)	(5,794)	(6,000)	(6,261)	(6,795)	(7,233)	(7,722)	(8,274)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - ECONOMIC DEVELOPMENT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	100,000	-	212,180	7,102,550	-	-	-	-	-	-	7,414,730
Airport Upgrades & Renewals	100,000	-	-	-	-	-	-	-	-	-	100,000
Multi Story Carpark	-	-	212,180	7,102,550	-	-	-	-	-	-	7,314,730
Level of Service	257,559	-	-	1,639,050	-	-	-	-	-	-	1,896,609
Airport Upgrades & Renewals	257,559	-	-	-	-	-	-	-	-	-	257,559
Security Upgrade	-	-	-	1,639,050	-	-	-	-	-	-	1,639,050
Renewal	196,706	677,668	175,049	191,632	118,178	5,785	5,959	98,200	6,322	58,487	1,533,984
Airport Upgrades & Renewals	196,706	677,668	175,049	191,632	118,178	5,785	5,959	98,200	6,322	58,487	1,533,984
Grand Total	554,265	677,668	387,229	8,933,232	118,178	5,785	5,959	98,200	6,322	58,487	10,845,323

Emergency Management



How this affects you

To increase community awareness, understanding, readiness, resilience and participation in emergency management.

Tauranga City Council is part of the Bay of Plenty Civil Defence Emergency Management Group, along with the region's Regional and District Councils. The functions of the Civil Defence Emergency Management (CDEM) Group include the coordination of civil defence emergency management planning, delivering CDEM programmes and CDEM activities across the region, and carrying out risk management.

What we do

The activity works with communities, businesses and partners/stakeholders (e.g. NZ Police, Fire & Emergency NZ, Non-Government Organisations and community groups) to ensure effective resilience to, response to, and recovery from hazard events in Tauranga.

Central to this is an all-hazards, all risks, integrated and community-focused approach that prioritises:

- identifying, assessing and communicating about hazards and risks to the community;
- promoting and enabling our communities to be aware of, and resilient to hazard consequences;
- preparing Council for its role of coordinating the response to and recovery from emergencies;
- collaborating with partner agencies and organisations to be able to collectively support our communities during and after emergencies;
- leading or supporting a citywide response and coordination of relief for people and animals during an emergency; and
- enhancing Tauranga's capability to recover from emergencies.

We will provide an Emergency Operations Centre (EOC) to ensure an effective emergency response	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
<p>The city is prepared for and can effectively respond to an emergency.</p> <p>Measured by annual audit by EMBOP, the CDEM Group office.</p> <p>Measures include aggregate score across:</p> <ul style="list-style-type: none"> • EOC Control appointments and function leads trained to Joint Committee specified levels, • EOC practised within last 12 months. • EOC response procedures reviewed within last 3 years. 	New measure	Advancing	Advancing	Advancing	Mature
We will provide community education initiatives increase public awareness and preparedness	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents that know they need to be self-reliant in the event of a major civil defence emergency	84%	95%	95%	95%	95%
Percentage of residents who are prepared for an emergency	New Measure	50%	50%	50%	55%

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Being poorly prepared for an effective emergency response could incur moderate to severe levels of community illness, loss of life, assets and infrastructure, financial impact on the community, and reduction in local/sub-regional economy.	●	●	●	●	Maintaining an effective and coordinated response capability. A work plan has been developed to focus on increasing our effective/coordinated response capability; enhancing our welfare arrangements; and work in the community to develop and increase community resilience. In any major event where our capacity is exceeded, we assume that regional and national entities can be called upon.
Low resilience investment by individuals and organisations has significant negative effects on ability for Tauranga to absorb or adapt to stressors and shocks.	●	●	●	●	Increasing the level of engagement of everyone in the community to understand what they need to do before, during and after emergencies, and that the key principle of community resilience is self-responsibility and self-reliance.
Lack of community facilities suitable for CDEM emergency relief purposes reduces ability for Tauranga to care for individuals immediately affected by moderate- major emergencies.	●	●	●	●	Increasing partnerships (enabling and empowering) with iwi/hapu and community organisations to develop/establish Community Lead Centres to be able to provide emergency relief to residents/manuhiri.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - EMERGENCY MANAGEMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	1,417	1,565	1,729	1,876	1,988	2,044	2,128	2,179	2,241	2,297	2,340
Targeted Rates	135	245	211	422	431	440	449	459	469	479	489
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	35	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	1,587	1,810	1,940	2,298	2,419	2,484	2,577	2,638	2,710	2,776	2,829
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	960	1,308	1,221	1,357	1,407	1,449	1,486	1,529	1,576	1,615	1,660
Finance Costs	169	82	132	179	172	166	186	178	171	165	158
Internal Charges and Overheads applied	434	464	531	577	656	684	720	746	778	811	826
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	1,563	1,854	1,884	2,113	2,235	2,299	2,392	2,453	2,525	2,591	2,644
Surplus/(Deficit) of Operating Funding (A-B)	24	(44)	56	185	184	185	185	185	185	185	185

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - EMERGENCY MANAGEMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	850	50	3,547	9	10	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	850	50	3,547	9	10	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	850	50	3,538	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	36	37	38	0	0	0	0	0	0
Increase/(Decrease) in reserves	24	(44)	29	157	156	185	185	185	185	185	185
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	874	6	3,603	194	194	185	185	185	185	185	185
Surplus/(Deficit) of Capital Funding (C-D)	(24)	44	(-56)	(185)	(184)	(185)	(185)	(185)	(185)	(185)	(185)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
						</					

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GROUPS OF ACTIVITIES 101

TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - EMERGENCY MANAGEMENT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	50,000	3,537,658	-	-	-	-	-	-	-	-	3,587,658
Emergency Management Capital Works	50,000	3,537,658	-	-	-	-	-	-	-	-	3,587,658
Renewal	-	36,050	37,132	38,245	-	-	-	-	-	-	111,426
Tsunami Evacuation	-	36,050	37,132	38,245	-	-	-	-	-	-	111,426
Grand Total	50,000	3,573,708	37,132	38,245	-	-	-	-	-	-	3,699,084

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Marine Precinct



How this affects you

To deliver one of New Zealand's top Marine Precinct facilities that will service the Bay and wider New Zealand efficiently and create the 'one-stop shop' for the servicing needs of the marine industry. It contributes to the Tauranga lifestyle and economically supports local marine based business, retail, accommodation, restaurants and tourism sectors.

What we do

The Tauranga Harbour Marine Precinct is a project to deliver provides a purpose-built marine servicing facility at Sulphur Point. The precinct will provide a base for boat building and refit businesses in Tauranga and will be managed by Tauranga City Council under the Vessel Works brand.

We will provide the marine industry with access to efficient and reliable large/heavy vessel lifting and hardstand facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average annual hardstand occupancy	64%	40%	50%	60%	70%
We will provide the marine industry with access to quality berthing facilities, for working vessels, that are well utilised and fit for purpose	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average annual berth occupancy	53%	>65%	>65%	>65%	>65%
We will provide the fishing industry with facilities (wharfs) that are readily accessible, fit for purpose and commercially viable. These facilities are to enable fish to be unloaded and access to existing private sector ice loading facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of customers satisfied with fish unloading facilities and access to existing ice loading facilities	Not measured	80%	80%	80%	80%

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Facility operations have risks associated with creating air and water pollution.				●	The facility has a range of resource consents it needs to adhere with. To support compliance with the consents, an extensive environmental compliance programme is in place.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - MARINE PRECINCT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,109	1,003	1,032	1,115	1,147	1,180	1,212	1,246	1,281	1,317	1,352
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	1,109	1,003	1,032	1,115	1,147	1,180	1,212	1,246	1,281	1,317	1,352
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	397	1,312	1,273	1,312	1,350	1,391	1,429	1,472	1,513	1,558	1,601
Finance Costs	42	551	635	774	898	960	1,056	1,124	1,197	1,273	1,354
Internal Charges and Overheads applied	232	269	308	340	367	389	412	429	450	470	480
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	671	2,132	2,216	2,426	2,615	2,740	2,897	3,025	3,160	3,301	3,435
Surplus/(Deficit) of Operating Funding (A-B)	438	(1,129)	(1,184)	(1,311)	(1,468)	(1,560)	(1,685)	(1,779)	(1,879)	(1,984)	(2,083)

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - MARINE PRECINCT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	505	1,019	1,195	4,530	102	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	455	999	257	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	960	2,018	1,452	4,530	102	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	959	2,019	1,452	4,530	102	0	0	0	0	0	0
- to replace existing assets	1,033	501	530	114	250	257	265	272	281	289	297
Increase/(Decrease) in reserves	(595)	(1,631)	(1,714)	(1,425)	(1,718)	(1,817)	(1,950)	(2,051)	(2,160)	(2,273)	(2,380)
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	1,398	889	268	3,219	(1,366)	(1,560)	(1,685)	(1,779)	(1,879)	(1,984)	(2,083)
Surplus/(Deficit) of Capital Funding (C-D)	(438)	1,129	1,184	1,311	1,468	1,560	1,685	1,779	1,879	1,984	2,083
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
								</			

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - MARINE PRECINCT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	2,018,716	1,451,969	4,530,042	101,621	-	-	-	-	-	-	8,102,348
Marine Precinct Upgrades & Renewals	2,018,716	1,451,969	4,530,042	101,621	-	-	-	-	-	-	8,102,348
Renewal	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Marine Precinct Upgrades & Renewals	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Grand Total	2,519,533	1,981,770	4,644,101	351,456	257,334	264,536	272,470	280,656	289,070	297,163	11,158,091

Regulatory and Compliance



How this affects you

Our activities promote a safe and healthy environment for people and animals, ensuring that building work is safe and meets code, and that our city develops in the right way. We ensure that bylaws are consistently applied, and that people are educated about their responsibilities.

What we do

We administer Acts, Regulations, Bylaws and Policies relating to:

- animals
- buildings are developed in a safe and compliant manner
- environmental planning
- environmental health and licensing
- monitoring regulations

Activities Include

- Animal Services
- Building Services
- Environmental Health and Licensing
- Environmental Planning
- Regulation Monitoring

Animal Services

We will provide an effective dog registration process that supports a safe community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
All known dogs are registered, or appropriate enforcement action is taken.	96%	100%	100%	100%	100%

Animal Services

We will provide a prompt response time to animal behavioural issues	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
All urgent animal requests are responded to within 60 minutes where there is an ongoing risk to safety	98%	100%	100%	100%	100%

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Animal Services

We will provide dog management and behavioural education to the community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Provide educational presentations regarding dog handling, management and bite prevention to schools and other relevant businesses	New Measure	15 (events)	15 (events)	15 (events)	15 (events)

Building Services

We will provide technical advice and consent decisions within statutory timeframes	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of building consent applications processed within legal timeframes	95%	98%	98%	99%	99%
Carrying out of building inspections (on average)	7-10 days	4 days	4 days	4 days	4 days

Building Services

We will ensure all private pools barriers within Tauranga City are safe and compliant	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of properties with compliant pool fencing or appropriate enforcement action is taken.	98%	100%	100%	100%	100%

Building Services

Ensure Building warrant of fitness are current and compliant.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Ensure Building warrant of fitness are renewed on time and are compliant with the building compliance schedule	New Measure	92%	94%	95%	95%

Environmental Health and Licensing

We will undertake audits of all food premises registered with Tauranga City Council	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of TCC verified food premises that have been inspected and had appropriate enforcement action taken	New Measure	100%	100%	100%	100%

Environmental Health and Licensing

Council will aim to reduce alcohol-related harm by annually inspecting alcohol licensed premises to ensure compliance with the Sale and Supply of Alcohol Act 2012 and licensing conditions in general.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of new and renewed licensed premises inspected and appropriate enforcement action taken	New Measure	100%	100%	100%	100%

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Environmental Planning

We will meet the community's expectations through making informed decisions, delivering fit for purpose vested infrastructure through robust engineering assessments and by taking an education first approach to compliance.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of new resource consent applications processed within statutory timeframes	90%	95%	95%	95%	95%
Percentage overall satisfaction with level of advice given, response times and clarity of communication	New Measure	70%	75%	80%	80%
Percentage of compliance and enforcement actions undertaken following the principles set out in the R&C Compliance Charter and Strategy	New Measure	85%	95%	100%	100%
Percentage of building consent, resource consent and service connection applications are assessed for development contributions as well as invoiced and collected as appropriate.	100%	100%	100%	100%	100%

Environmental Planning

We will undertake noise monitoring to ensure community amenity is protected from excessive and unreasonable noise	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of noise complaints that are attended and are resolved through appropriate enforcement action.	New Measure	100%	100%	100%	100%

Regulation Monitoring

We will monitor traffic and parking bylaw and related legislation, taking an education approach to raise awareness in the community, or enforcement where appropriate.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Respond to all parking complaints within 24 hours	92%	100%	100%	100%	100%
Enforce parking compliance at known hotspot areas (events, sports fields, markets) and during school patrols on average at least 2 times per week	New Measure	100%	100%	100%	100%

Regulation Monitoring

We will monitor the Freedom Camping Bylaw	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
a) Daily patrols of key designated and prohibited freedom camping sites from Nov-April. b) Patrol same sites 4 nights a week from May-Oct.	New Measure	100%	100%	100%	100%
And appropriate action is taken regarding breaches of the bylaw - education and/or enforcement					

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Dog ownership can lead to barking and roaming dogs	●			●	Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Dog ownership can lead to dog attacks on people and other animals.	●			●	Robust dog control policy focusing on minimising danger, distress or nuisance by dogs to the public.
Keeping of bees can cause nuisance to neighbouring properties or serious injury for allergic people	●			●	Dog owner education and enforcement of regulations
Keeping of poultry or other animals can cause smell and nuisance to neighbours	●			●	Dog bite prevention training and education
Building and Resource consent decisions and delivery of information on Building Act, City Plan and development matters can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	●				Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Resource consent decisions, development, delivery of information on and monitoring of the City Plan and resource consents can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	●	●	●	●	Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Input into the resource consent process can result in vested infrastructure that is not fit for purpose and community use.	●	●	●	●	Council addresses this by ensuring that the team is resourced effectively, and staff have adequate access to all relevant information and are appropriately trained/qualified to make robust decisions to ensure that effects are kept to a minimum.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - REGULATORY AND COMPLIANCE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	5,764	6,214	6,939	7,323	8,021	8,148	8,313	8,399	8,533	8,665	8,655
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	13,934	18,566	19,703	20,813	21,975	23,263	24,612	26,061	27,567	29,161	30,812
Internal charges and overheads recovered	(22)	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	154	149	155	160	165	172	179	186	193	200	208
Total Sources of Operating Funding (A)	19,830	24,929	26,797	28,296	30,161	31,583	33,104	34,646	36,293	38,026	39,675
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	13,525	16,296	17,228	17,780	18,201	18,619	19,106	19,648	20,191	20,755	21,332
Finance Costs	130	195	260	339	412	501	579	648	706	751	782
Internal Charges and Overheads applied	8,327	9,830	11,266	12,141	13,974	14,500	15,234	15,759	16,402	17,054	17,379
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	21,982	26,321	28,754	30,260	32,587	33,620	34,919	36,055	37,299	38,560	39,493
Surplus/(Deficit) of Operating Funding (A-B)	(2,152)	(1,392)	(1,957)	(1,964)	(2,426)	(2,037)	(1,815)	(1,409)	(1,006)	(534)	182

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - REGULATORY AND COMPLIANCE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	0	285	350	11	17	24	12	79	18	37	22
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	0	285	350	11	17	24	12	79	18	37	22
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	215	350	11	11	11	12	12	12	13	13
- to replace existing assets	0	73	0	0	6	16	1	67	6	25	9
Increase/(Decrease) in reserves	(2,152)	(1,395)	(1,957)	(1,964)	(2,426)	(2,040)	(1,816)	(1,409)	(1,006)	(535)	182
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(2,152)	(1,107)	(1,607)	(1,953)	(2,409)	(2,013)	(1,803)	(1,330)	(988)	(497)	204
Surplus/(Deficit) of Capital Funding (C-D)	2,152	1,392	1,957	1,964	2,426	2,037	1,815	1,409	1,006	534	(182)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		482	485	487	507	505	472	472	473	473	473

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - REGULATORY AND COMPLIANCE											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	215,000	350,200	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	659,393
Animal Services Minor Capital Works	5,000	-	-	-	-	-	-	-	-	-	5,000
Animal Services Pound Upgrades	200,000	339,900	-	-	-	-	-	-	-	-	539,900
Regulatory Services Minor Capital Works	10,000	10,300	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	114,493
Renewal	72,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	201,914
Animal Services Minor Capital Works	72,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	201,914
Grand Total	287,949	350,200	10,609	17,308	27,454	12,221	78,534	17,940	37,240	21,851	861,307

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Spaces and Places



How this affects you

We provide services and spaces that make Tauranga a better place to live while helping to connect our communities.

What we do

We provide cemetery and cremation services, quality beachside accommodation, safe and well-maintained marine facilities, attractive parks, and quality urban spaces.

Activities Include

- Cemeteries
- Mount Beachside Holiday Park
- Marine Facilities
- Spaces and Places

Mount Beachside Holiday Park

We will provide a range of accommodation options for visitors to the region	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of Guest Nights	67,950	75,000	77,000	80,000	83,000

Spaces and Places

We will provide a network of open spaces, parks, and playgrounds for the use of residents and visitors to the city.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residential households that are within 500m of an open space	91%	90%	90%	90%	90%

Spaces and Places

We will provide a network of playgrounds enabling a variety of experiences for all age groups. Playgrounds can be targeted at young children, older children or can be exercise equipment for both adults and children	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residential households that are within 500m of a playground	60%	65-70%	65-70%	65-70%	65-70%

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Spaces and Places

We will provide high quality coastal and reserve land and structures, including	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Removal of 20 coastal encroachments from public land each year.	0	20	20	20	20
The amount of Parks land protected in the City Plan as a Special Ecological Area that is restored.	71%	Additional 2%	Additional 2%	Additional 2%	Additional 2%

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Carbon generated through the use of petrochemical-driven maintenance operations.			●	●	Annual planting programmes to offset the carbon emissions. Encourage alternative maintenance techniques when tendering maintenance works.
Noise from events or activities causing disruption to residential areas.	●			●	Have appropriate opening and closing hours for facilities to reduce noise impacts. Require resource consents for events or activities that are likely to be outside City Plan standards for noise. Ensure appropriate acoustic treatments are provided when designing and constructing new facilities. Prepare and implement reserve management plans through engagement with the community, that recognise appropriate and inappropriate use of reserves in residential areas.
Upgrading of reserve infrastructure, more people active and exposed to environmental effects and sun exposure.	●	●	●	●	Planting programme to provide shade in future years. Species that cause health effects avoided. Artificial shade structures used where appropriate. Rest points and facilities provided in open space.
Wastewater disposal and resilience of facilities on the coastal strip			●	●	Placement and design components of the facilities upgraded to provide longevity. Wastewater disposal completed in line with city plan, resource consent or building consent matters.
Use of agrichemicals presents a risk to public health.	●	●		●	Where possible apply alternative means of vegetation management. Comply with Regional Air Plan and New Zealand Standards including advertising, signage and safety equipment. Comply with Council's own policies relating to use of agrichemicals.
Increasing demand – growth increasing demand on boat ramps and associated facilities such as car parking surrounding these facilities.	●			●	Regularly review existing sites to assess potential for expansion. Investigate potential new sites for development or expansion. Investigate user pays to manage demand.
Increasing development in the harbour through new Marine infrastructure having a negative impact on the health of the harbour.		●		●	Work with BOPRC to include conditions in resource consents that ensure new Marine activities have safeguards to minimise their impact on the harbour.
Undertaking commercial activity on a reserve can have potential negative environmental impacts.				●	Beachside Holiday Parks takes steps to be sustainable, to minimise waste and other adverse environmental effects.

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TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - SPACES AND PLACES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	43,567	47,352	50,663	52,928	54,515	57,856	59,929	63,075	64,913	64,888	65,820
Targeted Rates	157	4,816	5,142	5,992	6,199	8,205	26,354	29,884	31,970	35,875	38,260
Subsidies and grants for operating purposes	110	68	70	72	74	77	79	81	83	85	88
Fees and charges	4,375	5,187	5,578	5,868	6,112	6,588	8,782	8,887	9,298	11,391	12,115
Internal charges and overheads recovered	(162)	(1)	(1)	0	0	0	1	1	2	3	3
Local authorities fuel tax, fines, infringement fees, and other receipts	515	515	515	515	515	515	515	515	515	515	515
Total Sources of Operating Funding (A)	48,562	57,937	61,967	65,375	67,415	73,241	95,660	102,443	106,781	112,757	116,801
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	32,683	38,153	35,909	38,031	36,359	37,759	42,108	45,292	44,873	48,274	52,426
Finance Costs	5,881	5,974	6,609	6,775	7,566	9,836	14,024	15,685	16,549	17,033	17,919
Internal Charges and Overheads applied	5,209	7,218	8,269	9,084	10,089	10,637	11,226	11,671	12,234	12,755	13,020
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	43,773	51,345	50,787	53,890	54,014	58,232	67,358	72,648	73,656	78,062	83,365
Surplus/(Deficit) of Operating Funding (A-B)	4,789	6,592	11,180	11,485	13,401	15,009	28,302	29,795	33,125	34,695	33,436

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SPACES AND PLACES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	9,051	36,000	0	0	0	0	0	0	0
Development and financial contributions	992	1,422	1,549	1,121	1,314	1,336	1,372	1,328	1,476	1,476	1,476
Increase/(Decrease) in debt	13,583	12,524	23,084	(4,402)	53,365	77,141	72,772	36,565	32,182	27,222	61,094
Gross proceeds from the sale of assets	0	2,000	0	0	0	0	0	0	0	0	0
Lump sum contributions	2,265	695	1,674	4,483	8,661	10,353	1,362	4,621	4,327	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	16,840	16,641	35,358	37,202	63,340	88,830	75,506	42,514	37,985	28,698	62,570
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	2,278	5,294	4,424	11,706	17,054	49,459	52,109	25,978	20,386	23,706	46,269
- to improve level of service	22,214	18,057	33,077	28,479	57,643	57,133	33,387	27,894	27,191	6,967	20,898
- to replace existing assets	5,066	4,157	6,328	11,455	7,144	5,924	4,323	5,455	4,776	7,846	7,708
Increase/(Decrease) in reserves	(7,929)	(4,275)	2,709	(2,953)	(5,100)	(8,677)	13,989	12,982	18,757	24,874	21,131
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	21,629	23,233	46,538	48,687	76,741	103,839	103,808	72,309	71,110	63,393	96,006
Surplus/(Deficit) of Capital Funding (C-D)	(4,789)	(6,592)	(11,180)	(11,485)	(13,401)	(15,009)	(28,302)	(29,795)	(33,125)	(34,695)	(33,436)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		8,227	7,342	8,548	9,361	11,174	16,256	19,516	21,112	23,345	24,544

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GROUPS OF ACTIVITIES 119

TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SPACES AND PLACES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	6,671,412	4,022,418	1,782,609	2,242,100	2,605,840	2,826,311	2,911,076	3,910,269	4,027,497	4,140,266	35,139,798
Neighbourhood Reserves & Other Minor Capital Projects	3,550,185	-	-	-	-	-	-	-	-	-	3,550,185
Parks Projects to Support CFIP Initiatives	-	-	-	327,810	168,825	-	-	-	-	-	496,635
Vested Assets	1,621,227	2,079,941	1,573,187	1,914,290	2,437,015	2,826,311	2,911,076	3,910,269	4,027,497	4,140,266	27,441,080
WC Existing Growth Areas	1,500,000	1,942,477	209,422	-	-	-	-	-	-	-	3,651,899
Growth & Level of Service	802,747	4,462,906	13,581,661	36,804,085	62,110,908	39,542,452	36,882,320	31,162,135	12,276,353	21,523,032	259,148,599
Accessible Recreation & Sporting Experiences	-	2,179,804	180,505	565,632	-	-	-	-	2,528,600	-	5,454,541
Community Facilities Investment Plan (CFIP)	342,747	2,066,801	13,257,935	36,090,939	62,043,378	39,473,032	36,810,818	31,088,485	9,102,960	21,445,050	251,722,145
Parks Projects to Support CFIP Initiatives	-	-	-	-	-	-	-	-	568,935	-	568,935
TECT Park Development	460,000	216,300	143,222	147,515	67,530	69,420	71,502	73,650	75,858	77,982	1,402,978
Level of Service	18,059,422	34,856,059	27,897,664	38,887,917	52,932,748	47,546,406	19,059,965	17,990,084	19,796,834	47,373,415	324,400,514
Accessible Recreation & Sporting Experiences	5,163,666	6,862,766	10,051,798	11,730,471	10,681,342	1,404,598	953,360	1,381,708	2,010,165	11,437,360	61,677,235
Bay Venues New Capital	2,511,727	3,708,672	1,451,161	1,323,109	8,620,262	1,593,433	2,070,380	1,576,011	1,400,077	1,729,511	25,984,341
Beachside Holiday Park Capital Programme	430,000	257,500	297,052	-	-	-	-	-	-	-	984,552
Bus Infrastructure	-	-	106,090	-	-	-	-	-	-	-	106,090
Capital Delivery Adjustments	-5,500,000	-1,030,000	-1,060,900	-	-	-	-	1,227,500	1,264,300	7,148,350	2,049,250
Cemeteries Capital Programme	-1,681,517	808,478	47,741	54,635	5,628	5,785	5,959	6,138	6,322	6,499	-734,335
Civic Rebuild Capital Programme	-	10,808,751	8,379,250	11,844,499	27,584,255	24,132,718	1,850,527	-	-	-	84,599,998
Community Facilities Investment Plan (CFIP)	-	-	-	-	-	-	595,850	613,750	7,585,800	3,899,100	12,694,500
Infrastructure Resilience Capital Works	-	-	-	-	-	1,157,000	1,191,700	1,227,500	1,264,300	-	4,840,500
Kopururerua Valley Development	2,599,000	2,636,269	2,431,084	-	-	-	-	-	-	-	7,666,353
Marine Facilities Upgrades & Renewals	-	-	-	-	363,114	364,455	3,811,950	3,949,452	316,075	-	8,805,047
Mauao Placemaking & Interpretation Projects	738,760	1,118,849	-	-	-	-	-	-	-	-	1,857,609
Mount Intensification	-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Neighbourhood Reserves & Other Minor Capital Projects	7,237,798	2,989,374	1,767,889	1,642,328	1,007,323	1,000,805	715,020	704,401	766,166	1,447,606	19,278,709

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SPACES AND PLACES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Otumoetai Intensification	-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Parks LOS Capital Development	-	1,835,872	129,854	819,525	-	-	-	-	-	779,820	3,565,071
Parks Projects to Support CFIP Initiatives	-	-	-	-	168,825	2,788,762	-	429,625	-	-	3,387,212
Strand Extension & Waterfront Access	-	515,000	3,182,700	2,731,750	-	-	-	-	-	-	6,429,450
Te Papa Intensification	-	51,500	1,113,945	8,741,600	4,502,000	15,098,850	7,746,050	6,751,250	5,057,200	20,795,200	69,857,595
Vested Assets	433,031	-	-	-	-	-	-	-	-	-	433,031
City Centre Streetscape	5,126,957	1,275,129	-	-	-	-	-	-	-	-	6,402,086
Omanawa Falls Development	1,000,000	3,017,900	-	-	-	-	-	-	-	-	4,017,900
Renewal	4,106,815	6,276,867	11,401,910	7,144,103	5,924,412	4,322,558	5,455,318	4,775,804	7,846,179	7,707,529	64,961,495
Beachside Holiday Park Capital Programme	140,729	386,041	62,654	51,842	170,656	136,645	232,476	68,590	1,068,334	396,727	2,714,693
Cemeteries Capital Programme	53,624	147,603	172,910	68,753	83,368	53,958	29,638	241,863	95,313	104,714	1,051,743
Marine Facilities Upgrades & Renewals	1,536,883	2,335,153	7,321,975	2,232,767	686,239	160,169	455,252	49,962	-	16,257	14,794,657
Parks Renewals	1,874,490	2,607,190	3,243,917	4,644,053	4,021,946	3,674,860	4,002,504	4,031,462	5,965,181	6,380,034	40,445,637
Prop Management Upgrades & Renewals	501,089	800,881	600,455	146,688	962,203	296,926	735,448	383,926	717,351	809,798	5,954,765
Grand Total	29,640,396	49,618,250	54,663,844	85,078,205	123,573,908	94,237,727	64,308,679	57,838,291	43,946,863	80,744,242	683,650,405

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Support Services

Support Services are services that predominantly provide internal support to the organisation.

These internal activities assist in the effective and efficient delivery of all Council services, and include the following activities:

- Asset Services
- Capital Programme Assurance Division (CPAD)
- Strategic Investment & Commercial Facilitation
- Digital Services
- Finance
- Legal, Risk and Procurement
- Health and Safety
- Human Resources
- Property Management
- Strategy and Corporate Planning

Asset Services

This activity ensures assets vested to Council and used by the public are fit-for-purpose and that Council's assets are managed in accordance with best practice providing best value for investment in infrastructure for the community.

Strategic Investment & Commercial Facilitation

The activity supports the strategic planning of works and projects involving Council's property needs and existing property assets, to enable the city's growth and success as a city that is well-connected, has good infrastructure and other civic facilities, attracts and supports a range

of business and education opportunities, and is well-connected with a range of sustainable transport choices. The activity seeks to deliver strategic property that is appropriately planned, managed, and utilised for the benefit of the community.

Digital Services

Digital Services assists Tauranga City Council to meet its long-term plan goals and the community through the provision of digital products and engagement platforms.

Finance

The finance function ensures that Council can continue to deliver services to the community to meet the four wellbeings and delivers on agreed priority outcomes into the future in a way that is affordable and financially sustainable.

Capital Programme Assurance Division (CPAD)

Providing assurance that the organisations capital programme is planned and executed effectively and consistently and delivers on the agreed community outcomes.

Legal, Risk and Procurement

A major organisational priority is the improvement of the project delivery functions. The Legal and Commercial teams have been identified as a critical component to achieving that outcome (working alongside the Capital Projects Assurance Division, and directors of Transport, Waters and Spaces and Places).

Improved procurement and risk management capability have been identified as key workstreams in the project delivery change management project.

The Procurement team support the organisation to deliver the right outcomes for Council and enable the business to function effectively. Decisions are made in a commercially astute manner that are both fair and transparent, achieving the best possible outcomes for our customers and the community.

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The Risk team provides a platform to enable objectives to be clearly defined, and the risks to achieving those objectives to be considered and systematically minimised. Business continuity ensures the business can continue to operate through disruption.

The in-house legal team provides cost effective advice and legal support for all areas of Council, and acts as a liaison to external legal counsel or insurers.

Health and Safety

We are committed to ensuring that all of our people are healthy and safe every day at work. By actively promoting health and safety we will provide a better work environment that contributes to our success, and ultimately deliver better outcomes for our community.

Human Resources

We provide people-related activities and services that focus on ensuring our employees are informed, engaged and motivated so they can deliver for our community, now and in the future.

Property Management

Council holds land and buildings for a strategic future purpose or immediate benefit to the wider community. Property Management works with the community and other Asset Managers to make sure that we best utilise our assets to either generate revenue or provide a community benefit.

Strategy and Corporate Planning

A successful city balances social, cultural, economic and environmental wellbeing, alongside effective urban form and transport. The Strategy and Corporate Planning team supports the mayor and councillors and the organisation to make good decisions and ensures that Council is future focussed and keeping up with the pace of change.

TAURANGA CITY COUNCIL- FUNDING IMPACT STATEMENT - SUPPORT SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	(8,478)	(8,957)	(8,112)	(5,684)	(5,430)	(5,419)	(13,861)	(11,156)	(12,154)	(12,687)	(12,352)
Targeted Rates	(2)	0	349	1,628	7,102	613	3,728	776	1,552	1,569	1,586
Subsidies and grants for operating purposes	(1,768)	401	413	425	437	450	462	475	488	502	515
Fees and charges	8,997	7,314	7,004	7,207	7,416	8,579	8,810	9,146	9,402	9,666	9,926
Internal charges and overheads recovered	70,436	83,553	94,968	104,927	117,460	127,616	149,198	156,087	164,269	174,189	181,571
Local authorities fuel tax, fines, infringement fees, and other receipts	711	958	1,512	2,100	2,498	2,878	3,190	3,736	3,746	4,040	4,147
Total Sources of Operating Funding (A)	69,896	83,269	96,134	110,603	129,483	134,717	151,527	159,064	167,303	177,279	185,393
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	39,530	48,516	49,893	53,292	57,310	60,138	62,952	64,874	67,428	70,417	71,555
Finance Costs	(8,202)	(9,170)	(9,319)	(6,804)	(6,456)	(6,520)	(15,145)	(12,903)	(14,605)	(15,519)	(15,746)
Internal Charges and Overheads applied	33,541	34,596	39,491	43,561	48,730	55,808	72,885	77,060	82,003	87,614	93,380
Other Operating Funding applications	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Applications of Operating Funding (B)	66,069	75,142	81,265	91,249	100,784	110,626	121,892	130,231	136,026	143,712	150,389
Surplus/(Deficit) of Operating Funding (A-B)	3,827	8,127	14,869	19,354	28,699	24,091	29,635	28,833	31,277	33,567	35,004

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUPPORT SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	2,435	0	0	0	1,250	0	0	0	0	0
Development and financial contributions	2	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	39,764	1,105	19,186	27,859	(891)	24,081	19,718	20,506	21,537	23,278	25,134
Gross proceeds from the sale of assets	1,484	20,500	0	0	21,854	0	0	0	0	0	0
Lump sum contributions	98	0	362	1,303	2,327	2,000	4,500	3,500	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	41,348	24,040	19,548	29,162	23,290	27,331	24,218	24,006	21,537	23,278	25,134
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	5,000	5,150	5,305	5,464	5,628	5,785	5,959	6,138	6,322	6,499
- to improve level of service	38,463	21,842	17,267	27,837	16,053	19,718	17,281	17,230	15,024	16,578	18,297
- to replace existing assets	7,340	3,012	3,324	3,552	2,392	3,277	2,847	3,880	2,924	3,347	3,444
Increase/(Decrease) in reserves	(627)	2,313	8,676	11,822	28,080	22,799	27,940	25,770	28,728	30,598	31,898
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	45,175	32,167	34,417	48,516	51,989	51,422	53,853	52,839	52,814	56,845	60,138
Surplus/(Deficit) of Capital Funding (C-D)	(3,827)	(8,127)	(14,869)	(19,354)	(28,699)	(24,091)	(29,635)	(28,833)	(31,277)	(33,567)	(35,004)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
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TAURANGA CITY COUNCIL- CAPITAL EXPENDITURE - SUPPORT SERVICES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	-3,000,000	5,150,000	5,304,500	-16,390,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	27,392,500
Strategic Acquisitions & Disposals	-3,000,000	5,150,000	5,304,500	-16,390,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	27,392,500
Level of Service	9,342,031	17,267,223	27,296,987	14,418,830	14,992,894	12,383,211	13,628,148	15,023,500	16,577,634	18,297,231	159,227,689
Civic Rebuild Capital Programme	6,289,200	3,734,574	7,883,548	-	-	-	-	-	-	-	17,907,322
Digital Services Capital Programme	12,467,705	12,466,366	17,703,549	12,876,226	14,880,344	12,267,511	13,508,978	14,900,750	16,451,204	18,167,261	145,689,894
Growing Communities Smart Hub	-	602,783	1,338,575	1,378,699	-	-	-	-	-	-	3,320,056
Health & Safety Risk Control Capital	500,000	463,500	371,315	163,905	112,550	115,700	119,170	122,750	126,430	129,970	2,225,290
Parking Infrastructure	150,000	-	-	-	-	-	-	-	-	-	150,000
Strategic Acquisitions & Disposals	-12,500,000	-	-	-	-	-	-	-	-	-	-12,500,000
Waters CIP	2,435,126	-	-	-	-	-	-	-	-	-	2,435,126
Renewal	3,011,890	3,323,522	3,552,373	2,392,470	3,277,029	2,847,392	3,880,296	2,923,582	3,346,545	3,444,132	31,999,231
Digital Services Capital Programme	2,479,248	3,182,692	3,415,282	2,303,294	3,181,970	2,785,197	3,778,411	2,796,549	3,122,970	3,358,256	30,403,869
Support Services Minor Renewals	532,642	140,830	137,091	89,176	95,060	62,195	101,884	127,033	223,575	85,876	1,595,361
Grand Total	9,353,921	25,740,744	36,153,859	420,800	23,897,423	21,015,603	23,466,943	24,084,582	26,245,680	28,239,863	218,619,419

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Variations

Variation between territorial authority's long-term plan and assessment of water and sanitary services and waste management plans.

Variations to Wastewater Sanitary Assessment

There are no significant variations.

Variations to Stormwater Sanitary Assessment

There are no significant variations.

Waste Management and Minimisation Plan

There are no variances between this Long-term Plan and the current Waste Management and Minimisation Plan (WMMP), adopted by Council in September 2016.

A WMMP is a strategic document which sets out Council's objectives, goals and actions for achieving effective and efficient waste management and minimisation. The Waste Minimisation Act 2008 requires councils to adopt a WMMP and review existing plans every six years.

The new Council kerbside waste and recycling service started on 1 July 2021.

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Council Controlled Organisations (CCO)

To achieve specific objectives for Tauranga, we have established several Council Controlled Organisations. These organisations, supported by Tauranga City Council, manage Council facilities and/or deliver significant services on behalf of Council and the Tauranga community. Each organisation has developed a Statement of Intent with Tauranga City Council.

Council Controlled Organisations are:

- Bay of Plenty Local Authority Shared Services (BOPLASS)
- Bay Venues Limited (BVL)
- Local Government Funding Agency Limited (LGFA)
- Tauranga Art Gallery Trust (TAG)
- Western Bay of Plenty Tourism and Visitors Trust, trading as Tourism Bay of Plenty (TBOP)

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Bay of Plenty Local Authority Shared Services (BOPLASS)

BOPLASS is a company owned by nine councils in the Bay of Plenty/Gisborne regions, which investigates, develops and delivers shared services, and undertakes joint procurement where this is appropriate.

This centralised approach enables Council to benefit through improved levels of service, reduced costs, and improved efficiencies, which optimises value to the community.

We will facilitate services and procurement which provide savings and efficiencies to Council	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Investigate new joint procurement initiatives for goods and services for BOPLASS councils	Achieved	≥4	≥4	≥4	To be set in further Statement of Intent
Identify opportunities to collaborate with other Local Authority Shared Services in procurement or shared service projects where alliance provides benefits to all parties	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Increase usage of the Collaboration Portal for listed projects and active users	Achieved	Projects ≥5% on previous year Usage ≥10% on previous year	Projects ≥5% on previous year Usage ≥10% on previous year	Projects ≥5% on previous year Usage ≥10% on previous year	To be set in further Statement of Intent

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We will facilitate services and procurement which provide savings and efficiencies to Council	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Communicate annually with each shareholding council at appropriate levels	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Ensure current funding model is appropriate	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the BOPLASS website: www.boplass.govt.nz

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Bay Venues Limited (BVL)

BVL provides essential social infrastructure including our City's premier venues for sporting, leisure and recreation and culture through an effective and efficient service delivery mechanism at the least possible cost to ratepayers.

BVL is charged with delivering outcomes that support the strategic objectives of TCC in a financially sustainable way and deliver on the Performance Measures outlined in the Statement of Intent for 2021-2024. BVL owns 24 facilities in Tauranga comprising five aquatic facilities, a stadium and speedway, one large contemporary multi-purpose recreation and event centre, three smaller recreation facilities, two community centres, two community share facilities and eight community halls and a high performance sports training centre.

In addition, BVL operates venue-based businesses, programmes, services and events.

We will provide customers with facilities that are of a high quality, accessible, and able to be utilised safely	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Health and safety - declining trend in facility related incidents measured from previous year.	Achieved	Declining	Declining from Year 1	Declining from Year 2	To be set in further Statement of Intents
Asset management - number of major service disruptions (greater than 4 hours) due to asset maintenance or operational deficiencies	Achieved	Nil	Nil	Nil	To be set in further Statement of Intents
Staff engagement – increasing trend in staff survey results measured from previous year	New measure	Increasing	Increasing from Year 1	Increasing from Year 2	To be set in further Statement of Intents

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We will provide customers with facilities that are of a high quality, accessible, and able to be utilised safely	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Percentage of customers satisfied or higher in annual customer satisfaction survey	Achieved	85%	85%	85%	To be set in further Statement of Intent
Community outputs - undertake all 13 actions/ activities identified in Schedule A of the Statement of Intent.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Actions from strategic implementation plan (listed in section 4) are completed.	New measure	>85%	>85%	>85%	To be set in further Statement of Intent

We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Achieve budgeted EBITDA (Earnings before interest, tax, depreciation and amortization)	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the BVL website: www.bayvenues.co.nz

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Local Government Funding Agency Limited (LGFA)

The LGFA provides certainty of access to debt markets, enabling Council to obtain funds at the best possible rate to fund projects of benefit to the community.

The LGFA is a partnership between Participating Local Authorities and the Government which enables councils to secure funding at lower interest margins and to make longer-term borrowings. The LGFA raises debt on behalf of local authorities through domestic and offshore sources, at a rate that is more favourable than that which would be secured if the council was to raise debt directly.

We will monitor total operating income	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total operating income for the period to be monitored.	Achieved	>\$19.10M	>\$18.50M	>\$19.70M	To be set in further Statement of Intent
We will monitor issuance costs and operating expenses within budget	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Annual issuance and operating expenses (excluding Approved Issuer Levy) for the period to be budgeted and monitored.	Achieved	<\$7.20M	<\$7.30M	<\$7.40M	To be set in further Statement of Intent
We will increase total lending available to Participating Local Authorities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Achieve total lending to Participating Local Authorities	Achieved	≥\$13,294M	≥\$14,515M	≥\$15,623M	To be set in further Statement of Intent
Achieve market share of all council borrowing in New Zealand	Achieved	≥80%	≥80%	≥80%	To be set in further Statement of Intent

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We will provide Participating Borrowers with a high level of satisfaction	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Percentage of Participating Borrowers who borrow from LGFA and are satisfied to the value added by LGFA to the borrowing activities	Achieved	85%	85%	85%	To be set in further Statement of Intent
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

We will ensure policy, regulatory or legislative requirements are maintained	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Review each Participating Borrower's financial position, its headroom under LGFA policies and arrange to meet each Participating Borrower at least annually	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Ensure no breaches of Treasury Policy, any regulatory or legislative requirements including the Health and Safety at Work Act 2015	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Maintain a credit rating equal to the New Zealand Government Sovereign rating where both entities are rated by the same credit rating agency	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the LGFA website: www.lgfa.co.nz

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Tauranga Art Gallery Trust (TAG)

Tauranga Art Gallery serves the residents of Tauranga, Western Bay of Plenty and visitors to the region. TAG seeks to create exceptional art experiences that engage, inspire, challenge and educate.

To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total gallery visitations	Not Achieved	40,000	>60,000	>60,000	>60,000
Develop an SROI (Social Return on Investment) assessment and strategy, to better calculate our economic impact and strategically raise our ROI	New measure	Achieved	Achieved	Achieved	Achieved
Achieve a high level of customer satisfaction	Achieved	80%	80%	80%	80%
Achieve diversity in audiences attending exhibitions	Achieved	Achieved	Achieved	Achieved	Achieved
Present at least one signature exhibition/event annually, attracting no less than 8,500 visitors (including online engagement)	Achieved	Achieved	Achieved	Achieved	Achieved
Investigate options for a regular national event attracting visitors to the city	New measure	Achieved	Achieved	Achieved	Achieved
Maintain good working relationships with Tauranga City Council staff and elected members, observing the 'no surprises' principle.	Achieved	Achieved	Achieved	Achieved	Achieved
Participate in Tauranga City Council's strategic process for a city-wide events strategy.	New measure	Achieved	Achieved	Achieved	Achieved
Deliver exhibitions and other art experiences (including online projects) that cover contemporary and historical content, and feature a range of cultural perspectives.	Achieved	>12	>12	>12	>12
Deliver an active education programme to students	Achieved	>7,500 students	>7,500 students	>7,500 students	>7,500 students
TAG education programme reaches diverse communities, especially through the provision of an ArtBus for school groups	New measure	>30 schools or >160 classes	>30 schools or >160 classes	>30 schools or >160 classes	>30 schools or >160 classes

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To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Funding is raised to support the ArtBus	New measure	Achieved	Achieved	Achieved	Achieved
Continue to identify and expand reach of programmes to schools that for a variety of reasons struggle to attend our exhibitions, including initiating offsite outreach programmes	New measure	Achieved	Achieved	Achieved	Achieved
Deliver offsite education outreach visits	New measure	12	12	12	12
Ethnicity of students is recorded on teacher evaluation forms	New measure	Achieved	Achieved	Achieved	Achieved

To be an anchorage of diversity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Investigate new ways to provide art experiences within the city through partnerships with key stakeholders	Achieved	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group
Collaborate with other organisations to create and promote art opportunities in Tauranga	Achieved	≥1	≥1	≥1	≥1
Develop an annual marketing plan and social media strategy which includes artist-generated content	Achieved	Achieved	Achieved	Achieved	Achieved
Deliver an exhibition focused towards online experiences and new media	New measure	>1	>1	>1	>1
Visitation to the TAG website and social media engagement increases annually	Achieved	Increasing	Increasing on Year 1	Increasing on Year 2	Increasing on Year 3
Increase presence of te reo through TAG website, social media posts, printed material, and exhibition texts	New measure	Achieved	Achieved	Achieved	Achieved
Partner with Tauranga City Council to offer increased opportunities for staff to learn te reo.	New measure	Achieved	Achieved	Achieved	Achieved

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To be anchored in economic sustainability	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Gross revenue target achieved and forecasted expenditure is contained within the approved budget	Achieved	Achieved	Achieved	Achieved	Achieved
Monthly checks on financial processes are performed by an external accountant	New measure	Achieved	Achieved	Achieved	Achieved
Compliance with TAGT Audit Committee Policy, Audit NZ requirements and approved general accounting practices	Achieved	Achieved	Achieved	Achieved	Achieved
Invest in Business Development role in order to identify and grow new diverse revenue streams	Achieved	Achieved	Achieved	Achieved	Achieved
Revise and implement new TAGT funding strategies annually.	Achieved	Achieved	Achieved	Achieved	Achieved
Build relationships with all TAG Entities, including the TAG Friends and TAG Foundation.	New measure	Achieved	Achieved	Achieved	Achieved
No less than 20% of TAGT operating expenditure will be provided from sources other than Council funds.	Achieved	Achieved	Achieved	Achieved	Achieved
The Director will provide information to the Board and work with TAGT to develop strategies for the cost-effectively management of the Gallery and future proofing our facilities.	Achieved	Achieved	Achieved	Achieved	Achieved
TAGT to develop its building maintenance and capital expenditure strategy	New measure	Achieved	Achieved	Achieved	Achieved

To be anchored in environmental sustainability	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Investigate the viability of installing solar power on the roof of the Gallery and annually reviews power consumption	Achieved	Achieved	Achieved	Achieved	Achieved
Investigate ways of reducing its waste by recycling and/or reusing materials as appropriate	Achieved	Achieved	Achieved	Achieved	Achieved
Encourage staff to explore alternative sustainable travel options	New measure	Achieved	Achieved	Achieved	Achieved
Health and safety policy and operational procedures meet statutory requirements and best practice standards of reporting	Achieved	Achieved	Achieved	Achieved	Achieved
Monthly staff meetings are held to identify risks or concerns, with required actions promptly conveyed to all staff	Achieved	Achieved	Achieved	Achieved	Achieved
Health and Safety performance is provided as part of the Director's Report at board meetings	Achieved	Achieved	Achieved	Achieved	Achieved
Work collaboratively with Council management team regarding the development of a Civic Hub	New measure	Achieved	Achieved	Achieved	Achieved

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To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Develop and implement a workplace equity plan that includes sustainable steps to support pay parity, living wage and diversity matters	New measure	Achieved	Achieved	Achieved	Achieved
Implement a staff survey to improve and develop best practice	New measure	Achieved	Achieved	Achieved	Achieved
Professional development is offered to staff in line with their position descriptions	New measure	Achieved	Achieved	Achieved	Achieved
The Māori Engagement Strategy development includes considerations for staff training and support in; tikanga, te reo Māori, and their appropriate application within the TAG environment	New measure	Achieved	Achieved	Achieved	Achieved
As part of the Māori Engagement Strategy development, TAG/TAGT will engage in meaningful discussions and partnerships with tangata whenua	New measure	Achieved	Achieved	Achieved	Achieved
Develop a healthy workplace culture, where staff feel safe and connected	New measure	Achieved	Achieved	Achieved	Achieved

Performance measures included in this document are considered the key performance measure applicable to Council.
More information can be found on the TAG website: www.artgallery.org.nz/trust

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Western Bay of Plenty Tourism and Visitors Trust, trading as Tourism Bay of Plenty (TBOP)

Growth of the visitor economy benefits our community by increasing the numbers of visitors and the money they spend, generating more jobs and sustaining businesses. Visitor expenditure supports social and cultural amenity that the community as a whole benefits from.

Tourism Bay of Plenty is the appointed destination manager and promoter, enabling visitor economy growth and sustainability.

We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total visitor spend	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - domestic	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - international	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - cruise ship visitor	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent

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We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure trends in visitor numbers in the coastal Bay of Plenty	New measure	Monitor and report	Monitor and report	Monitor and report	To be set in further Statement of Intent
Measure the number of jobs provided by the tourism industry	New measure	Monitor and report	Monitor and report	Monitor and report	To be set in further Statement of Intent
We will manage the destination to enhance visitor experience and mitigate social, cultural and environmental impacts	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total visitor satisfaction as measured by a visitor satisfaction survey	Not Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure potential visitor perceptions – New Zealand market	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure potential visitor perceptions – Australian market	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
i-SITE users' satisfaction as measured by Net Promoter Score	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure the impact of tourism on the environment	New measure	Baseline	Implement framework and revise as needed	Continue to implement and revise as needed	To be set in further Statement of Intent

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We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Monitor the number of iwi and hapū with whom TBOP engages	Achieved	>2	>2	>2	To be set in further Statement of Intent
Monitor the strength of TBOP's relationships with iwi and hapū	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by TCC Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by WBOP Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by WDC Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of industry operators' who are satisfied with Tourism Bay of Plenty's activities as measured by TBOP operator survey	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Monitor stakeholder engagement volume	Achieved	≥70 engagements every two-months	≥70 engagements every two-months	≥70 engagements every two-months	To be set in further Statement of Intent
We will manage the destination to enhance visitor experience and mitigate social, cultural and environmental impacts	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Hold Leadership Advisory Group meetings	Not Achieved	3	3	3	To be set in further Statement of Intent

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We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure organisational culture and staff well-being	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Ensure payment of the living wage (as a minimum) to all permanent employees	New measure	Maintain	Maintain	Maintain	To be set in further Statement of Intent
Measure health and safety capability of TBOP as measured by Safe365 index	New measure	80%	80%	80%	To be set in further Statement of Intent
Monitor the Qualmark status of Tauranga i-SITE	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure TBOP's carbon output	New measure	Reduce by 10% and offset or inset the remaining	Reduce by 10% and offset or inset the remaining	Reduce by 10% and offset or inset the remaining	To be set in further Statement of Intent
Monitor TBOP's waste to landfill	New measure	Reduce by 10%	Reduce by 5%	Reduce by 5%	To be set in further Statement of Intent

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We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Ensure statutory reporting requirements are met	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Manage P&L budget and aim for best effort cost recovery through revenue growth opportunities and cost management strategies	Achieved	Within 5% of total revenue	Within 5% of total revenue	Within 5% of total revenue	To be set in further Statement of Intents
Maintain Code of Conduct compliance	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Ensure compliance and regulatory obligations are met	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Adhere to Enterprise Risk Management Policy	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Maintain good working relationships with Council, observing the 'no surprises' principle	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Support Council's to explore alternative funding mechanisms	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents

We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Manage Strategic Tourism Assets Protection Programme (STAPP) and Tourism Support Recovery and Re- Set (TSRR) funding	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Manage Regional Events Fund funding	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the TBOP website: www.bayofplenty.co.nz



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Infrastructure Strategy

Infrastructure Strategy (2021-2051)

Introduction

Planning, constructing, operating and maintaining resilient and sustainable infrastructure is a core part of Council's role in creating the places that our communities want to live. This Infrastructure Strategy, alongside the Financial Strategy, demonstrates how Council plans to do this. This strategy guides our long-term thinking and supports our investment decisions. It also aligns with the community outcomes and the principles underpinning those outcomes.

To help achieve these outcomes we will focus on:

- Providing the infrastructure required for resilience and growth in a manner that can be supported by our Financial Strategy;
- Maintaining current levels of service despite growth and other pressures; and
- Looking after our assets in a prudent and sustainable manner.

Council has a number of plans and strategies that provide the foundation for the Infrastructure Strategy. These include asset management plans, the Water Safety Plan, the Urban Form and Transport Initiative (UFTI) Final Report, the Tauranga Reserve Management Plan, the Community Facilities Investment Plan, the Te Papa Spatial Plan, and the Western Bay of Plenty Transport Systems Plan. A Water Supply Strategy, Wastewater Strategy and a draft Stormwater Strategy have also been developed.

Looking after our assets

Investing in our existing assets ensures that the services and amenities that our communities want, and need, can continue to be delivered. We need to ensure that our investment in these areas is sufficient to meet the agreed levels of service. To do this we have included the following renewal budgets (inflated) over the next 30 years:

Water	\$401.5m
Wastewater	\$473.5m
Stormwater	\$42.09m
Transport	\$985.6m
Social Infrastructure	\$360.3m

This investment in our existing assets is essential to ensure that the people who already live here can enjoy what the city has to offer and rely on the services that Council provides.

What is infrastructure?

Infrastructure, in this strategy, is the 'hardware' that delivers core Council services. This includes structures, pipes and fittings, pumps, treatment plants, reservoirs, roads, footpaths, bridges, green infrastructure (swales, rain gardens) as well as the hardware that provides for social amenity such as libraries, community centres, reserves, sports facilities, and performance facilities.

For the purposes of this strategy, we have excluded the Airports infrastructure; Council's ICT infrastructure; and Council's administrative and property infrastructure. Our assets are currently valued at \$4.3 billion with annual depreciation of \$48 million.

Other infrastructure helps create the places we want to live, work, learn and play including the telecommunications networks, electricity networks, gas networks, the rail network, the state highway network owned by Waka Kotahi (New Zealand Transport Agency) and schools. Council recognises the importance of those other networks; however, this strategy focuses only on Council's role in infrastructure.

We understand that infrastructure has and will have a great impact on tangata whenua, their aspirations and their ability to maintain their traditions and culture into the future. We recognise that there is room for improvement and that proactive engagement and understanding helps us deliver our services in an enhanced manner. As such we are committed to understanding the impacts of our activities early in any process and we will actively seek ways to implement the infrastructure needs of the community taking into account the value we can add with our iwi and hapu partners.

Council, the Acorn Foundation, TECT and BayTrust undertook the Vital Updates survey in mid-2020 to gain an understanding of what is important to the people of Tauranga. The results illustrated that our community love the lifestyle, weather and safety of Tauranga. Some of the key things that people want to change are to see more public transport and less traffic, a vibrant city with

¹ Annual Report 2019/20

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Infrastructure Strategy (2021-2051)

affordable housing and less racism. There were also some key things that our community want to protect including water, keeping Tauranga green, and Maori culture. The full report is available at www.vitalupdate.org.nz

Financial affordability relates to the hard choices that need to be thought about when choosing infrastructure capital investment. The infrastructure funding challenges for Tauranga are expected to increase over the horizon of this strategy as rates increases to existing ratepayers are already forecast to be higher than increases to inflation and household incomes.

These are the decisions that need to be made for Council to meet its obligations on debt interest payments, to remain solvent, to balance the cost to ratepayers and the levels of service to be provided to the community. These decisions require compromise between the planned or desired capital expenditure and what is realistically affordable for Council.

We need to do things differently to make it work over the longer term. These changes will need to be marked and significant – incremental and minor changes to how we plan, deliver and fund infrastructure will not be enough.

The COVID-19 pandemic has been the most globally disruptive disease in recent times. It dominated the thinking of New Zealanders for 2020 and this is expected to continue, dependent on the success of New Zealand's and rest of the world's vaccine roll out programme.

To date the pandemic has not directly impacted our infrastructure service needs but has provided additional infrastructure funding to support economic activity with projects like Cameron Road Stage 1. However, the impact of the COVID-19 pandemic on our economy is not yet fully understood and is evolving rapidly. We are maintaining a watching brief on supply chains and other issues that may disrupt our capital expenditure programme.

Infrastructure Strategy (2021-2051)

Significant infrastructure issues for Tauranga and how we plan to address them

There are a number of issues that have implications for the planning, construction, maintenance and operation of our assets. These issues are not new - Council has been addressing these issues and will continue to do so. Where there are asset specific issues, these are noted in the asset areas below.

This strategy represents the most likely scenario to address the issues identified and the planning and management of Council's infrastructure. This scenario is informed by the underlying strategies outlined above, our Asset Management Plans and the Financial Strategy.

The first three years of this strategy provide the most certainty in terms of likely outcomes, with years four to ten having a reasonable level of certainty. The forecasts from year 11 are indicative and will be developed over time. This is in recognition of the changes that can occur over time and that further information will become available that informs Council's decisions.

ISSUES AT A GLANCE

- Growth and infrastructure planning
- Climate change, natural hazards and creating resilience
- Three waters legislative reform and what it might mean for Tauranga

Growth and infrastructure planning

Growth has been an enduring issue for Tauranga and enabling and managing its effects continues to be a challenge to address. This growth puts pressure on existing infrastructure and creates the need for new infrastructure. It also creates challenges for moving easily around the city, and has implications for housing availability, the economy, the environment and how we want to live, work and play.

The latest population projections for the city indicate that we are likely to reach a population of 181,150 by 2033 (an increase of approximately 35,000 from 2020). By 2050, the population is expected to exceed 210,000². We are expecting 95,000 homes to be built in the Western BOP Sub-region and for two million additional transport movements per day within the next 30 to 70 plus years³.

A significant amount of work has been undertaken to date to determine what infrastructure is required, where, when, and how much it may potentially cost. Central government policy direction, the Urban Form and Transport Initiative (UFTI), SmartGrowth and previous Council planning documents have informed this work and provided a framework for the most suitable growth locations.

The National Policy statement – Urban Development (NPS-UD) seeks to ensure development of well-functioning, inclusive and better-connected cities that reflect the diversity of their current and future communities. It requires that Tauranga City Council enables higher-density residential development in proximity to employment opportunities (including the city centre and neighbourhood centres), existing and planned rapid transit bus stops and where commercial activities are easily accessible by active or public transport networks.

UFTI provides an integrated land use and transport programme and delivery plan for the Western Bay of Plenty, known as 'Connected Centres'. The intention of the initiative is to improve housing and the transport systems whilst also achieving positive environmental and economic outcomes. The plan and identified actions will be delivered over the next 50 years by the SmartGrowth partners. Council is only planning for the infrastructure within the city boundaries.

² Tauranga City Population and Dwelling Projection Review 2021 (Growth Allocations 2018-2118)

³ Urban Form and Transport Initiative (UFTI) Final Report, July 2020

Infrastructure Strategy (2021-2051)

CONNECTED CENTRES PROGRAMME (UFTI)

There are two core concepts critical to the Connected Centres programme. The first is increasing the number of dwellings by intensifying our existing urban and new growth areas. This is to maximise the land available for development and support a well-functioning multimodal transport system. The second is being able to access local social and economic opportunities within a 15-minute journey time, and sub-regional social and economic opportunities within 30–45 minutes. These concepts encourage strong local centres and connected neighbourhoods⁴.

The Government confirmed in early 2020 that it wishes to partner with SmartGrowth (councils and tāngata whenua) in order to progress and deliver on its Urban Growth Agenda. A key component of this is the development of a Joint Spatial Plan (JSP) covering the western Bay of Plenty which will build on UFTI, become a replacement SmartGrowth Strategy 2021 and deliver on the Urban Growth Agenda.

Implementation of the JSP will focus on short, medium and longer-term transformational initiatives and directives relating to urban form, housing, transport integration, open space and landscape values, three waters, and social and cultural infrastructure provision at the sub-regional scale.

⁴ Urban Form and Transport Initiative (UFTI) Final Report, July 2020

Intensification

Intensification has been a core pillar of SmartGrowth since the first SmartGrowth Strategy in 2007 and continues to be a specific focus for Council as it looks toward providing infrastructure to support our growing community. An Urban Communities Growth Programme has been developed to build on sub-regional planning by delivering corridor based spatial planning and neighbourhood and centre planning. Using a collaborative approach, spatial plans and neighbourhood plans provide for integrated land use, transport and social infrastructure planning, while also seeking to enhance local culture and identity.

Council adopted the Te Papa Spatial Plan in October 2020, which developed a 30-year integrated land use and transport plan for the Te Papa Peninsula. The plan was prepared in partnership with mana whenua, key stakeholders and the community. It provides for higher density living in close proximity to the city centre, neighbourhood centres, public transport and other amenities along the peninsula, supported by a sustained, balanced investment programme in active modes and public transport infrastructure.

Investment in Te Papa intensification is expected to lead to:

- an additional 15,000 residents in the area by 2050
- an additional 4,000 jobs in the city centre by 2063
- an improved passenger transport route from Tauriko to the city centre, and improved transport choices throughout the peninsula.

The scale of growth means significant investment is needed in urban areas, centres improvements, provision of green networks, community facilities, walking, cycling, micro-mobility, public transport, three waters, cultural investment, and social infrastructure improvements. Initial stages of the Te Papa project have assisted to inform and refine Plan Change 26 (Housing Choice) and Plan Change 27 (Flooding from intense rainfall), as well as informing Long-term Plan funding with a focus on the city centre, Gate Pā and Merivale areas.

An Indicative Business Case supports the plan and focuses on an integrated land use transport strategy for Te Papa. This business case has been endorsed by Waka Kotahi. Improvements to movement within Te Papa will also support growth of the Western Corridor of Tauranga which includes Tauriko West.

As part of the Urban Communities Growth Programme it is also proposed to progress two spatial plans for Mount Maunganui/Arataki and Otumoetai/Brookfield. These plans will focus on enabling growth in areas that can be supported by integrated planning of transport, the three waters, open space and community facilities and infrastructure, while also taking account of cultural values, natural hazards and resilience. The outcomes identified through the spatial plans will be included in the review of the City Plan that is underway and scheduled to be notified by April 2024, as well as informing future long-term planning and more localised neighbourhood and area planning.

It is noted that the implications of the Resource Management Reforms on the City Plan Review project are unknown. The outcomes identified through the planning plans maybe implemented through plan changes.

Infrastructure Strategy (2021-2051)

Greenfield development

There are several greenfield areas that have been identified in the past and a significant amount of work has been undertaken to progress these areas to provide for growth.

Te Tumu Urban Growth Area is a Council lead project, which provides for the continuation of growth in the Eastern Corridor. In the Te Tumu Urban Growth Area we have completed the majority of technical assessments to inform the structure plan. The inputs for the technical reports have been based on three population scenarios to ensure that appropriate infrastructure is planned and able to accommodate future growth. These three population scenarios range from a base of 15,500 people up to 25,000 people.

Investment in Te Tumu and the eastern corridor, including the development of the Golden Sands town centre and of Te Tumu, is expected to lead to:

- the construction of 2,000 to 3,000 homes in currently zoned areas
- the construction of a further 7,000 to 8,000 homes in Te Tumu once it is zoned (over a 30-year time period)
- the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange
- the development of 57 hectares of new business and employment land.

The Tauriko West Urban Growth Area is a collaborative project with Tangata Whenua, landowners and three key partners being Western Bay of Plenty District Council (WBOPDC), Bay of Plenty Regional Council (BOPRC), and Waka Kotahi. The Local Government Commission have now confirmed the reorganisation proposal which means

that the area of Tauriko West that fell within the Western Bay of Plenty is now part of Tauranga City Council.

Investment in Tauriko and the western corridor, including the Tauriko West development and an expansion of the Tauriko Business Estate, is expected to lead to:

- the construction of 3,000 to 4,000 new homes.
- improvements to the state highway network including SH29 and connections.
- an additional 100-150 hectares of business land providing for around an additional 2,000 jobs.

We are working with our partners to understand infrastructure requirements e.g. road corridors, utilities, and three waters. Work continues with Waka Kotahi NZTA on State Highway Planning, to enable early access to the proposed growth area and long-term upgrades for SH29. Further investigations by Waka Kotahi NZTA continue for SH29/SH29A upgrade options.

Future greenfield growth areas include the Tauriko Business Estate extension, Keenan Road and Ohauiti South. Planning for the extension of the Tauriko Business Estate and Keenan Road is planned to commence from 2021, with these providing for future employment and housing areas. Boundary changes have already occurred to bring this land into the city. The infrastructure requirements for these areas have been included in the Western Corridor water and wastewater studies and are subject to the development of structure plans and rezoning proposals.

In August 2020 Tauranga City Council staff completed the Welcome Bay and Ohauiti Planning Study. A number of locations within the area were considered in terms of housing development and the capacity of services

and infrastructure to accommodate additional demand.

The study determined that accommodating housing at suitable densities was most feasible in the Upper Ohauiti Road Area. This area may be the subject of a development proposal or plan change into the future.

The NPS-UD requires 'sufficient' residential and business land capacity to meet expected demand. 'Sufficient' land capacity is defined as plan-enabled; infrastructure-ready; feasible and reasonably expected to be realised; and for high growth Councils like Tauranga, to meet the expected demand plus 20% competitiveness margin over the 10-year period, (15% margin in the 10 year to 30 year period.)

'Infrastructure ready' under the NPS-UD for years 1 to 3 of the LTP means an adequate existing development infrastructure to support the development of the land; and for the medium term (4 to 10 years) either adequate existing infrastructure or funding for adequate infrastructure to support development of the land is identified in a Long-term Plan.

The current planning and infrastructure barriers mean that the short-term demand is unable to be met. In the LTP there is insufficient 'infrastructure ready' land to meet the 20% competitiveness margin required by the NPS-UD in both the short and medium term. Tables 1 and 2 below show the shortfall based on different assumed levels of intensification/greenfield development. Also included is the impact if Te Tumu and Tauriko West infrastructure investment does not occur, and greenfield growth is not enabled. The investment decisions to enable growth are outlined in the Significant Capital Expenditure Decisions section.

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Table 1: Shortfall assuming 15% intensification, 85% greenfields

	Estimated Dwelling Shortfall		
	Short term (1 – 3 yrs)	Medium Term (4 – 10 yrs) with Te Tumu & Tauriko West	Medium Term No Te Tumu & Tauriko West
Projected Dwellings (Citywide)	3,590	7,880	7,880
City Shortfall	580	460	3,460
City Shortfall including NPS-UD Competitiveness Margin (+20%)	1,300	2,030	5,030

Table 2: Shortfall assuming 25% intensification, 75% greenfields

	Estimated Dwelling Shortfall		
	Short term (1 – 3 yrs)	Medium Term (4 – 10 yrs) with Te Tumu & Tauriko West	Medium Term No Te Tumu & Tauriko West
Projected Dwellings (Citywide)	3,590	7,880	7,880
City Shortfall	220	-330	2,670
City Shortfall including NPS-UD Competitiveness Margin (+20%)	940	1240	4,240

Infrastructure Strategy (2021-2051)

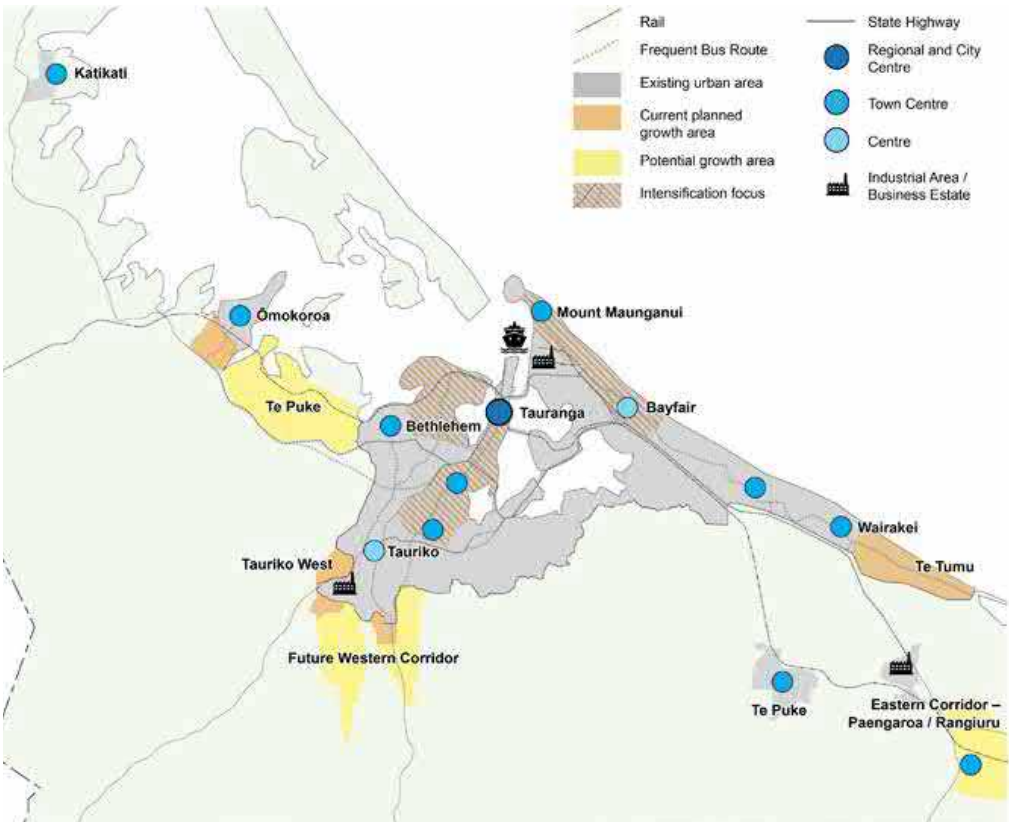


Figure 1: Planned and potential urban growth areas⁵

⁵ Draft SmartGrowth Joint Spatial Plan / Urban Form and Transport Initiative

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Infrastructure Strategy (2021-2051)

Proposed changes to the City Plan

The City Plan provides the rules for how people can build or develop the land they own in our city. Changes to the City Plan are required to ensure that we are able to manage and respond to the challenges and issues that the City faces. Council has recently released three proposed plan changes. Plan Change 26 has been progressed to enable greater housing choice and residential density in existing urban areas, including additional height around the city periphery and along the Te Papa peninsula. Plan Change 27 proposes a rule framework to reduce the risk of flooding from intense rainfall in Tauranga. Plan Change 30 is a technical change to improve the efficiency and effectiveness of the earthworks provisions.

Transport

The Western Bay of Plenty Transport Systems Plan (TSP) was endorsed by Council in September 2020 and adopted by the project partners Waka Kotahi, Bay of Plenty Regional Council, Western Bay of Plenty District Council, Port of Tauranga, KiwiRail, Priority One and Tangata Whenua.

The TSP supports UFTI and its Connected Centre Programme. In so doing, it focuses on generating a noticeable shift from cars onto public transport, improving safety, providing reliable travel times including freight journeys, and creating better walking and cycling connections.

Through the TSPs development a prioritised programme of activities (policy; infrastructure; services) has been identified. Moving forward there will be further

development of the TSP Implementation Plan including more detailed scoping of the prioritised activities (e.g. priority business cases; policy initiatives; implementation activities) and the funding and resourcing to support this.

Over the next ten years we will focus on delivering a safer and more reliable transport system that provides better travel options. This is needed to support the planned growth of the City in places like Te Papa, Tauriko and Te Tumu. The activities will include public transport priority (e.g. on key routes like Cameron Road to Tauriko), improved and more connected walking and cycling networks (e.g. within suburbs and between key parts of the City) and new roading infrastructure (e.g. accesses into growth areas) to enable planned growth. We will also develop an improved policy framework (e.g. Travel Demand Management; Parking Policy) that supports urban form and transport outcomes identified by UFTI and the TSP.

Social infrastructure

Council adopted the Community Facilities Investment Plan (CFIP) which synthesises existing community facilities' strategy, recent needs assessments and feasibility studies, taking into consideration the broader strategic context of growth, community wellbeing and financial constraints.

The plan seeks to ensure we provide the right facility, in the right place, at the right time to meet our community's current and future demand for libraries, community centres, indoor courts, aquatic facilities and active reserves (sports fields). It also includes provision for the planning of new strategic and cultural assets that are not part of the core network and for the master-planning of

Baypark. It does not include funding for the construction of the facilities that may be identified through the planning phase.

The plan takes a network approach for each facility type, considering the evolution of the network as we move over time from a city of 150,000 people to 200,000+. It seeks to provide a balance between locality, accessibility and economies of scale. For areas where intensification is proposed such as Te Papa, specific consideration is also given to the need to support a growing population and changing needs. Understanding where deficits are in the network and the likely flow on effects from diminished or increased provision allows us to provide a good level of service, balanced with cost-effectiveness and future-proofing.

The plan proposes a similar set of investments to the previous LTP, but with significant changes to timing and cost as a result of updated growth projections and revised cost estimates. Key contributors to this are delayed growth in the Western and Eastern Corridors, greater levels of projected growth within the existing city (particularly around the city centre and Te Papa), delays to the anticipated redevelopment of key existing facilities, land acquisition and access issues, and construction cost escalation.

Infrastructure Strategy (2021-2051)

Climate change, natural hazards and creating resilient infrastructure

Understanding our carbon footprint and the potential actions to move toward zero carbon is a key focus for Council over the coming years. This includes a Sustainability stocktake and developing a Sustainability Action Plan. We will also maintain a watching brief on the recommendations of the Climate Change Commission. We recognise that these are likely to have significant implications for how Council operates and what that means for design, procurement, and investment in our assets.

Climate Change

The Bay of Plenty's climate is changing, and these changes will continue for the foreseeable future. The Climate Change Response (Zero Carbon) Amendment Act 2019 mandates that government at all levels develops and implements clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to **prepare for, and adapt to**, the effects of climate change.

Tauranga will experience more frequent high-intensity rainfall events in the future due to climate change. By 2040 cyclonic rainfall intensity is expected to increase and seasonal rainfall patterns are expected to change;

with summer and autumn all likely to have higher rainfall and spring projected to experience a reduction of up to 11%⁶. Sea levels are projected to rise based upon considered representative concentration pathways (RCP) by between 0.6m (RCP2.6) and 1.59m (RCP 8.5H+) over the next 100 years (and beyond), with storm surge and sea level rise combining to increase the threat of inundation and coastal inundation and erosion⁷.

In addition to the expected higher frequency of heavy rainfalls, it is expected that by 2090, the time spent in drought ranges from minimal change through to more than double depending on the climate model and emissions scenario considered. More frequent droughts are likely to lead to water shortages, increased demand for irrigation and increased risk of wildfires. Droughts are likely to increase in both intensity and duration⁸.

Bay of Plenty Regional Council commissioned NIWA to analyse projected climate changes for the Bay of Plenty Region and potential impacts of climate change on some of Bay of Plenty's environments and sectors. This report addresses expected changes for 24 different climate variables out to 2100 and draws heavily on climate model simulations from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. Tauranga City relies on the above information produced by NIWA and the direction set through the Regional Policy Statement for use in climate change considerations.

Natural Hazards

There are a number of natural hazards that Council must consider for current and future communities. In addition to those hazards noted above (sea level rise, inundation and flooding from intense rainfall) we must also plan for tsunami, earthquakes, liquefaction, landslide and coastal and inner harbour erosion.

Natural hazard susceptibility mapping has been completed or is in the process of being completed for these hazards. Web viewers have been created to enable the community to understand susceptibility to those hazards, and potential effects on land.

To understand Natural Hazard risk, Council has undertaken a Citywide Risk Assessment. This process follows the Bay of Plenty Regional Policy Statement Methodology and assesses the current and future risk of damage to buildings, lifelines, critical buildings and loss of life to a range of natural hazard events, which includes the effects of sea level rise.

As part of new greenfield growth projects and intensification projects, work is underway to understand the outcomes of natural hazards susceptibility mapping and risk assessment. The Regional Policy Statement requires all new development (greenfield, intensification and at a development site level) to achieve a low level of risk, taking into account the effects of climate change.

⁶ <https://www.mfe.govt.nz/climate-change/likely-impacts-of-climate-change/how-could-climate-change-affect-my-region/bay-of>

⁷ Tauranga Harbour extreme sea level analysis. National Institute of Water & Atmospheric Research (NIWA).

⁸ <https://www.mfe.govt.nz/climate-change/likely-impacts-of-climate-change/how-could-climate-change-affect-my-region/bay-of>

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The low level of risk is required to be achieved for buildings, loss of life and lifeline outage times. This approach aims to build in long term resilience to natural hazard events for all new urban growth areas, however sets a high bar to natural hazards planning and resilience provision. As a result, the process to achieve a low level of risk adds complexity to the delivery of new urban development.

As noted earlier we have publicly notified Plan Change 27 which responds to flooding from intense rainfall. This is particularly relevant in terms of overland flow paths for existing and proposed developments.

Tauranga City Infrastructure Resilience Project

Our city, people, houses, infrastructure and other assets could potentially be impacted by a number of natural hazards identified above. Council began the Infrastructure Resilience Project in 2017 with a view to improving our infrastructure and land use planning in regard to the impacts from climate change and natural hazards. The project to date has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. A number of these projects can be integrated with previously forecast renewals and upgrades. It is intended that the projects will, over time, create genuinely resilient infrastructure across the city.

A key milestone in the project was the identification of potential "at risk" assets and determining appropriate risk reduction measures (i.e. mitigation) to improve resilience and identify costs for prioritisation and inclusion into the 2021-31 LTP. The identified projects will add

security to our planned infrastructure investment; build robustness and rapid recovery principles into our assets; and integrate future proofing into asset design and construction, including the renewal of existing assets.

All hazards used in the Infrastructure Resilience Project are spatially mapped within GIS to show each hazard in terms of different return periods and time horizons. An example is inundation, this hazard is mapped with 50-year, 100-year and 500-year return period storm events and each of these are mapped with sea-level rise projections for 2080 and 2130 which are the current, 50-year and 100-year scenarios. This mapping provides an extensive database for analysis and use in determining risk.

Locations where multiple assets are potentially exposed to multiple hazards have been identified and the risks analysed. To achieve this the hazard maps are overlaid on the asset databases in spatial GIS software. The resulting intersections identify risk "hot-spots" where multiple assets are impacted by multiple hazards. Hotspots are established as projects to be investigated. These are location-based projects rather than asset-based. Each project addresses all assets and all hazards within its boundary.

For all identified projects a concept design of mitigation measures has been carried out. As the projects were geographically based this provided an opportunity to explore options that completely removed assets from hazard zones as well as straight forward strengthening or new material options. The risk factor was re-evaluated in the post-mitigation condition therefore providing a risk rating before and after the mitigation.

Where specific items of major infrastructure are already under evaluation, such as treatment plants and reservoirs, they have not been included in the above project work as they are covered in terms of consideration of resilience improvement individually by the asset owner. As project concept designs are developed in detail there is the ability to reconsider the option put forward, the solution proposed or consider alternative solutions such as adaptive approaches, or removal outright (i.e. retreat).

The key findings are as follows:

- 315 projects across the City have been identified as mitigating natural hazard risks to infrastructure;
- The 315 projects include 30 projects that have been presented with two options for mitigation;
- Many projects integrate with previously forecast renewals and upgrades which are already part of Councils' asset management program;
- 24 projects indicate that long term solutions may require the removal of infrastructure from those areas (i.e. adaptation, or relocation may be more appropriate strategy than defence strategies via construction improvements);
- The estimated cost of the core Resilience Program is \$693 million over 30 years; and
- Opportunity exists within the transportation activity for Waka Kotahi NZTA funding.

Infrastructure Strategy (2021-2051)

Three waters legislative reform and what it might mean for Tauranga

There is a significant level of change to the legislative framework for the management of the three waters. The current legislative framework for waters is extensive and includes the Health (Drinking waters amendment) Act, the National Policy Statement for Freshwater Management (NPS-FM), and National Environmental Standards for Freshwater Management (NES-FM).

It is also a changing environment with the Three Waters Review being undertaken by the Minister of Local Government which has led to the Three Water regulatory reform currently underway and the preparation of the Essential Freshwater Plan by the Minister for the Environment. Other changes include the repeal of the Resource Management Act which may have implications for renewing Council's water take consents, management of natural hazards and other water related aspects. It should be noted that this LTP has been prepared under the assumption that Council will retain ownership of Water Supply and Wastewater infrastructure assets.

Essential Freshwater Programme

The NPS-FM was significantly amended in August 2020 with other legislative changes provided to support swifter change processes for regional policy statements and plans. The concept of Te Mana o te Wai (introduced in 2017 and clarified in 2020) is fundamental and a significant shift in thinking from the past:

'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'.

This concept recognises that there is a hierarchy for the health and use of water and forms the basis of the objectives of the NPS-FM:

- a) first, the health and well-being of water bodies and freshwater ecosystems
- b) second, the health needs of people (such as drinking water)
- c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.

Three Waters Reform

Taumata Arowai has been established through the Water Services Regulator Act 2020. Taumata Arowai is the new regulator responsible for drinking water safety and regulation and oversight of the regulation and management of wastewater and stormwater networks.

From late-2021 Taumata Arowai will administer New Zealand's drinking water regulatory system. This will promote drinking water safety and help build and maintain capability among drinking water suppliers and across the wider industry.

Taumata Arowai will be enabled through the enacting of the Water Services Bill. This Bill is an omnibus Bill that will repeal Part 2A of the Health Act 1956 and replace it with a stand-alone Act to regulate drinking water. There are also amendments to the Local Government Act 2002

and other Acts. The Bill provides Taumata Arowai with the authority to prepare standards and rules with which water suppliers must comply.

The next stage of reform involves creation of new water entities. Rather than being managed by numerous local authorities, separate water entities will be created to manage and operate water activities.

The Department of Internal Affairs undertook an extensive information gathering exercise and analysis to better understand of the current state of the three waters related asset base, the condition of the assets, the operating environment, commercial and financial arrangements and the forecast investment plans. This investigation and review have led to the proposal to establish four publicly owned entities to take responsibility of drinking water, wastewater and stormwater infrastructure across New Zealand. Further legislation is expected to support the formation of water entities into the future.

The reforms are expected to create significant change for the organisation. The three waters component of council are responsible for a large proportion of the Council's debt. The removal of this debt off Councils balance sheet would allow council to fund other projects for the city.

It is noted that the information provided above, is subject to change with the legislative processes still to be finalised.

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Infrastructure Strategy (2021-2051)

Council's approach to asset management

Council aims to achieve best practice asset management in order to meet the agreed levels of service for the community and our customers. Planning and understanding the needs and wants of our communities is a key part of our approach to asset management and to address the identified issues and challenges. Council has a coordinated approach across the entire lifecycle of our assets. We understand that poor asset management and asset failures lead to risks and poor outcomes for our community. We have comprehensive asset management plans for water supply, wastewater, stormwater, transportation, spaces and places, property and sustainability and waste. We review and update these plans every three years to inform the Long-term Plan and ensure that we are meeting the intended outcomes for our community.

Our approach includes a maturity analysis every six years with the last one completed in 2016. The analysis is undertaken in accordance with the ISO 55000 International Asset Management Standard and International Infrastructure Management Manual (IIMM). The results of the 2016 analysis indicated a maturity ranging from core to intermediate level (approximately 60% to 75%) across the seven assessment areas. Our target for maturity is an intermediate to advanced level (approximately 85%) for the critical activities (water supply, wastewater, stormwater and transportation) and as such improvements have been progressed since 2016 to achieve a higher level of maturity in the next assessment.

A significant part of our asset management approach is to operate, maintain and manage the assets we already have. Our renewals planning includes the collection of an extensive amount of asset data, including, as-built information, maintenance costs, failure analysis, and condition assessments. This data informs our forecasts and renewals strategies to ensure we are renewing assets at the optimum and most cost effective (right) moment (time).

The risks of delay in renewing assets at the optimal point in time include an increased probability of a significant failure, higher maintenance and operational costs, an increased probability of not meeting levels of service and creating a backlog of renewals. Assumptions regarding the renewals can be found in the appendices.

Infrastructure Strategy (2021-2051)

Significant capital expenditure decisions

Meeting the needs of our growing communities is driving the required investment in infrastructure across the city and into the identified greenfield development areas. The scale and rate of growth has meant that although our population has grown quickly the investment has not kept pace. This means that the decisions we need to make are based on meeting the needs of our growth communities whilst also trying to provide for the people that already live here.

The various planning studies all build on the concept of creating well-serviced, connected communities to enable communities to thrive. Collectively these and other plans emphasise:

- the need for greater transport choices
- the need to invest in housing intensification
- the need to invest in facilities, not just transport corridors and pipes
- the need to future-proof investments in long-life capital assets
- the need to be resilient to climate change and other natural hazards.

The significant decisions that Council expects to make, when we expect to make them, and the estimated cost, are set out below. In many cases the principal options that underpin these decisions have already been considered in the various planning documents. This means that there is often a delay between the timing of the actual decision and when the capital investment

occurs. This is illustrated in the decisions that have been made in SmartGrowth, UFTI and other key planning documents and the indicative construction timing included in the Long-term Plan. The capital projects that have been included in this strategy and the Long-term Plan indicate Council's preferred option in addressing the issues that the city faces. The dollar figures provided are inflated.

The five key proposals set out below reflect Council's preferred option to address the significant issues that the city faces over the coming years. As noted above, this option has been developed taking into consideration the various options and decisions that are reflected in the planning documents that support this strategy e.g. UFTI, SmartGrowth, the TSP and the CFIP.

Council recognises that there are potential challenges with the delivery of the capital programme. To address these, it is proposed to improve and increase our organisational capacity through the improved recognition of risk and contingency in capital project costs; strengthened leadership and focus within our core activities on capital programme and outcome management; and increased staff numbers across planning, project delivery and procurement to ensure that we have the required capacity. A new capital programme assurance division has been created to oversee the capital programme to ensure efficiency and quality of approach to procurement, contracting and delivery.

Council's preferred option

The preferred option is made up of the following key proposals:

Key proposal 1: Residential and business land supply investment

The supply of zoned and serviced residential and business land is critical to the city. As outlined earlier the identified growth areas include Tauriko and the western corridor; Te Tumu and the eastern corridor; and Te Papa intensification. There is also a need to invest in city-wide infrastructure that is required to service all new growth.

The LTP includes the following investment in these areas:

- \$407 million in Tauriko and the western corridor over ten years. This includes \$205 million of transport investment and \$83 million related to community facilities (see key proposals 2 and 3 below for further details)
- \$478 million in Te Tumu and the eastern corridor over ten years. This includes \$164 million of transport investment and \$36 million related to community facilities. There are also substantial investments in community facilities in the eastern corridor planned for the years immediately after the LTP period
- \$696 million for Te Papa intensification over ten years. This includes \$441 million of transport investment and \$89 million related to community facilities
- Direct investment in the city centre, described below, is not included in the Te Papa intensification total but will have flow-on benefits to the peninsula. Similarly, the proposed \$103 million investment in the city-wide Memorial Park aquatics and indoor sports facility is not included in the \$696 million total despite being located in the Te Papa peninsula

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- Investment in city-wide infrastructure is predominantly related to upgrades and capacity improvements in the water and wastewater networks. These improvements will enable the development of 35,000 new homes across the city, including those in the new growth areas and through intensification of existing areas as detailed above, by providing sufficient safe drinking water and sanitation services in ways that protect the natural environment.

Additional expenditure is also included over the 30 years of the Infrastructure Strategy. The LTP includes \$168 million for the development of the Waiāri water supply, including completion of stage 1 and then further staged development, and \$196 million for further development of the Te Maunga wastewater treatment plant and associated assets.

Key proposal 2: Transport investment

Traffic congestion and the way and ease that people and goods move around are key challenges for the city. As outlined previously the TSP was endorsed by council and other project partners in October 2020 seeks to provide for safe, sustainable and efficient movement of people and goods around and through the city.

The TSP takes a network system approach and supports both greenfield development and increased intensification of the existing urban footprint. The TSP includes a prioritised investment programme, agreed by all of the partner agencies.

That investment programme, and other transport investments proposed by council, are expected to lead to the following positive outcomes:

- population and business growth is supported by a multi-modal transport system
- increased levels of public transport and active travel will deliver health and environmental benefits
- safety risks are addressed, and crash rates will reduce, in turn encouraging further participation in active travel modes
- improved accessibility and amenity will support quality urban form in activity centres and supporting business growth.

The LTP includes \$1.98 billion of investment in transport movement solutions. These totals include the \$1.21 billion of projects identified in the first ten years of the TSP for which council is the lead or partner agency.

Key programmes:

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
15th Avenue / Turret Road corridor	\$63.1	\$0.0	\$63.1	2022-2027
Hewletts Road / Totara Street / Hull Road sub-catchment	\$157.1	\$0.0	\$157.1	2022-2028
Bus infrastructure (inc Park n Ride)	\$112.5	\$63.3	\$175.8	2022-2051
Accessible streets, including walkways and cycleways	\$171.3	\$94.3	\$265.6	2022-2050
Te Tumu and eastern corridor growth projects*	\$164.0	\$89.2	\$253.2	2022-2051
Tauriko and western corridor growth projects*	\$205.3	\$881.6	\$1,086.9	2022-2041
Te Papa intensification (including Cameron Road, and Transport Hub)	\$441.4	\$88.7	\$530.1	2022-2051
Local Road and Transport Renewals	\$179.2	\$806.4	\$985.6	2022-2051
Local Roads Safety and upgrades	\$88.7	\$12.6	\$101.3	2022-2051

Note - * these investments are also included in the residential and business land supply totals (key proposal 1)

In addition, there are some significant investments included beyond the ten years of the LTP. These include:

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- Construction of the first part (Tauriko Business Estate to State Highway 36) of the western corridor ring-road (\$131 million)
- Construction of the Greerton area transport hub (\$27 million).

It should be noted that much of council's investment in transport outcomes assumes cost-share funding availability from Waka Kotahi NZTA. If that funding is not available, positive outcomes will be diminished.

Key proposal 3: Community facilities investment

Significant investment in community facilities is intended to:

- provide for facilities on both sides of the harbour, enabling communities easier access and reducing cross-city transportation movements
- catch up on under investment over recent years, so better servicing existing communities and the 36,000 people who have arrived in the city in the last 10 years
- replace end-of-life facilities that no longer provide the level of service that the community expects
- secure land now for future community facilities to be fully developed beyond the ten years of the LTP.

Key elements of the proposed investment in community facilities include:

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
City centre community spaces and library [^]	\$66.2	\$0.0	\$66.2	2022-2025
Development of a community centre in the western corridor*	\$14.6	\$0.0	\$14.6	2028-2031

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Development of a library in the western corridor*	\$15.3	\$0.0	\$15.3	2028-2031
Development of a new active reserve and associated facilities in the west of the existing urban area	\$56.4	\$0.0	\$56.4	2024-2027
Development of a new active reserve in the western corridor*	\$12.3	\$0.0	\$12.3	2029-2031
Development of sportsfields and associated facilities	\$26.4	\$33.3	\$59.7	2022-2034
Memorial Park to City Centre Pathway	\$19.0	\$0.0	\$19.0	2022-2026
Parks developments and upgrades	\$62.4	\$20.4	\$82.8	2022-2051
Public spaces and amenity improvements in Te Papa	\$70.7	\$5.5	\$76.2	2023-2041
Re-development of the Memorial Park aquatics facility	\$52.2	\$0.0	\$52.2	2022-2026
Re-development of the Memorial Park indoor sports facility	\$54.2	\$0.0	\$54.2	2027-2029

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Strategic land purchases for future community facilities in both the eastern and western corridors*	\$57.6	\$0.0	\$57.6	2024-2029
Development of community centres in existing urban areas (Te Papa excl City Centre)	\$18.5	\$0.0	\$18.5	2027-2031

Notes:

* these investments are also included in the residential and business land supply totals (key proposal 1)

[^] = this investment is also included in the city centre investment totals (key proposal 4)

In addition, there are some significant investments included beyond the ten years of the LTP. These include:

- Development of an indoor pool, indoor sports centre, community centre, library, and an active reserve in the eastern growth corridor (total of \$87 million)
- Development of an indoor pool and indoor sports centre in the western growth corridor (total of \$59 million).

Key proposal 4: City centre investment

The Tauranga city centre is the heart of the city and sub-region and, with the Port of Tauranga, arguably of the wider Bay of Plenty region. Investment in the city centre is required to support the revitalisation of the city centre and to promote economic growth. It is expected that civic investment in the city centre will lead to further private investment as the investment and development community regains confidence in the city centre.

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The proposed investments in the city centre are intended to replace aging, end-of-life facilities and to create modern and engaging facilities and public spaces.

Key elements of the proposed investment in the city centre include:

- Community spaces and library - \$66.2 million
- Strand extension boardwalk replacement and associated streetscape - \$6.4 million

Key proposal 5: Resilience

As outlined earlier the resilience project identified a programme of 315 projects intended to improve the resilience of the city's core infrastructure against individual or combined natural hazards. The proposed investment through the LTP focuses initially on high-priority projects relating to water supply trunk main resilience.

Over the ten years of the LTP the total proposed investment in infrastructure investment projects is \$314 million.

Key projects include the following:

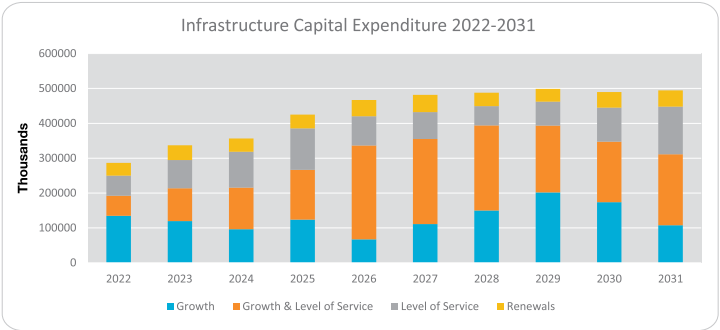
- Joyce WTP Raw Water Inlet Slip Mitigation along Pyes Pa Rd Raw supply to treatment plant subject to slips in multiple places \$41 million
- Water supply, sewer and stormwater - Tauranga Hospital. Slopes and inundation around Hospital and Historic Village area \$3.2 million
- Oropi WTP and Joyce WTP PW supply Trunks. Both water supply mains pass through multi-hazard locations \$37.5 million
- Chapel Street Bridge \$42.7 million

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Indicative estimates for the Council’s projected capital and operating expenditure

The following graphs set out estimates of overall capital and operating expenditure for the next 30 years for the whole of Council. The financial information includes the most likely scenario that Council is proposing as part of the LTP. These figures have been adjusted for inflation.

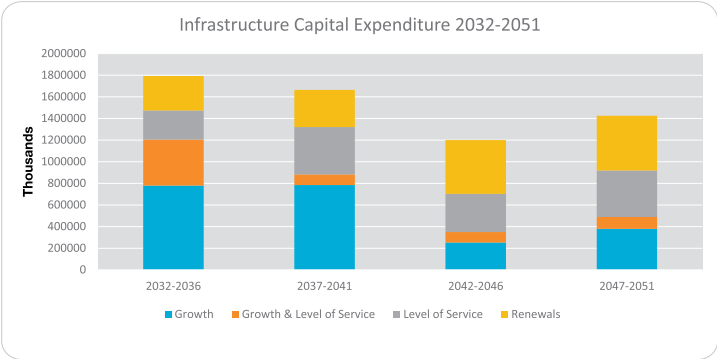
Indicative capital expenditure



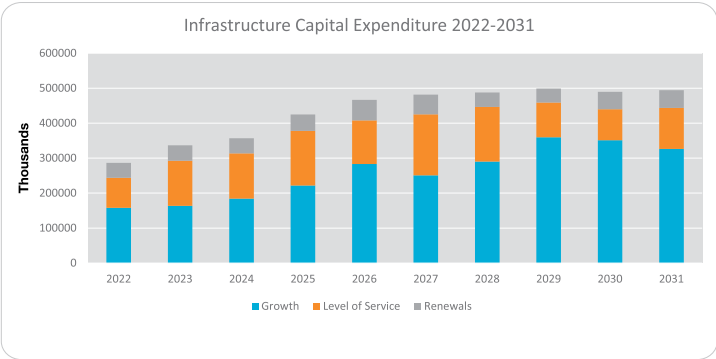
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Infrastructure Strategy (2021-2051)

Indicative capital expenditure

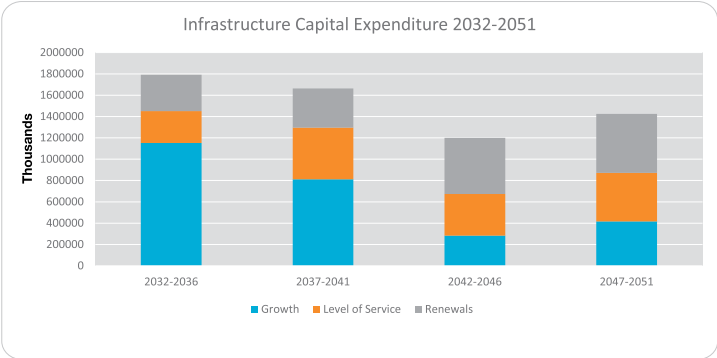


Indicative capital expenditure

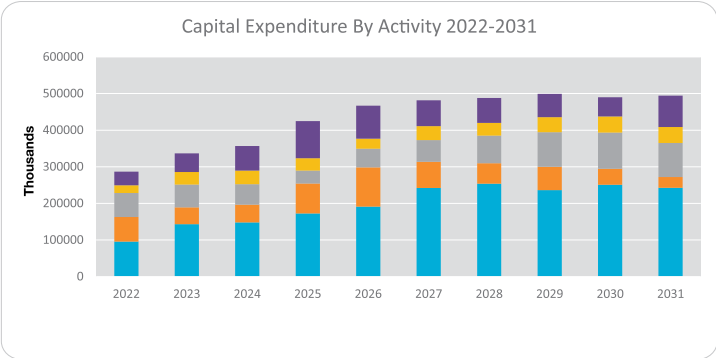


Infrastructure Strategy (2021-2051)

Indicative capital expenditure



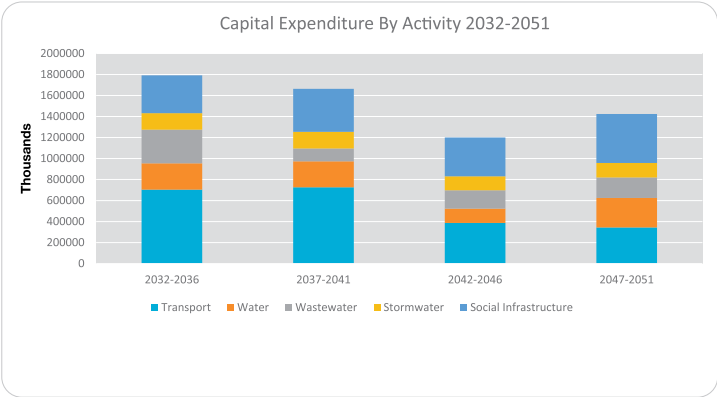
Indicative capital expenditure



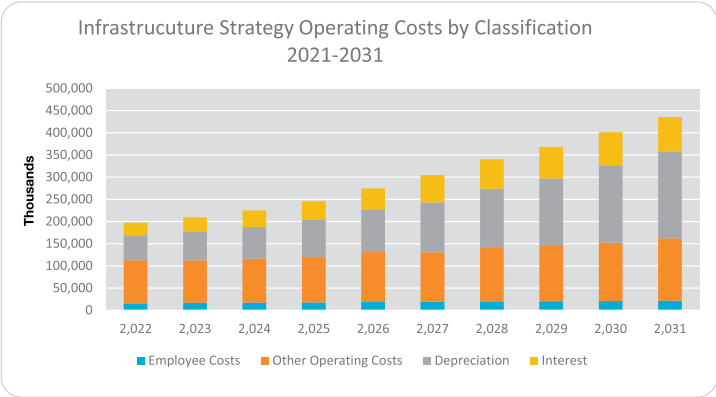
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Infrastructure Strategy (2021-2051)

Indicative capital expenditure

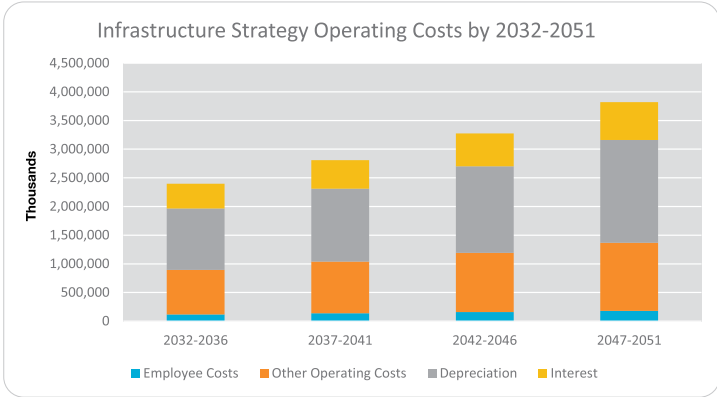


Indicative operating expenditure

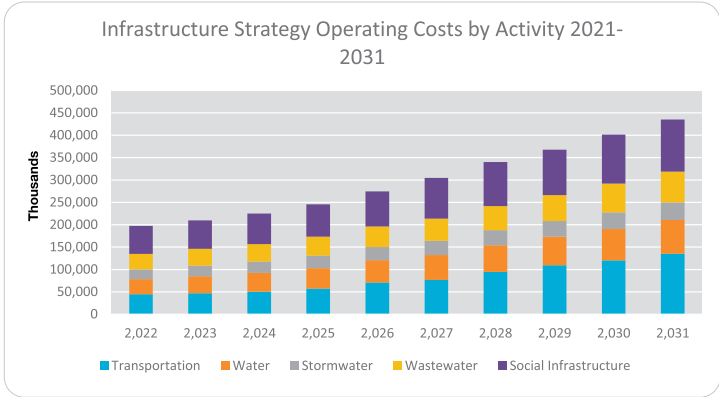


Infrastructure Strategy (2021-2051)

Indicative operating expenditure

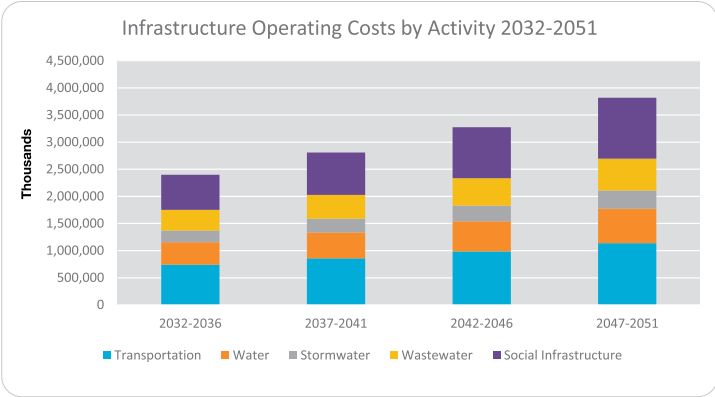


Indicative operating expenditure



Infrastructure Strategy (2021-2051)

Indicative operating expenditure



Infrastructure Strategy (2021-2051)

Water supply

Council is committed to supplying a resilient and sustainable water supply, including protection against contamination and increasing storage across the network.

Tauranga's water supply comes from the Tautau and Waiohoro Streams and is treated at two treatment plants - Oropi and Joyce Road. A third source from the Waiāri stream will be treated at the Waiāri water treatment plant currently being constructed (due for completion in 2022). Planned growth in Te Tumu will be supplied from the Waiāri water treatment plant, and planned growth in the Western Corridor (Tauriko West and areas to the south of this) will be supplied from the Joyce Road water treatment plant.

Tauranga City uses an average of 43,700 m³ of water per day and in summer this can rise to 58,000 m³ per day. The average total water supply consumption per person per day is about 256 litres with an average residential consumption of about 180 litres per person per day.

Due to population increases, development growth, increased demand in the coastal zone and the effects of climate change, the consumption of water has increased significantly. Water demand management strategies (e.g. universal metering, large water user's policy, water conservation education, water loss minimisation) have been successfully implemented over a number of years. However, no further significant reductions in water use from these measures and initiatives are anticipated in the short term. Further per capita water reductions could be realised due to intensification, ongoing educational initiatives, rainwater harvesting, and working with industry to optimise water use and reuse.

To ensure we are heading in the right direction with the infrastructure we need for water supply, we commissioned a 30 year Water Supply Strategy. The strategy built on recent calibration data, growth studies and demand assessments, the likely changes in national policy, headroom assessments, consenting and supply

risks, refinement of our levels of service and demand and supply opportunities.

A number of challenges were identified by the strategy which are outlined below:

- Meeting the intention and requirements of the NPS-FM. Priority is now given to freshwater health, water for people and the other uses
- Freshwater sources (surface and groundwater) in the Western Bay of Plenty have been identified as overallocated, meaning that the amount of consented water takes is above a sustainable level
- Council's water take consents set out conditions which help to mitigate any negative effects on the environment. With the consents for the water take from the Waiohoro and Tautau Streams expiring in 2026 we will need to demonstrate how we will meet the requirements in the NPS-FM including Te Mana o Te Wai. The re-consenting of the existing water takes poses a significant risk to the water supply strategy beyond 2026 if the water takes are reduced substantially from existing levels
- Based on current per capita water demand levels and future population growth projections and allowing for the possible reduction in surface water takes after 2026, a new water source may be required within the next 30 – 40 years
- Increased droughts due to climate change
- Critical infrastructure located in areas prone to multiple natural hazards or far from supply
- Expectation of "zero carbon" emissions. All raw water is pumped from the source streams to the treatment plants
- Location of water sources in the WBOPDC and the requirement of the Water Service Bill to have a source water risk management plan.

There are a number of actions that we need to take to respond to these challenges:

- Improve understanding of ecological and cultural freshwater health
- Establish Tangata Whenua partnership for management of freshwater
- Active management of how much water is actually being used for residential, commercial, and industrial activities
- Efficient use management and better understanding and management of water loss throughout the network
- Improve understanding of linkages between wastewater and stormwater management on water supply needs. This could potentially include grey water reuse options, and the use of stormwater for non-portable purposes
- Exploring new water sources
- Establishment of water pipelines to form a ring network, to improve supply resilience. It would also include the establishment of pipe linkages around the whole city, so that water can get from any water source to any part of the city
- Relocation and upgrades of critical assets to reduce vulnerability to natural hazards
- Explore regional growth supply and servicing with WBOPDC
- Investigate and implement energy consumption and carbon emission initiatives.

We also have a number of projects underway that support the safe and efficient supply of drinking water across the city.

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Infrastructure Strategy (2021-2051)

The Western Corridor Water Supply Study is intended to identify the preferred water supply trunk network to service the western growth area, including Tauriko West, Lower and Upper Belk, Keenan, Joyce and Merrick Road areas. Some of these areas have been confirmed by the SmartGrowth Partnership for urbanisation while others are potential long-term growth options. A core consideration for this study is the staging to service the various planned and potential growth areas over time. The western corridor is and will be serviced by the existing water take at Joyce Road.

As part of this work it has become apparent that the city's water supply is under more pressure than previously understood. This will largely be relieved when the Waiāri water supply comes on stream – currently scheduled for 2022. Further investigations through the 30 year Water Supply Strategy identified the critical pieces of work to address this issue with the identified projects included in the LTP.

Servicing additional growth areas in the western corridor is constrained in the short-term due to availability of water resources from our existing water takes and treatment plant capacity until the new water take from Waiāri and all related network upgrades have been carried out. This may also have implications for the ability to accommodate large water users.

In the eastern corridor the Papamoa and Mount suburbs are currently being supplied with water from the Joyce Treatment Plant. The extension of the Waiāri water supply all the way to the Mount is critical to take off pressure on the Joyce supply network so capacity can be reallocated to service growth in the western corridor.

Council also received water reform stimulus funding for an amount of \$15 million to be applied across the three waters, which will be used for asset management, improvement and renewals which have not been funded via the current or future LTP.

⁹ As at 1 July 2020

Key projects/programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Waiari Water Treatment Plant Capital	\$168.2	\$0.0	\$168.2	2022-2029
Te Papa Intensification - Water upgrades Cameron Road	\$63.3	\$0.0	\$63.3	2022-2027
Eastern Corridor - Water supply upgrades and new main to Te Tuma to support growth	\$33.7	\$117.3	\$151.0	2022-2051
Western Corridor - Water supply upgrades and new mains to support growth	\$64.2	\$372.4	\$436.6	2022-2051
Citywide - Water supply upgrades	\$33.5	\$32.8	\$66.3	2022-2051
Water Renewals	\$105.8	\$295.7	\$401.5	2022-2051

Water Supply Assets

Asset ⁹	Number
Treatment Plants	2
Reservoirs	17
Pump Stations	6
Pipes	1,303km
Connections	117km
Water meters	58,825
Backflow protection	
• Testable	3,639
• Non testable	57,229
Hydrants	5,550
Valves	12,157

Critical assets

The Water Supply Asset Management Plan includes a detailed assessment of the criticality of individual assets within the water supply network. The most critical assets within the network are:

- the Joyce Road and Oropi Road river intakes, raw water rising mains, treatment plants, storage reservoirs and associated trunk mains;
- pump stations and associated trunk mains at Cambridge Road, Sherson Road, Waikite Road, Oropi Road, Ohauiti Road and Kaitemako Road; and
- reservoirs at Mangatawa, Mount Maunganui, Cambridge Road, Eastern, Waikite, Ohauiti, Kaitemako and Poplar Lane, and the trunk mains to and from these reservoirs.
- extremely critical mains are those defined as mains pipes with a diameter bigger than 350mm.

All critical assets are generally performing as required and are considered to be reliable. However, the Water

Infrastructure Strategy (2021-2051)

Supply Strategy has identified several issues which we are looking to address. These issues include the effects of peak summer demand on the Joyce Road water treatment plant, undersized pipes from the Joyce Road plant, and potential pressure issues in parts of the city.

Renewals and replacements

We use numerous sources of data to inform our renewals programme. Based on this information we expect that the renewals for water supply over the next 30 years will be approximately \$401.5 million. There have been cost escalations in the renewals budget due to health and safety requirements, traffic management, project risks experienced during upgrade projects and geotechnical issues.

The 19 reservoirs that service the city were constructed between 1956 and 2019/20. As part of the Reservoir Asset Renewal program, condition assessments are done on the reservoirs which are inspected on a five-year cycle, with between one and five reservoirs being inspected each year. Issues arising out of these inspections are then prioritised and maintenance undertaken to match the renewals budget.

The current focus for the renewal of pipes is on aging asbestos cement pipes and replacing the remaining galvanised iron pipes. However, there has also been failures in larger diameter PVC pipes. We are actively monitoring the performance of these mains and have taken corrective actions to improve operational conditions (variable speed drives). Additional funding for some renewals and upgrade of these mains was included in the capital budget.

There is a provision in the LTP for continuing water meter renewals, with about 60% of the original 40,000 meters having been replaced. The balance is to be replaced in the next 3 years.

Responding to growth in the demand for services

Population growth and increases in commercial and industrial activities creates additional demand for water supply services, and in particular the volume of water that needs to be supplied. Demand for services can also be influenced by climate change, types of developments, customer expectations, charging regime, emerging technology (such as low-flow appliances) and customer education.

Effective planning and the provision of assets is required to provide the required water supplies when and where our community needs them. As noted above, dependant on water demand initiatives, there may be a need to find a new water source within the 30 years that this strategy covers. Capacity throughout the rest of the network including treatment plants, reservoirs and the distribution system will also need to be addressed.

Water demand initiatives that we have had in place include a public education programme introduced in 1997 and the installation of water meters on all residential and business properties (completed in 2002) and the introduction of a large water user policy in 2019. Water use restrictions have also been imposed over the past few summers due to treatment plant capacity and source water stream constraints.

Planned increases or decreases in levels of service

There are increases in levels of service relating to the resilience of some elements of the network. The Water Strategy has identified a range of levels of service to test in terms of the costs associated with meeting them. This includes levels of service for water pressure, restrictions and water demand. This testing will take place as part of Phase 2 of the Water Strategy.

Public health and environmental outcomes

Clean, safe drinking water is one of the foundations of a healthy community. There are a number of ways in which we protect public health, including:

- high quality water as defined by the Ministry of Health Drinking Water Standards for New Zealand (2008) and the Public Health Grading of Community Drinking Water Supplies (2003) guideline
- using micro-filtration as leading international technology at treatment plants, to produce high quality water
- preventing cross contamination of the supply system through a robust backflow protection programme
- mitigating the risks of contamination to the water supply through Water Safety Plans.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the water supply activity in the following ways:

- Catchment management and protection to reduce the risk of water supply contamination
- Providing service storage reservoirs to increase resilience against network outages
- Maintenance contracts that provide for rapid, quality responses to issues
- 48 hour storage at average flow
- Network flexibility to manage outages through interconnected trunk mains

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Infrastructure Strategy (2021-2051)

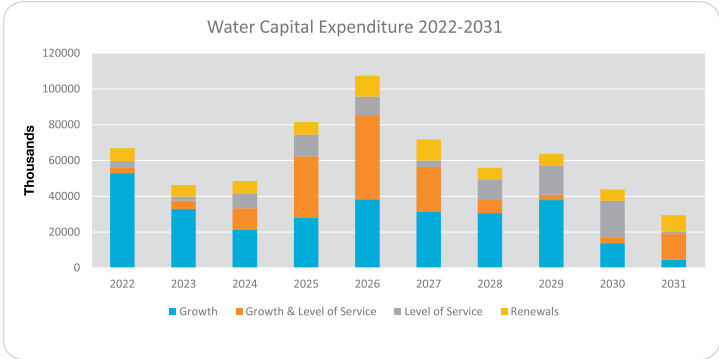
- Utilises more than one surface water source (stream)
- Upgrading a number of reservoirs for resilience against seismic events
- Ongoing maintenance of assets which prevents failure
- Standby generation at the treatment plants
- Telemetry system with alarm triggers to improve reaction time and prevention of issues.

Indicative forecasts of capital and operating expenditure

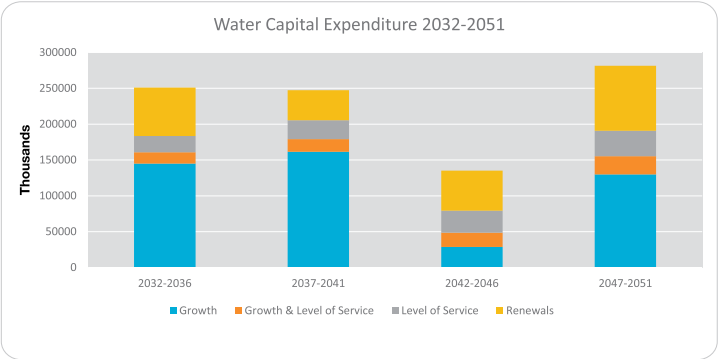
The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Infrastructure Strategy (2021-2051)

Capital expenditure



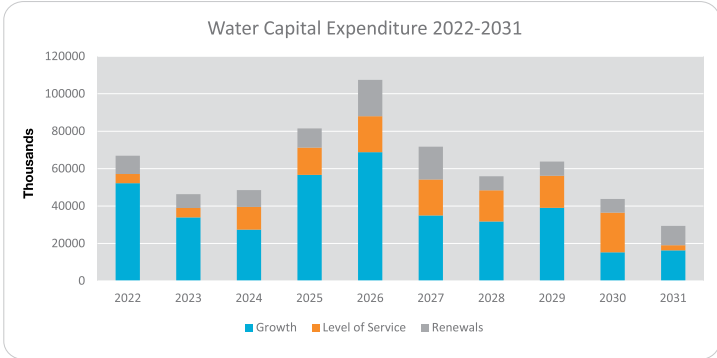
Capital expenditure



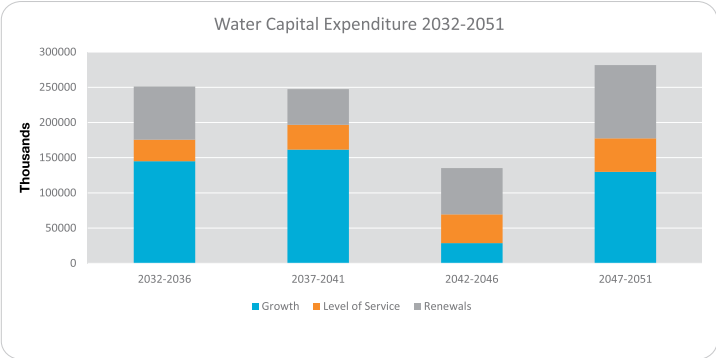
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Infrastructure Strategy (2021-2051)

Capital expenditure

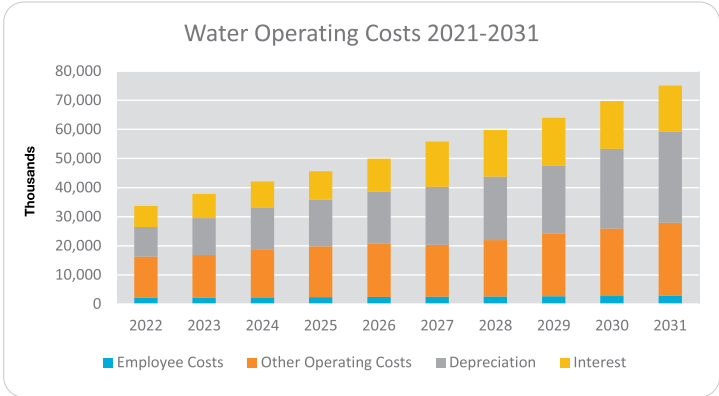


Capital expenditure

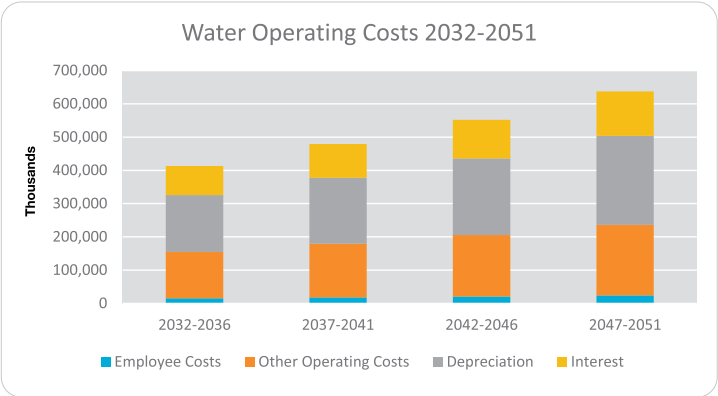


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



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Wastewater

Council is committed to supplying a resilient wastewater network. Wastewater from the southern and western parts of the city, and Omokoroa, is treated at the Chapel Street Wastewater Treatment Plant (WWTP). The eastern part of the city (the Coastal Strip) is served by the Te Maunga WWTP. The Southern Pipeline provides network flexibility for flows between treatment plants, while the Council site at Te Maunga will provide for growth expansion.

In 2019/20 we treated 11,400,000 cubic metres of wastewater. The average amount of wastewater produced per person per day is approximately 225 litres.

In 2005, Council was granted a 35 year consent for wastewater discharge from the ocean outfall. Treated effluent from both WWTPs is directed through wetlands, ponds and an ultra-violet treatment unit at Te Maunga before being pumped out to sea through a 950m long marine outfall off Papamoa Beach.

The Te Maunga ocean outfall is a critical component of the public wastewater network, currently providing Tauranga's only means of treated wastewater disposal. It is in poor condition (both landward and marine sections) and cannot physically withstand the pressures required to deliver the consented maximum discharge rate of 900 L/s. Increasing wastewater flows due to growth are also raising the average daily volumes and peak flows are placing further pressure on the outfall system. These constraints mean that Council must, to build resilience and reduce the likelihood of failure, upgrade the landward section and undertake a review into the future of the marine section. The landward upgrade has commenced, and, dependent on the outcome of the review for the

new marine section, placeholder costs for construction currently sit in 2033.

The review of the marine section of the outfall is part of the Wastewater Programme Business Case (PBC), following the Treasury's Better Business Case framework. The PBC will enable Council to take a long term, system-wide approach, considering investment in both network, plant and the outfall system (including the marine section). A long list of potential programme options (alternatives) will be considered against a broad range of criteria, taking into account environmental, cultural, and economic outcomes. The PBC will provide a short list of programme options for further analysis. The long and shortlist are likely to include both infrastructure and non-infrastructure responses.

To ensure we are heading in the right direction we have prepared a 30 year Wastewater Strategy for both the treatment plant and the network.

A number of challenges were identified by the strategy which are outlined below:

- avoidance of direct discharge of wastewater from the network to rivers, streams and coastal waters (including Te Awanui/Tauranga Harbour)
- uncertainty of extent, location and timing of urban growth
- sufficient network capacity for additional flows to cater for a growing population
- management and disposal of biosolids
- preventing the infiltration of excess water into the wastewater network to preserve the capacity reserved for future growth
- critical infrastructure located in areas prone to multiple natural hazards

- expectation of "zero carbon" emissions
- managing network overflows in order to protect public health, freshwater and marine environments
- affordability of network maintenance and upgrades to cater for both growth and climate change
- compliance with new regulatory requirements.

There are a number of actions that we need to take to respond to these challenges:

- Improve understanding of ecological and cultural aspects of the health of fresh and sea water
- Strengthen partnership with Tangata Whenua through the Wastewater Management Review Committee and Te Rangapu
- Effective data and information on growth and network performance
- Adaptive network management approach, which reviews the wastewater programme based on latest information every three years and re-builds the strategic model to support decisions every six years
- Improve understanding of linkages between wastewater, water supply and stormwater management. This includes the impacts of a potential reduction of water demand, and improved stormwater flow management to reduce the infiltration of stormwater into the wastewater system
- Prioritized investigations to determine best response e.g. infiltration reduction, enhanced storage, increased network capacity

Infrastructure Strategy (2021-2051)

- Relocation and upgrades of critical assets to reduce vulnerability to natural hazards
- Investigate and implement energy consumption and carbon emission initiatives
- Robust and meaningful stakeholder engagement with community
- Continued relationship building with Tangata Whenua.

We also have a number of projects underway to support an efficient and sustainable wastewater network across the city.

The Eastern Corridor wastewater programme will progress a concept to renew and upgrade the existing wastewater trunk network (including pump stations) from the boundary of Te Tumu to the Te Maunga wastewater treatment plant. In addition to accommodating growth in the eastern corridor, existing operational and renewal issues will also be addressed.

The Western Corridor Wastewater Study identifies the preferred trunk network (including pump stations) to service the western growth area, including Tauriko West, Lower and Upper Belk, Keenan, Joyce and Merrick Road areas. The network would connect to the Southern Pipeline via Maleme Street, Greerton. A core consideration for this study is the staging to service the various planned and potential growth areas over time.

Key projects/programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Eastern Corridor - Wastewater trunk line and upgrades to support growth (inc Te Tumu)	\$207.8	\$164.5	\$372.3	2022-2051
Western Corridor - Wastewater trunk line and upgrades to support growth (inc Belk Plateau)	\$21.4	\$65.4	\$86.8	2022-2036
Te Maunga Wastewater Treatment Plan - upgrade to support growth	\$194.9	\$145.9	\$340.8	2022-2035
Te Papa Intensification - Wastewater upgrades Cameron Road	\$12.7	\$0.0	\$12.7	2022-2025
City Wide - Wastewater reticulation upgrades	\$62.0	\$0.0	\$62.0	2022-2031
Wastewater Renewals	\$113.1	\$360.4	\$473.5	2022-2051

Wastewater assets

Asset ¹⁰	Number
Treatment plants	2
Ocean outfall	1
Mains gravity pipes	1,130km
Rising mains	104km
Pump stations	226
Manholes	17,532

Critical assets

The Wastewater Asset Management Plan includes a detailed assessment of the criticality of individual assets within the wastewater network. The most critical assets within the network include:

- the Chapel Street and Te Maunga wastewater treatment plants and ocean outfall system;
- Memorial Park, Maleme Street, Judea, Opal Drive, Bethlehem, Totara Street, McDonald Street and pump stations;
- trunk mains and rising mains greater than 450mm in diameter, including the Southern Pipeline mains, servicing the Tauranga Hospital, and mains in proximity to, or crossing, rail lines, state highways or the harbour and estuaries.

A number of critical assets require further investment to ensure ongoing performance and reliability including the Te Maunga plant, ocean outfall, and Opal Drive pump station.

Renewals and replacements

The renewals strategy for the wastewater network includes planned replacements (based on critical asset monitoring and condition assessment), rehabilitation and run-to-failure. Proactive indicators include targeted

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Infrastructure Strategy (2021-2051)

and routine CCTV surveys, asset attributes such as age, environment and type of use. Reactive indicators are a result of breaks, blockages and overflows.

One of the issues that is affecting the renewals programme for wastewater includes the deterioration of assets. There has been a need to rehabilitate pipes at only 50% of their design life due to soft ground conditions, asbestos cement (AC) and concrete pipes not living up to the expectations due to hydrogen sulphide gas attacks and risk of failure of modified poly-vinyl chloride rising mains.

Challenges have also been identified with several pump stations failing to meet storage requirements and pump operating hours. This has implications for the management of heavy flows due to weather events but also from increased flows due to intensification and greenfield developments.

An annual average investment of almost \$6 million is required to renew the assets comprising the wastewater pipes network. This figure includes network assets such as wastewater mains, service lines, rodding eyes, valves, odour control assets and manholes.

Responding to growth in the demand for services

Population growth, development of new residential areas and an increase in commercial and industrial activities increases the demand for wastewater services and the volume of wastewater that needs to be treated and disposed of.

The demand for the services can also be influenced by climate change, the type of development, customer expectations, charging regime, emerging technology and customer education.

Effective planning and the provision of assets is required to meet the needs and expectations of our community.

This includes the provision of adequate capacity in the network and includes the upgrade of the Te Maunga WWTP to increase its capacity to treat the additional flows and loads from its current catchment and those being transferred from the current Chapel Street catchments through the Southern Pipeline.

Key upgrades and newly required infrastructure have been identified through the Eastern and Western Corridor studies. In addition, we have identified several projects through our network modelling, which have been included in the LTP.

Planned increases or decreases in levels of service

There are increases in levels of service relating to the resilience of some elements of the network. The 30 year Wastewater Strategy has identified the need for a level of service review to be undertaken looking at the capacity of the network. The intention of the review would be to create a performance based level of service rather than one that is based on a static engineering design standard. No decision has been made regarding the timing of this review.

Public health and environmental outcomes

The wastewater system conveniently and safely removes the wastewater produced in households, commercial, industrial and public buildings and allows it to be treated before disposal to the environment. In doing so, contemporary wastewater systems are a key contributor to maintaining public health and environmental protection, and so enable urban communities to grow and thrive.

Environmental outcomes are set out in the conditions of Council's discharge consent. In addition, Council and Tangata Whenua representatives sit on the Wastewater Management Review Committee. One of the functions

of the committee is to make recommendations regarding the physical measures and initiatives to address or compensate for actual or potential effects of the wastewater scheme.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the wastewater network in the following ways:

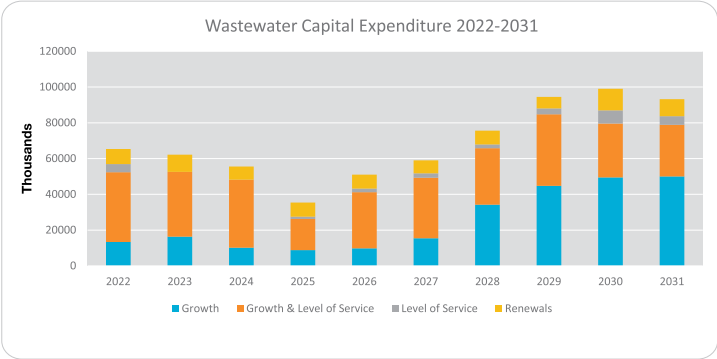
- the Southern Pipeline provides network flexibility for flows between treatment plants
- telemetry system to improve reaction time and prevention of issues
- ongoing maintenance of assets which prevents failure
- maintenance contracts that provide for rapid, quality responses to issues
- standby generation at the treatment plants.

Infrastructure Strategy (2021-2051)

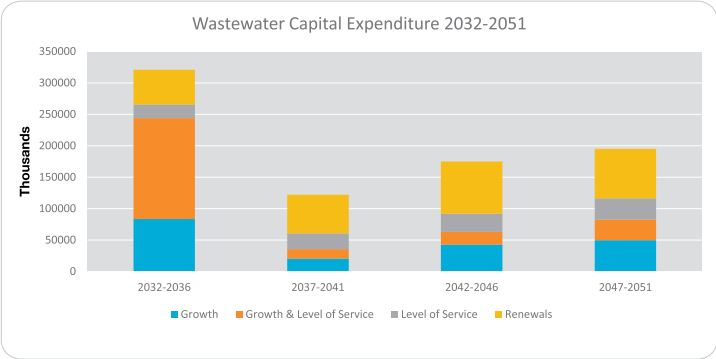
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure



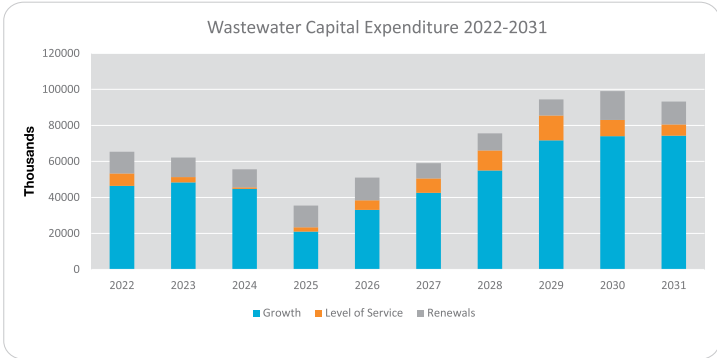
Capital expenditure



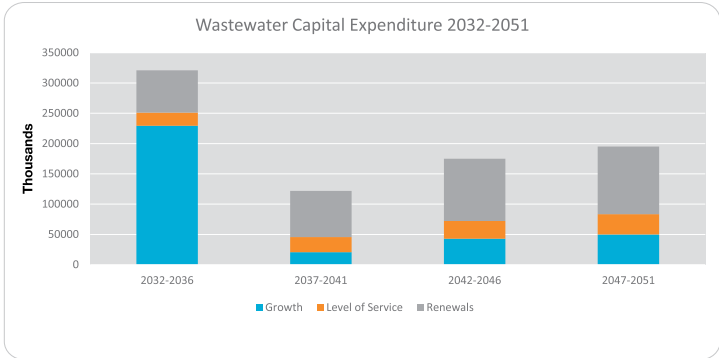
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Capital expenditure

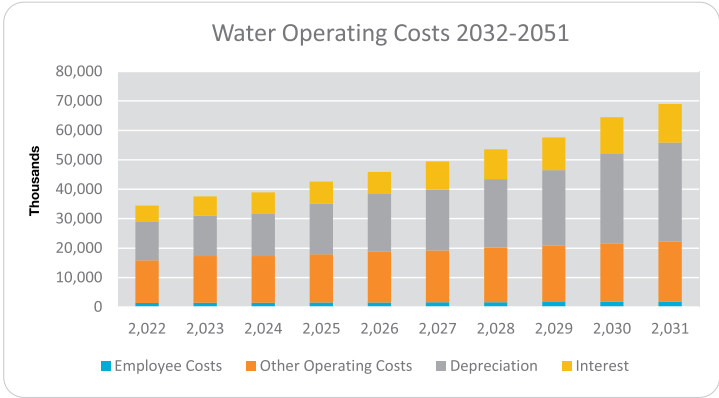


Capital expenditure



Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



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Stormwater

Stormwater is the water that runs off surfaces such as houses, roads, driveways and footpaths during rain events. Council manages stormwater in an environmentally acceptable way to protect public health and safety whilst managing the effects of population growth. Council is looking to provide sustainable long-term solutions acknowledging Te Mana o te Wai and respecting the values Tangata Whenua place in water resources.

The city's urban stormwater network is interlinked with Tauranga's natural waterways, conveying and treating stormwater before it enters the streams, rivers, harbour and coast. Most of the Tauranga catchment's soils drain well, meaning that in some suburban residential areas stormwater mainly discharges into the ground via soakage.

The main flooding and stormwater issues have tended to occur within older, established areas of the city constructed prior to 1990 where a low level of service has been provided. Most development in the city over the past 20 years has been designed to cope with a current 50 year ARI storm event. Since climate change is 'shifting' ARI and the frequency and intensity of events, this presents a risk on performance of infrastructure and level of service. It is expected that low lying suburbs and those near the coast, harbour and streams will be more vulnerable to the impacts due to climate change.

As noted earlier, Plan Change 27 has been publicly notified. The purpose of the plan change is to ensure that future land use, subdivision and development within Tauranga is planned to be resilient to flooding. The plan change introduces a new rule framework to the Tauranga

City Plan to manage the effects of flooding from intense rainfall on people, properties and infrastructure. We have also included a programme of works to address flood risk.

Council has three 35 year consents, two granted in 2009 and one in 2012, that authorise existing stormwater structures and discharges from across the city. Council has also developed city-wide catchment management plans that are updated every five years that outline the management of likely stormwater and stormwater quality issues. These have been submitted to the Regional Council and provide a programme of renewals and maintenance of existing stormwater infrastructure.

To ensure we are heading in the right direction we have commissioned a draft 30 year Stormwater Strategy. We want to work on reversing the environmental degradation that has occurred; support growth through proactive stormwater planning activities; and adapt, be flexible and be open to changes in management approaches as new knowledge or information becomes available.

A number of challenges were identified by the strategy which are outlined below:

- delivering the aspirations of our community
- shifting to maintaining and improving freshwater quality, not just minimising effects
- "Integrated management" as a new responsibility for territorial authorities
- changing standards for stormwater treatment and conveyance
- intensification partly limited due to flood hazard constraints
- increased heavy rainfall events and sea level rise, increase of flood risks and number of houses and

other infrastructure potentially affected by flooding

- existing infrastructure not designed to today's standard (e.g. dams and pipes/flow paths down escarpments)
- expectation of "zero carbon" emissions.

There are a number of actions that we need to take to respond to these challenges:

- improve our understanding of ecological and cultural freshwater health
- continued relationship building with Tangata Whenua and Te Rangapu
- set up partnership with Tangata Whenua for management of freshwater
- review of Council's policies and provisions for freshwater management
- establishment of blue-green network with multiple purposes
- improve understanding of linkages between wastewater and stormwater management
- develop robust local specific stormwater rule framework for new and re-developments
- increase infrastructure resilience over time
- reduce the number of houses and social infrastructure in flood-risk areas over time
- embrace adaptive pathway planning, which keeps future options for adjusting to a changing climate open
- work with natural flow paths and using filtration to ground, where possible to utilise natural ways of managing stormwater
- investigate and implement energy consumption

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and carbon emission initiatives.

Managing stormwater in the Tauriko West Urban Growth Area requires a comprehensive stormwater consent. The consent will guide how developer manage stormwater with the required infrastructure costs to be met by the developers. Stormwater management must meet the requirements set out in the NPS-FM and the National Environmental Standard for Freshwater Management. There is a strong focus on the protection and enhancement of wetlands and streams which has implications for the urban footprint that may be accommodated in this area.

In the Te Tumu Urban Growth Area we are preparing a Stormwater Strategy with landowners to guide the philosophy and implementation of stormwater management in Te Tumu. Most of the infrastructure will be delivered by developers, with the exception of the Kaituna Overflow which is to be delivered by Council. The overflow will be integrated into the development to provide amenity and recreational values as well as flood management.

During the development of the Te Papa Spatial Plan high level studies of the existing stormwater network, catchments and overland flow paths were undertaken. Further stormwater work will likely be required to enable development to be realised in some areas. This may include rerouting overland flow paths and/or using existing and new open space networks to reduce flood prone areas and contribute to the amenity of the area.

We are also progressing a project on large dam safety upgrades across the city. This project has arisen due to proposed new dam safety regulations.

Key projects

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Eastern Corridor - Stormwater projects and upgrades to support growth (inc Te Tumu)	\$29.30	\$100.70	\$130.00	2022-2051
Western Corridor - Stormwater projects and upgrades to support growth	\$34.80	\$0.00	\$34.80	2022-2031
Te Papa Intesification - Stormwater upgrades Cameron Road and new development priority	\$90.10	\$107.40	\$197.50	2022-2049
City Wide - Stormwater upgrades	\$90.70	\$238.60	\$329.30	2022-2051
Stormwater Renewals	\$14.70	\$27.40	\$42.10	2022-2051

Stormwater Assets

Asset ¹¹	Number
Pipes	769km
Manholes	13,981
Pump stations	6
Open drains	118km
Culverts	11.7km
Soak holes	277
Treatment devices e.g. rain gardens, proprietary devices	47
Stormwater ponds/wetlands	96

Critical assets

The Stormwater Asset Management Plan has been updated to include the criticality of pipes in the stormwater network. Mains pipes with a diameter of 1,500mm and bigger are deemed as extremely critical (approximately 11km of the network). Stormwater pipes located at the port and airport is also assessed as extremely critical

Renewals and replacements

Our renewals programme is based on a significant amount of data and evidence including asset age, inspections and condition surveys. We use Powerplan AIO decision support software to process the data and create the renewals programmes. A new renewals budget for stormwater treatment assets have been created during this LTP process. For the 30 years of this strategy there is a proposed renewals budget of \$35.7 million.

There have been increases in renewal costs driven by increased traffic management costs and unit rate increases for materials and labour.

¹¹ As at 1 July 2020

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We have an ongoing programme for the cleaning and maintenance of stormwater assets. This programme ensures that the ponds can operate as designed to reduce flooding and accommodate the discharge of contaminants.

Responding to growth in the demand for services

Property development across the city has increased the area of impervious services and with increased rainfall places additional pressure on the existing stormwater network. Council has reviewed and amended the design rules in the Infrastructure Development Code to partially address this issue. Other responses include the changes proposed in Plan Change 27, which implements a impervious surfaces rule for many of our residential areas. Exceeding the impervious rule requires resource consent to consider how the development mitigates the effects of any additional stormwater runoff.

As Tauranga intensifies, further investigation is proposed to identify where additional work may be needed to mitigate legacy flooding issues. As mentioned above, the Te Papa Spatial Plan considered stormwater at a high level and further work is proposed. Initial budget is proposed for capacity upgrades across the city as part of this LTP. This is to consider how the upgrading of infrastructure and/or creation of improved flow paths and open space can mitigate flood risk in existing suburbs as well as benefit other outcomes such as amenity and connectivity.

Planned increases or decreases in levels of service

New infrastructure builds as part of land development are required to design a primary network (pipes or other form of conveyance) for the 1 in 10 year ARI rain event. The overall stormwater system, including safe provision for flow of water overland, is required to be designed for a 1 in 100 year storm. Recent changes to the City Plan and

Infrastructure Development Code now require increased design for climate change.

Some older established parts of Tauranga have not been designed to cater for stormwater in this way. Councils programme of intervention in existing established areas is based on a 'Safety to Persons' approach adopted as part of the Long-term Plan 2015 – 25. This targets areas where the combination of depth and velocity in a large rainfall event is greater than 0.4 m²/s which poses a risk to people's safety. Prioritised projects to address these risks have included purchase of at-risk property and infrastructure to reduce the hazard. There is no change proposed to this level of service. Budget in the LTP is provided to complete projects identified as required to achieve this safety based Level of Service.

Council will however be investigating further opportunities to improve network capacity in existing established areas. Initial budget is proposed for investigating opportunities for capacity upgrades across the city as part of this LTP. This is to consider how the upgrading of infrastructure and/or creation of improved flow paths and open space can mitigate flood risk in existing suburbs as well as benefit other outcomes such as amenity and connectivity.

Public health and environmental outcomes

The waterways, harbour and coast are places for food-gathering, recreation and enjoyment for all Tauranga residents and visitors. Urban stormwater from residential and business properties, roads and car parks has impacted water quality and the health of the receiving ecosystems. Water quality, ecosystems and mahinga kai have declined, and the mauri of the water has been degraded. While some of Tauranga's streams have excellent water quality and ecosystem health, many have fair or poor water quality¹².

Waterways can be contaminated with industrial wastewater and runoff, road and car pollutants, human

and animal faeces, sediment, nutrients, and litter. Council has a pollution prevention programme, along with other education programmes in the community, where staff work directly with commercial and industrial property owners to improve their onsite stormwater practices.

As noted above, we have identified a range of responses to address these challenges.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the stormwater network in the following ways:

- change to cater for 100 year ARI including climate change (more intense rainfalls and sea level rise) for flood management (instead of 50year existing)
- shift to utilising open systems, including natural waterways, for the conveyance of flows. These systems are much more adaptable than pipe networks
- maintenance contracts that provide for rapid, quality responses to issues.

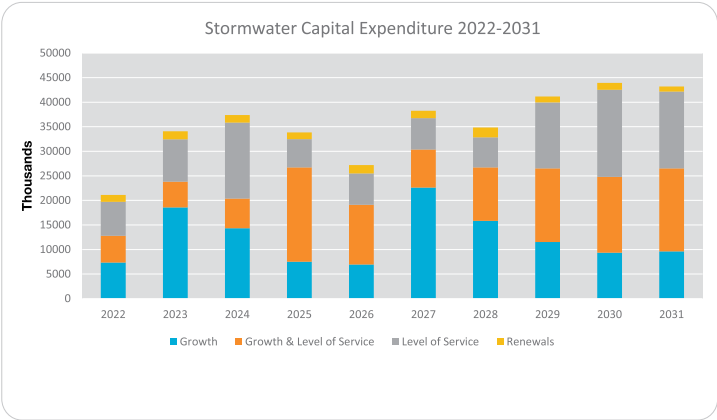
¹² Bay of Plenty Region River Quality, Land, Air, Water Aotearoa. <https://www.lawa.org.nz/explore-data/bay-of-plenty-region/river-quality> (14 September 2020)

Infrastructure Strategy (2021-2051)

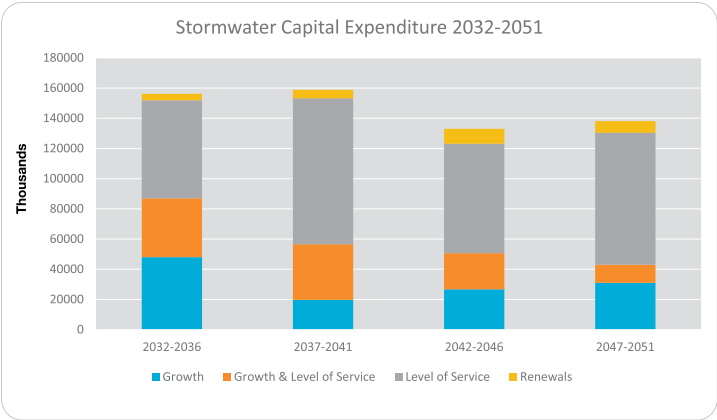
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure



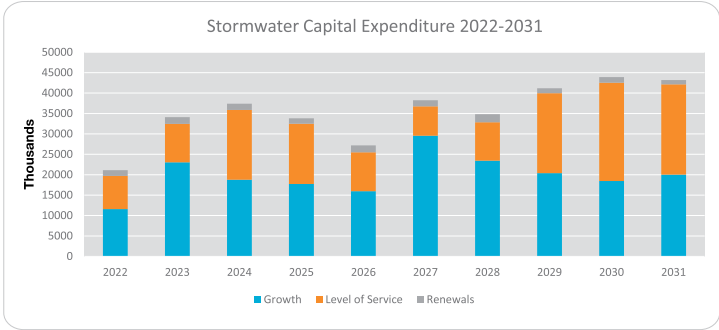
Capital expenditure



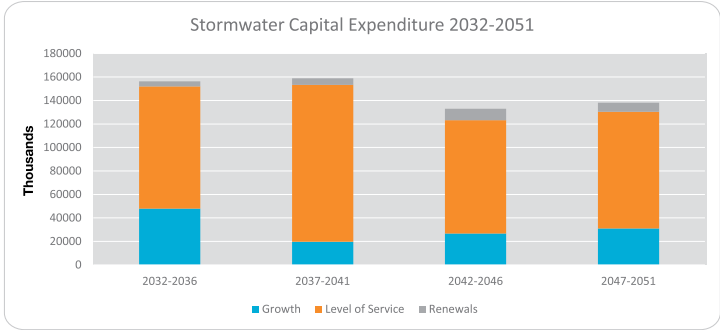
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Capital expenditure

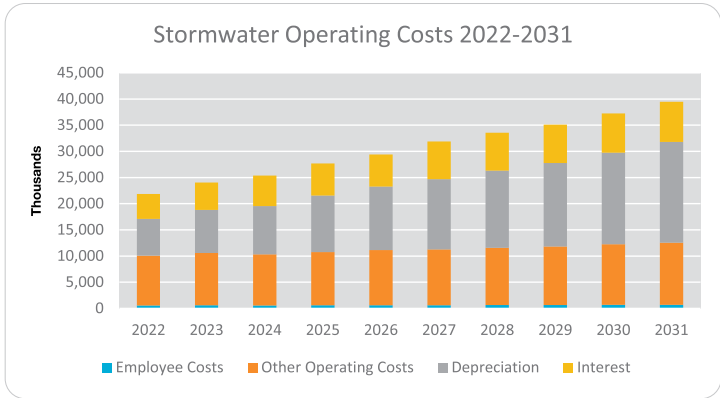


Capital expenditure

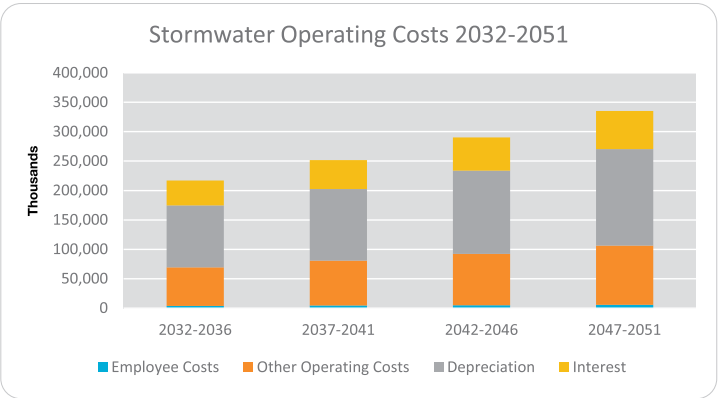


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



Infrastructure Strategy (2021-2051)

Transport

Over the last 30 years, Tauranga's strategic transport network has been developed through a joint Council and Waka Kotahi investment programme aligned with SmartGrowth. The investments made in the State Highway network have supported the efficient movement of freight, in turn supporting the economic growth of the city and in particular the Port of Tauranga and associated industries. Significant investment has been made into the local road network to support residential and economic growth as well as leveraging the investments made by Waka Kotahi NZTA.

As noted above, the Western Bay of Plenty Transport System Plan (TSP) has been adopted. The TSP identifies and proposes changes and improvements needed to provide a safe, sustainable and reliable transport system, over the next 30 years. The TSP provides a co-ordinated approach to investment across the transport network. The TSP takes a system wide approach to supporting urban development and improved transport outcomes. This includes research, policy development, projects that are ready to implement and the development of business cases for the more complex issues and corridors e.g. Turret and 15th Avenue or the Hewletts Road sub area.

The key goals of the TSP include:

- Dedicated lanes and priority at key intersections will allow buses to move past queued traffic and ensure bus services are frequent, reliable and get people where they need to go
- Existing freight corridors on SH29, Takitimu Drive, Hewletts Road, SH29A, Takitimu North Link and

the Tauranga Eastern Link will continue to connect the Port with the Eastern Bay, Rotorua and upper North Island

- A network of safe cycling, walking and personal mobility routes will allow people to reach their local shops, schools, parks and neighbouring communities within 15-30 minutes
- Once public transport, walking and cycling becomes the norm, less carparking will be needed and parking costs should encourage people to use those other options
- Giving people a range of transport choices, and the ability to live close to where they work, will also help reduce transport carbon emissions over time and improve our environment.

PORT OF TAURANGA

Considerable growth in commercial traffic is projected. Heavy commercial vehicle traffic growth is estimated to increase on all state highway routes that run through Tauranga and connect to the wider region and the upper North Island. For example, between 2018 and 2043 heavy commercial vehicle traffic growth on SH2/Takitimu Drive of 74%, on SH2 North/Te Puna of 63%, SH29/Kaimai of 64%, and SH2/Otamarakau of 38% is estimated¹³.

The Port of Tauranga is a nationally significant international gateway and New Zealand's largest port by volume. The port handles 32% of all New Zealand cargo, 37% of New Zealand exports and 41% of all shipping containers. In 2019/2020 the port handled just over 24.8 million tonnes of cargo¹⁴.

Although the Port is of economic importance to both Tauranga and New Zealand, it does have an impact on the locally funded road network. This includes congestion, impacts on the road surface and on other road users, including cyclists.

The Bay of Plenty Mode Shift Plan Regional Framework (MSP) provides an overview of the region's challenges and direction with regards to mode shift. It brings together in one place the existing key policies, strategies and plans relating to mode-shift from Council and our partners. We will continue to complete and implement the projects that we have responsibility for.

Initial discussions are underway regarding the potential for rapid rail between Hamilton and Auckland. While the project is in an early scoping stage of development its understood that the Government intends to investigate four possible options ranging from extending electrification of the existing route to building a new rail alignment alongside the existing corridor. These initial discussions have included signals to investigate extending rapid rail to Tauranga.

There are a number of transport projects underway to support the structure planning process for Te Tumu Urban Growth Area and the eastern corridor. This includes the Papamoa Eastern Interchange (PEI) and Te Okuroa Drive.

A staged delivery of the full Cameron Road corridor project is underway. The project is focused on achieving improved multi-modal outcomes and enabling quality intensification outcomes on the Te Papa peninsula. Investigations are also underway to determine what other

¹³ Regional Freight Flows Study, UFTI, 2020

¹⁴ Port of Tauranga Annual Report 2020

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infrastructure can be renewed or upgraded at the same time.

The current stage focusses on delivery in the short to medium term (out to 10 years). The section of Cameron Road from Harrington Street to Seventeenth Avenue will be constructed first. Funding of \$45 million for this project has been provided by the Crown Infrastructure Partners (CIP).

In addition to Cameron Road multimodal project, investment is proposed within and around the city centre and Te Papa to enable and encourage mode shift to walking and cycling, and also improve access by public transport. This includes improvements to enhance safety, accessibility, functionality and attractiveness for all users.

Key programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
15th Avenue / Turret Road corridor	\$63.1	\$0.0	\$63.1	2022-2027
Hewletts Road / Totara Street / Hull Road sub-catchment	\$157.1	\$0.0	\$157.1	2022-2028
Bus infrastructure (inc Park n Ride)	\$112.5	\$63.3	\$175.8	2022-2051
Accessible streets, including walkways and cycleways	\$171.3	\$94.3	\$265.6	2022-2050
Te Tumu and eastern corridor growth projects*	\$164.0	\$89.2	\$253.2	2022-2051
Tauriko and western corridor growth projects*	\$205.3	\$881.6	\$1,086.9	2022-2041
Te Papa intensification (including Cameron Road, and Transport Hub)	\$441.4	\$88.7	\$530.1	2022-2051
Local Road and Transport Renewals	\$179.2	\$806.4	\$985.6	2022-2051
Local Roads Safety and upgrades	\$88.7	\$12.6	\$101.3	2022-2051

Note - * these investments are also included in the residential and business land supply totals (key proposal 1)

¹⁵ Based on the 2018 valuation

Transport assets

Asset ¹⁵	Number
Road pavement	600km (94% urban, 6% rural)
Footpaths	780km
Streetlights	11,956
Traffic controls	2,483
Kerb and channel	1,069km
Bridges	12
Pay & display machines	107
Retaining walls	735
Street signs	15,690

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Critical assets

The Transportation asset management plan includes a detailed assessment of the criticality of individual assets within the transportation network. The most critical assets within the network include the following:

Roads/Streets including:

Totara Street, Welcome Bay Road, Cameron Road, Chapel Street, Cambridge Road, Devonport Road, Domain Road, Eleventh Avenue, Fraser Street, Fifteenth Avenue, Girven Road, Golf Road, Hull Road, Maunganui Road, Oropi Road, Parton Road, Tara Road, Totara Street, Waihi Road, Ngatai Road, Ocean Beach Road, Otumoetai Road, Papamoa Beach Road, Levers Road, Carmichael Road, Mayfield Lane.

ONRC Classification	Bridge	Embankment	Retaining Walls
Regional	Chapel Street Bridge, Welcome Bay Road, Turret Road Bridge		Chapel Street
Arterial	Oropi Road Bridge/Culvert, Waihi Road	Oropi Road, Pyes Pa Road, Waihi Road, Turret Road/Hairini Bridge	Devonport Road, Waihi Road, Fifteenth Avenue
Primary Collector		Cambridge Road, Beaumaris Boulevard, Welcome Bay Road, Otumoetai Road, Ngatai Road	
Other	Matua Access Bridge		

Renewals and replacements

Our renewals programme is based on a significant amount of data and evidence including a two-yearly full network survey, 3D profiles of the road surface, inspections and condition surveys. We use the RAMM database to process the data and create the renewals programme.

There has been an increase to the renewals budget with a total of \$1,073.1 million (or \$1.073 billion) for the 30 year period. This budget recognises the need to ensure the network maintenance remains at an affordable level into the future. Under investment in the past has used up the asset life and without the proposed increase we anticipate pavement failures and a high level of reactive maintenance such as potholes and pavement failures.

Assets in some areas are expected to deteriorate at an increased rate due to the additional strain put on our infrastructure by Tauranga's rapidly growing population. Other factors include new contracts generally increasing by 40 percent nationally, while Temporary Traffic Management (TTM) related costs have grown by approximately 20 percent. Labour and material costs have also increased by 10 to 15 percent. Improved data from the Road Efficiency Group is also leading to growing administration costs to support these improvements. From current projections it's likely that required rehabilitation will need to be deferred in some cases. In the long run this would lower our level of service and potentially result in greater cost, with more assets needing replacement before reaching their expected useful life.

The renewals programme may also be affected by the level of funding that we receive from Waka Kotahi NZTA. This includes meeting the costs associated with pavement rehabilitation, with the cost of rehabilitation being far higher than simply resurfacing a road. From a road resurfacing point of view funding levels will be enough to maintain our level of service, however from a pavement rehabilitation our backlog will increase, and failures associated with these roads will reduce our level of service (as noted below).

Infrastructure Strategy (2021-2051)

Responding to growth in the demand for services

There are a number of ways in which the transport activity is affected by the growth throughout the City. It includes the construction of new assets to service greenfield development, reduced safety, increased congestion and reduced travel time reliability and increased maintenance and renewal costs.

Responding to the changes in demand has implications for our renewals programme (as outlined above) but also a significant impact on the proposed capital expenditure programme. The key projects to address the implications of growth are provided above.

Planned increases or decreases in levels of service

Levels of service are expected to decrease, with a rapidly growing population putting additional strain on our network resulting in increased asset deterioration and more congestion at peak times. This combined with reduced funding from Waka Kotahi will make it difficult to maintain our current level of service.

There are increases in levels of service relating to the provision of cycleways and walkways, bus infrastructure and other multi-modal solutions, together with the resilience of some elements of the network.

Public health and environmental outcomes

The way we plan for and manage the assets that provide transport choices across the city has implications for our health and wellbeing. We know that currently there is a preference for travel by private vehicles which does not support positive health or environmental outcomes.

This private vehicle preference has also led to Tauranga's per capita transport related emissions being higher than Wellington and Dunedin. These issues have been considered in UFTI and the TSP, with projects and actions identified to address and improve these outcomes for our community including investment in cycleways and multimodal transport.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the transport network in the following ways:

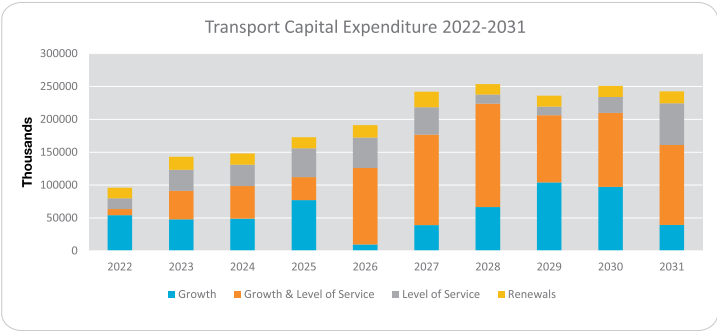
- regular inspections of our critical assets including bridges, embankments and retaining walls
- routine maintenance of drainage assets.

Infrastructure Strategy (2021-2051)

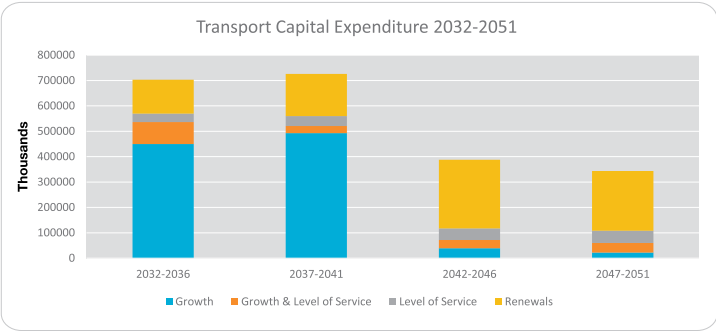
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure

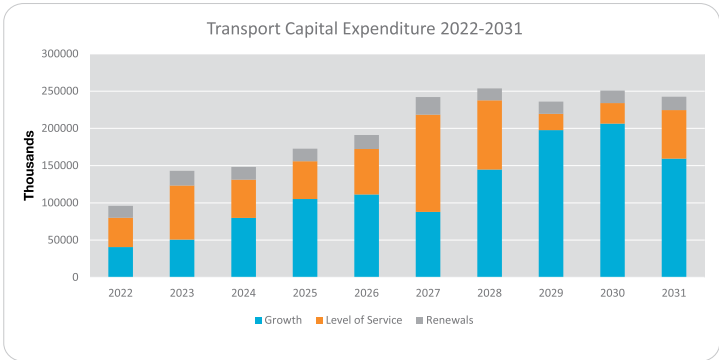


Capital expenditure

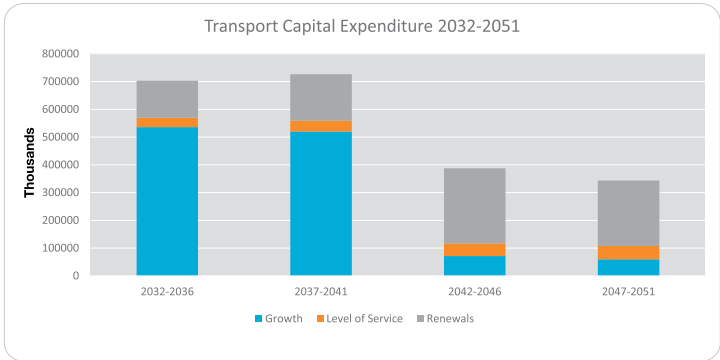


Infrastructure Strategy (2021-2051)

Capital expenditure

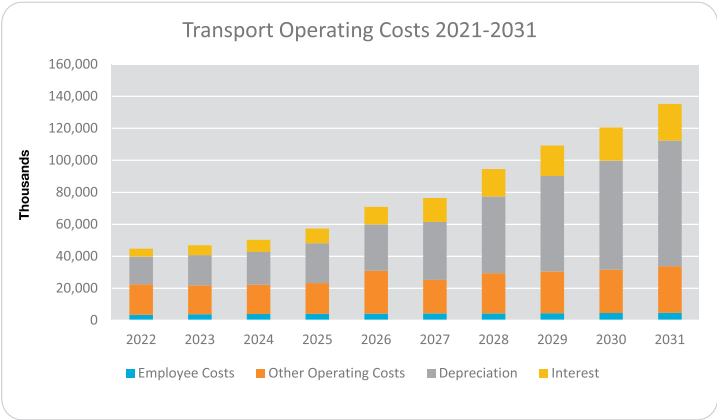


Capital expenditure

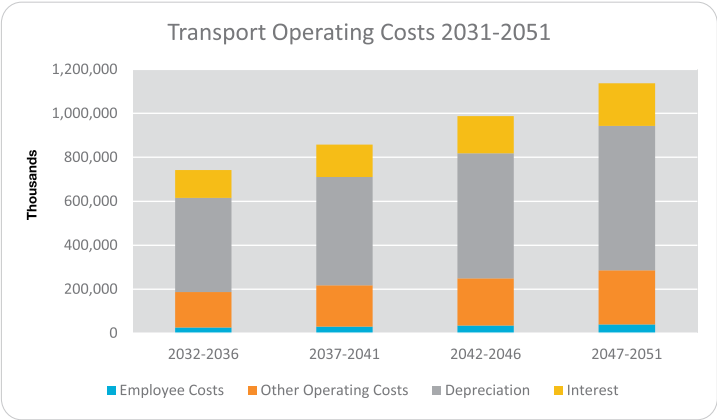


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



Infrastructure Strategy (2021-2051)

Social infrastructure

Social infrastructure includes parks and reserves, libraries, pools, community centres, indoor sports centres and halls. They are places for us to connect, to learn, to play and stay healthy. They contribute to the development of successful, accessible centres. They provide safe and inclusive spaces that allow cultural expression and provide opportunities for people of all ages and backgrounds to be inspired and to thrive. They are integral to our future planning, and our ability to achieve good place-based outcomes for all of our communities across the city.

As noted above, Council adopted the Community Facilities Investment Plan (CFIP) which seeks to ensure we provide the right facility, in the right place, at the right time to meet our community's current and future demand for libraries, community centres, indoor courts, aquatic facilities and active reserves (sports fields). It also includes provision for the planning of new strategic and cultural assets that are not part of the core network and for the master-planning of Baypark.

To support the above outcomes, Council is preparing spatial plans for key growth areas, including the completed Te Papa plan and future plans for the Mount Maunganui/Arataki and Otumoetai/Brookfield areas. The Te Papa Spatial Plan identified the city centre, Gate Pā, Merivale and Greerton as key focus areas for future growth and, accordingly, provides for greater emphasis of social infrastructure in these areas. UFTI and the Te Papa Spatial Plan also recognise the sub regional role the city plays in terms of social infrastructure and the need to provide for the cities growing and diverse population needs.

CFIP does not cover our extensive network of passive reserves, renewals and minor upgrades of existing assets or 'single-use' facilities that are brought to Council

for consideration by community groups. These will be managed in accordance with the Tauranga Reserves Management Plan, Mauao Historic Reserve Management Plan the Parks Asset Management Plan and Property Asset Management Plan.

Council protects and enhances the natural areas and landscapes within the city, promoting awareness and understanding of nature and encouraging activity on Tauranga's excellent parks and open space network. This includes our playgrounds, trees and gardens, the boundaries of streams and the harbour, cycleways, walkways and our beautiful beaches.

Bay Venues Limited (BVL) is a Council Controlled Organisation (CCO) that's owns and/or manages twenty-four facilities comprising five aquatic facilities, a Stadium and ancillary buildings at Baypark, one large contemporary multi-purpose recreation and event centre, two indoor sports recreation facilities, three community centres, two community share facilities, eight community halls and a high performance sports training centre. BVL offers a broad range of leisure and event products, services and programmes.

The priority projects include a redeveloped Central Library, a redeveloped Aquatics Facility at Memorial Park, provision of a new active reserve in the Bethlehem area and Ohauiti Reserve, along with land acquisition to enable provision of new facilities in the Western and Eastern Corridors in the 2030s.

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Key projects

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
City centre community spaces and library [^]	\$66.2	\$0.0	\$66.2	2022-2025
Development of a community centre in the western corridor*	\$14.6	\$0.0	\$14.6	2028-2031
Development of a library in the western corridor*	\$15.3	\$0.0	\$15.3	2028-2031
Development of a new active reserve and associated facilities in the west of the existing urban area	\$56.4	\$0.0	\$56.4	2024-2027
Development of a new active reserve in the western corridor*	\$12.3	\$0.0	\$12.3	2029-2031
Development of sportsfields and associated facilities	\$26.4	\$33.3	\$59.7	2022-2034
Memorial Park to City Centre Pathway	\$19.0	\$0.0	\$19.0	2022-2026
Parks developments and upgrades	\$62.4	\$20.4	\$82.8	2022-2051
Public spaces and amenity improvements in Te Papa	\$70.7	\$5.5	\$76.2	2022-2041
Re-development of the Memorial Park aquatics facility	\$52.2	\$0.0	\$52.2	2027-2029
Re-development of the Memorial Park indoor sports facility	\$52.2	\$0.0	\$52.2	2022-2026
Strategic land purchases for future community facilities in both the eastern and western corridors*	\$57.6	\$0.0	\$57.6	2024-2029
Development of community centres in existing urban areas (Te Papa excl City Centre)	\$18.5	\$0.0	\$18.5	2027-2031

Notes:

* these investments are also included in the residential and business land supply totals (key proposal 1)

[^] = this investment is also included in the city centre investment totals (key proposal 4)

Social Infrastructure assets

Owned/managed by Council

Asset	Number
Sports facilities (active reserves)	21
Community and Arts Centre (Baycourt)	1
Minor community facilities	14
Community share facilities	2
Grandstand (Domain)	1
Libraries	4
Mobile Library	Visits 42 locations every fortnight
Utility buildings	22
Commercial and residential land	13
Parks land provision	1,579 ha
Street trees	24,202
Planted beds	294,346 m ²
Playgrounds	109
Walkways	108km
Cemetery and Crematorium	1
Public toilet provision	90 facilities

Owned/managed by Bay Venues Limited

Asset	Number
Aquatic facilities	5
Community Halls and Centres	11
Indoor Sports facilities	5
Trustpower Stadium	1
University of Waikato Adams Centre for High Performance	1
Pavilions	3

Long-term Plan Amendment 2021-2031

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Critical assets

As noted in the relevant asset management plans for our social infrastructure, these assets are not considered critical when considering lifeline utilities.

Renewals and replacements

We have a renewals and replacements programme to ensure that the assets in our park and reserves meet the expectations of our community e.g. playgrounds, seating, walkways and cycleways. The proposed renewals budget for this strategy is \$360.3 million.

Over a number of years, financial constraints have led to deferred investments in new facilities, particularly the redevelopment of facilities in the Te Papa peninsula, which has become both a key growth area and an area where successful redevelopment and accessibility is integral to the long-term functioning of the city's transport network and network of centres. It is recognised that significant further deferral risks facilities failing and would undermine the objectives of the Te Papa Spatial Plan and Urban Form and Transport Initiative. As outlined in the significant capital expenditure section there are a number of projects intended to renew or replace some of our social infrastructure assets.

Responding to growth in the demand for services

The CFIP has been developed to provide the basis for decisions on community facility investment priorities, the staging of those investments and as the basis for long-term planning in the context of growth and demographic change. It is informed by demand assessments, catchment and network analysis, feasibility studies and updated cost estimates. The CFIP does not include the passive reserves which are required to implement the Tauranga Reserves Management Plan.

Where facilities are well-placed, well-designed and in decent condition they are very popular. Some of our older facilities, notably the Central Library and Memorial Pools, are nearing the end of their useful lives and are not fit-for-purpose to meet the growing and changing demands of our population. Previous and projected rates of population growth are such that even our more recent major facilities such as the Trustpower Arena and Baywave are under demand pressure. Baywave was built in 2006 when our population was 107,000; it is now estimated to be over 151,000.

Delayed growth in the Western and Eastern Corridors eases the investment pressure for new facilities in those areas. However, purchases of land in those areas remain important to ensure we can provide those facilities in due course and at the lowest price.

We also work with Sport New Zealand, regional sports organisations and local clubs to monitor trends and understand what may happen with different sporting codes into the future. Investigations continue to determine the opportunities and suitability of co-locating sporting codes to make the most efficient and effective use of physical spaces.

New growth areas will continue to provide new parks for the local community and an ongoing programme of maintenance and development will ensure that parks within existing urban areas continue to be high quality, accessible, safe and engaging places for our community.

Planned increases or decreases in levels of service

The Open Space Level of Service Policy and the Active Reserves Levels of Service Policy provide clear direction on Council's approach to the provision and management of the network. The levels of service are primarily driven by quality, accessibility and function of open spaces relative to existing and future population needs, and in the

case of active reserves, the demand for sportsfields by sporting codes.

Engagement with hapu and key stakeholders for the Tauriko West Urban Growth Area is underway regarding the structure plan, rezoning proposals, enabling road works and the realignment of State Highway 29. Formal plan change notifications under the RMA are anticipated in late 2021. This may also result in changes to the Open Spaces Level of Service Policy. There may also be changes to reflect the outcomes of similar discussions with hapu and key stakeholders in Te Tumu Urban Growth Area.

Based on the decisions in the LTP there are likely to be increases in the levels of service over time, across a range of social infrastructure including libraries and pools. The CFIP includes a work programme for development of new facilities (key steps, timing and funding) and to review network demand and supply to inform future LTP planning and identify current gaps in level of service information for community facility provision. Also as noted in the CFIP, arts and culture facilities are included in order to inform a discussion on options for Council's role and level of service in the provision of these facilities.

Public health and environmental outcomes

The provision of quality, accessible and fun spaces contributes to the health and wellbeing of our communities. It also creates positive environmental outcomes by providing walkway and cycleway networks across the city, encouraging the use of these rather than vehicles.

We continue to protect natural spaces and processes through planting and maintaining our green infrastructure. This has positive biodiversity outcomes and wider environmental benefits.

Infrastructure Strategy (2021-2051)

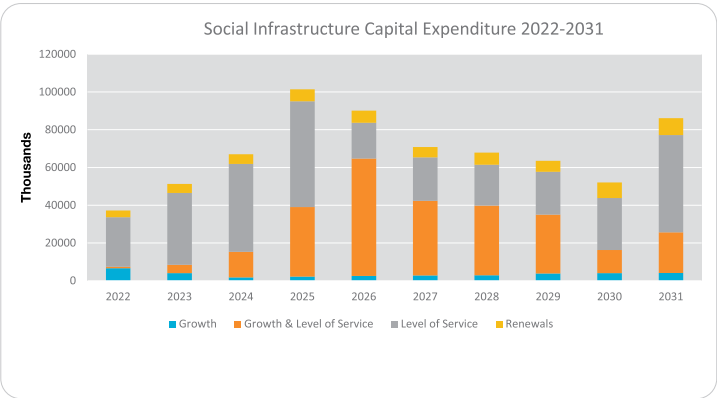
Resilience

- As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the operation of our social infrastructure in the following ways:
- coastal walkways are regularly checked for storm surge damage
- retaining walls in the inner harbour are maintained.

Indicative forecasts of capital and operating expenditure

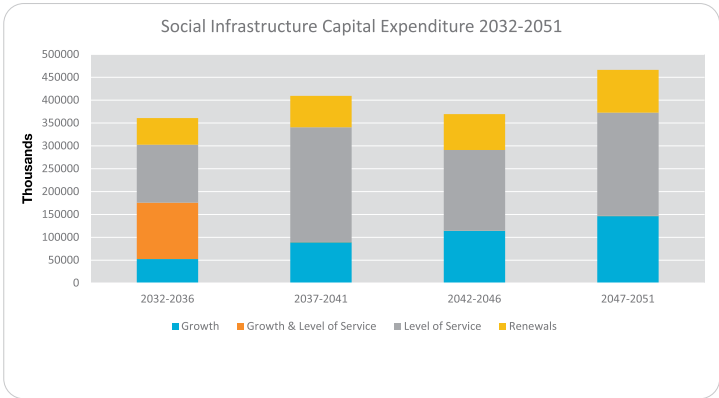
The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure

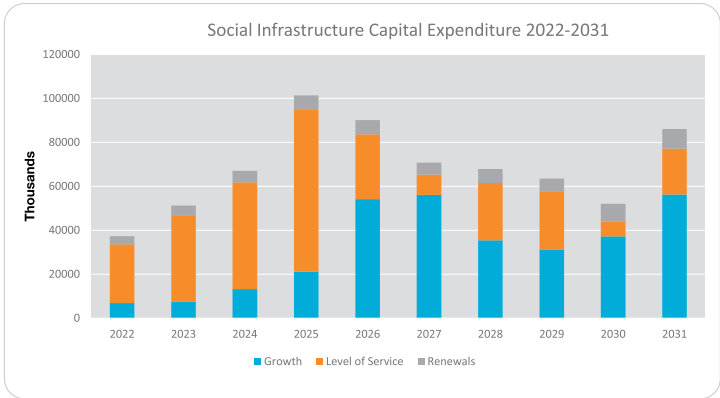


Infrastructure Strategy (2021-2051)

Capital expenditure

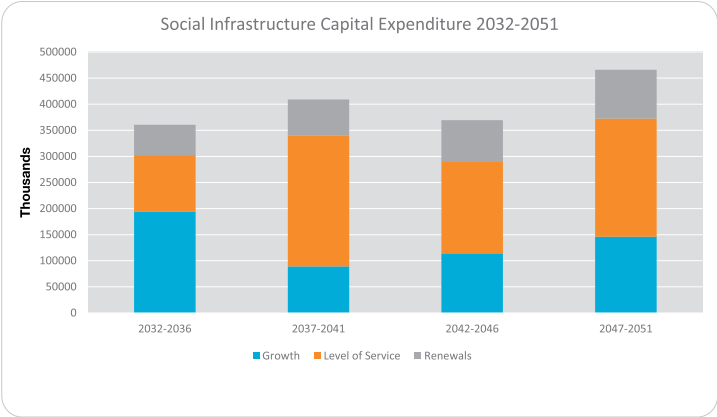


Capital expenditure

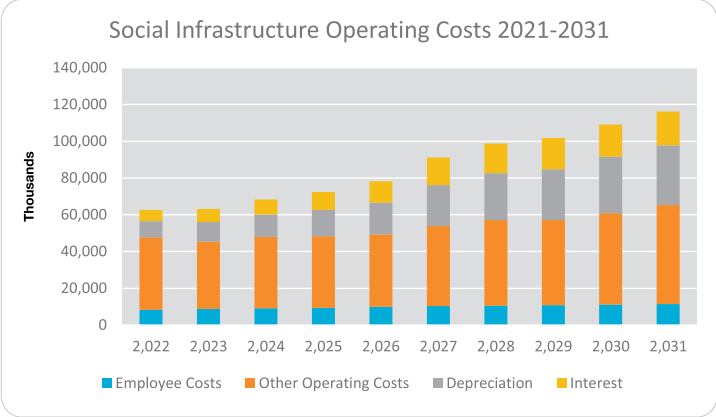


Infrastructure Strategy (2021-2051)

Capital expenditure

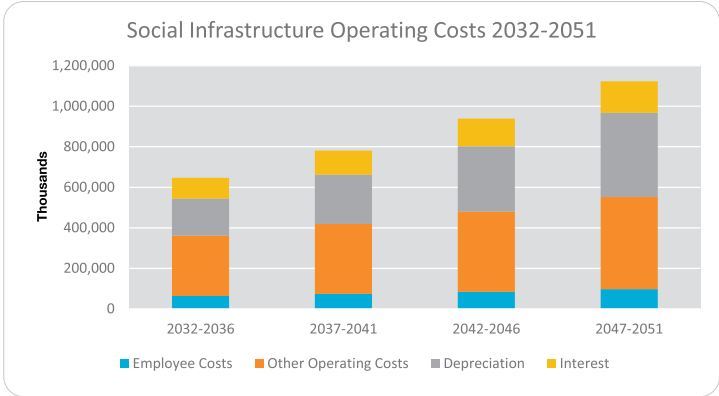


Operational expenditure



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Operational expenditure



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Assumptions

Significant forecasting assumptions

There is a suite of significant assumptions that underpin the Long-term Plan (see Section 07). These assumptions are one of the foundations of the Infrastructure Strategy. Assumptions regarding growth, levels of service, the useful lives of assets and the depreciation method are also included in the significant forecasting assumptions.

Assumptions on the renewal of assets

Assets are renewed when they fail to meet the required level of service. The monitoring of asset condition, reliability, capacity and efficiency during planned maintenance inspections and operational activity identifies non-performing assets. Indicators of non-performing assets include structural failure, repeated asset failure (breaks, faults), ineffective and/or uneconomic operation and unsafe conditions for the public.

Council takes into account when it is no longer economic to continue repairing the asset (i.e. the annual cost of repairs exceeds the annualised cost of its renewal). An economic consideration is the co-ordination of renewal works with other planned works such as road reconstruction. Council actively utilises new technologies, which reduce the direct and social costs of repair works. This may also occur when an asset becomes obsolete due to changes in technology.

The risk of failure and associated environmental, public health, financial or social impact justifies proactive action (e.g. probable extent of property damage, health and

safety risk). Where such assets are identified (critical assets), proactive inspection is undertaken to determine asset condition at a frequency appropriate to the risk and rate of asset decay.

The level of uncertainty with these assumptions is high with assets that are underground or that cannot be visually inspected, or condition assessed. Above ground assets are inspected for deterioration, structural issues and poor condition. The uncertainty with such assets are less than with underground assets or inherent structural deficiencies. The impact of failure of these assets can be significant, especially where extreme and high criticality assets fail, impacting a large portion of the population or some critical customers. Specific comments are set out below.

WATER SUPPLY

Collection Assets

There are some significant renewals and upgrades for raw water assets planned in the next few years. These are extremely critical assets and the assumptions with their upgrade has a high level of uncertainty due to pipes being underground, with resilience issues identified in some areas. The location of the pipes is in a rural area next to the road and therefore accessibility should not be too problematic, although traffic management will be required in some areas. The impact, if a renewal of these pipes is unsuccessful, will be significant as some of them are a single supply to the water treatment plants and the linked community downstream.

The renewal of other intake and collection assets will be less uncertain, with a lower impact, due to a redundancy in assets e.g. water pumps and motors.

Treatment Assets

Significant technology and capacity upgrades (replacement of membrane filter systems and technology) will occur in the next few years. The uncertainty with these projects are medium. Although new technology will be implemented the systems are proven and operational at other treatment plants. There are less hidden and unknown uncertainties due to the assets being visible and above ground. The impact will be high, and a significant portion of consumers will be impacted if supply to them is disrupted. There are redundancy options with both plants being able to provide water to the storage reservoirs in both supply areas. The Waiāri Water Supply Scheme will be in production by that stage as well.

Storage, Pumping and Management Assets

The uncertainty of performing the various renewal and upgrade projects for this asset group (pump stations and control valves) is medium as most of them are above ground and in reasonably accessible areas. The impact of failure will be more localised but may impact a larger area for some booster pump stations. Due to the structural aspect for storage reservoirs and some of the locations and ground conditions they are located in, the uncertainty will be elevated (high). The impact of these assets, when they are out of service can be significant, as they may service large populations and commercial areas. The uncertainty will be mitigated by the engineering studies and structural inspections performed to monitor and manage their condition and performance. Risks at the reservoirs are mitigated by a structured programme of ongoing reservoir renewals and seismic upgrades.

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Distribution Assets

There are a large number of projects planned for distribution or network assets in the next thirty years. Due to the underground nature of the pipe assets and the challenge to determine their condition effectively there is a high level of uncertainty with the performance of these assets. The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects. Where these assets are located in these challenging locations the impacts of project failure is high due to significant populations or commercial and industrial activity being disrupted. The size of the assets will also play a large role in the downstream effects if the asset becomes unserviceable. The assets e.g. trunk mains and extreme and high critical mains are a case in point. Smaller diameter mains mainly service a smaller area with a more localised impact. Valves, hydrants and service lines are normally renewed as part of the mains pipe.

The uncertainty with other above ground assets are less e.g. hydrants, water meters and backflow protection devices. There are also preventative maintenance programmes and more effective condition assessment strategies in place to monitor the condition and performance of these assets. The impact when a backflow device fail may be significant if the water supply for an area is contaminated.

WASTEWATER

Conveyance Assets

Due to the underground nature of the wastewater

conveyance pipe assets and the challenge to effectively assess their condition in some instances, there is a high level of uncertainty with the execution of the renewal projects. The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects. Added operational issues like toxic effluent, H₂S gas and the depth of some assets contribute to the complexity and uncertainty to perform renewal projects effectively. CCTV condition assessment are performed on targeted areas and assets to identify possible renewal candidates, prior to failure.

Where these assets are located in these challenging locations, the impacts of project failure is high due to the disruption of a significant number of customers or commercial and industrial activities. The size of the assets and their criticality will also play a large role in the downstream impacts if the asset becomes unserviceable e.g. trunk mains and pipes in proximity to hospitals, fire stations, schools etc. Smaller diameter mains mainly service a smaller area with a more localised impact.

Storage, Pumping and Management Assets

In this asset group there is a mixture of underground assets e.g. storage tanks, rising mains etc. and above ground assets e.g. pump stations, odour beds etc. With the underground assets there is a high level of uncertainty based on the unknowns e.g. asset condition, ground condition, proximity of other unknown utilities, the toxicity of sewage, H₂S gas etc. The impacts of failure of these assets are medium to high depending on the criticality, the magnitude of population and businesses impacted by such a failure.

The uncertainty with pumps stations and other above ground assets is less, because of effective condition and performance management programmes. These assets are mostly located in areas where the work can progress without too much disruption. The impacts for failure are medium to high. Some critical pump stations are key to the network operation and if they are out of action, large numbers of residential, commercial and industrial customers will be impacted. Redundancy is built into the assets and network to mitigate and minimise these catastrophic interruptions.

Treatment and Outfall Disposal Assets

Uncertainty with the above ground treatment assets is of a low level. The performance and condition of these assets are regularly monitored and managed. Redundancy is built into the system to ensure that critical processes will not be easily disrupted. Tauranga has two treatment plants so the interruption of operations will have a high impact on the large customer base of each of the plants. The implementation of the Southern Pipeline ensured that some redundancy was built into the system and that flows could be directed to the plant most suited for the treatment of the effluent.

The ocean outfall is an underground asset and the uncertainties connected with these assets is relevant to this pipe line too. The uncertainty is somewhat simplified with the outfall being dedicated to the transport of treated water. The environmental risks linked to the operation and renewal of this pipe elevate the level of uncertainty to another level.

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STORMWATER

Conveyance Assets

The conveyance pipe network and assets are mostly underground assets. The network is fairly young but there are capacity issues in the network that result in ponding or flooding during storm events. The challenge is to effectively assess the condition of these pipes and assets. The level of uncertainty with the performance of the renewal projects for most areas are low to medium due to the age of the network and the knowledge of where problem areas are located (flood modelling). The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects in these identified areas. CCTV condition assessments are performed on targeted areas and assets to identify possible problem assets, prior to failure. The impact if these assets fail or project are unsuccessful can be high if properties are flooded or damaged by ponding of stormwater.

The uncertainty with pumps stations and other above ground assets is less, because of effective condition and performance management programmes. These assets are mostly located in areas where the work can progress without too much disruption. The impacts for failure is medium to high. Some critical pump stations are key to the network operation and if they are out of action, large numbers of residential, commercial and industrial customers will be impacted. Redundancy is built into the assets and network to mitigate and minimise these catastrophic interruptions.

Flood Protection and Treatment Assets

There are gaps in the information kept on flood protection and treatment assets and therefore the uncertainty about the renewals of these assets are medium to high. These assets are normally not renewed, and some are periodically maintained e.g. open drains, stop banks, flow paths etc. to ensure they still provide the service level they were constructed for. The impact in case of failure may be high as property may be flooded or damaged.

Renewal expenditure is work that restores an existing asset to its original level of service, i.e. capacity or the required condition. These broadly fit into the following work categories as follows:

- Rehabilitation involves the repair of an existing asset, or asset component. Rehabilitation does not provide for a planned increase in the operating capacity or design loading. It is intended to enable the assets to continue to be operated to meet the current levels of service.
- Replacement may be like for like with regards to capacity but will always consider the asset capacity to determine if upsizing is needed.
- Renewal strategies provide for the progressive replacement or rehabilitation of individual assets that have reached the end of their useful life. This is managed at a rate that maintains the standard and value of the assets as a whole. This programme must be maintained at adequate levels to maintain current levels of service and the overall quality of assets.

Information specific to each asset area is outlined below.

WATER

Collection assets

The renewal strategy for Water Supply Collection Assets (water intakes, raw water mains, pump stations and raw water reservoir) is based on performance, maintenance, and breakdown records, as well as in situ inspections, and in some cases, the review of original designs and testing of materials. The actual renewal decisions are based on this information. The remaining life is calculated in Powerplan based on expected life of the individual assets, condition information and failure data.

Treatment assets

The renewal strategy for Water Supply Treatment Assets (water treatment plant, treated water reservoirs etc.) is based on performance, maintenance, and breakdown records, as well as inspections, and in some cases the review of original designs as well as testing of materials.

Water Treatment Plants

Renewals are undertaken as a result of performance record analysis, excessive maintenance requirements or defects discovered during preventative or reactive maintenance.

The heart of our water processing plant is the Continuous Micro Filtration (CMF) units. There are 1,872 filter units in the two plants. These high value items have a life expectancy of 5 to 7 years depending on water quality and installation location.

Routine evaluation on the performance and condition of

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the plants is undertaken in the first instance by Council staff and secondly by a contractor providing a technical support service. These interventions assist in keeping the plants in optimal condition.

The timing of the membrane change out during the course of the renewal year is based on the results of the annual plant performance tests and also considers any operational constraints (e.g. scheduled maintenance, seasonal demands, etc.), and this assists with planning the timing of the renewal. The decision criteria are set to minimise renewal costs (by delaying the change out) while minimising the risk of imposing water restrictions on peak days because of operational constraints.

A key challenge that is being worked through is the unexpected cracking of the membrane plants head and manifold blocks. Council staff monitor the units for leaks and for key operational parameters to ensure that the treatment integrity is not compromised.

Both plants still face the challenge of a reduced expected life of the headblocks and manifolds – parts that surround and hold the membranes. The original 25 years has been reduced to 15 for the Nylon 6,6 material type.

Treated Water Reservoirs

The treated water reservoirs are part of a routine inspection programme under which all Council Water reservoirs are either inspected and cleaned underwater or drained and taken out of service for inspection and cleaning on a rotation schedule to identify physical condition by a Structural Engineer specialising in such structures.

The regime of reservoir inspections has identified renewal work at a number of these structures. Although full replacement of certain reservoir structures is many years

away, the need to renew components that restore full serviceability of these assets (such as replacement of column heads, floor jointing, etc.) has been identified during inspections.

Storage, pumping and management assets

The storage, pumping and management assets include storage reservoirs, pump stations, control valves e.g. pressure release valves, air valves, non-return valves etc.

The renewal strategy for storage reservoirs is based on regular in situ condition inspections performed by a structural engineer. Full replacement of certain reservoir structures and assets may be many years away, but the need to renew components (e.g. column heads, floor jointing, etc.) that restore full serviceability of these assets are identified during these inspections.

The renewal strategy for water stations (that contain the pumping and network management assets e.g. control valves) is based on regular condition inspections as well as performance, maintenance, and breakdown records. Repairs and renewals are identified during these investigations.

Distribution assets

The overall objective is to renew assets at the right point in time, maximising the economic return without compromising continuity of supply or resulting in LOS breaches.

The following criteria are used to identify assets for renewal:

- Age and condition profile
- The level of on-going maintenance
- The economic lives of the materials used

- The criticality of the asset
- Activity, financial and customer risks.

PowerPlan Renewal Planning Modelling Process

The renewal process for water supply distribution assets including mains, valves, hydrants and service lines are performed utilising the PowerPlan modelling software.

The major phases of the process are:

- Identify the risks – Identify and assess the risks that impact on the deterioration of mains pipes. The various issues, e.g. age, material or pipe type issues, soil conditions, installation issues, etc., are taken into consideration when risks are identified and assessed. Issues considered during this process include health and safety issues with galvanised pipe, deterioration of older AC pipes, corrosive soil types, etc. Failure modes are identified through analysis of the failure data and maintenance history.
- Calculate the remaining life – Determine the remaining life by analysing the temporary and permanent factors impacting on the useful life of the assets. Assess the impact of any condition data on the useful life of the assets.
- Schedule renewals events by using the PowerPlan modelling tool based on age, expected life and condition. Adjust the planning year due to unplanned circumstances, e.g. transportation programme, early failure, etc.
- Determine the priority of each renewal event identified in a renewal year by criteria such as material type, age, criticality, failure risk, failure history, condition, etc.

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- Detailed investigation of the mains pipes on the priority list. Investigate each main pipe individually in terms of condition, failure, performance, and viability for renewal. Develop a project list of mains to be replaced for the next three years.

Valves and Hydrants

Renewal strategies for valves and hydrants are treated as integral components of the pipe assets, i.e. they are renewed at the same time. The valves, hydrants and service line assets have been linked to the respective mains they are connected to in PowerPlan and therefore incorporated into the renewal unit rates. Defective valves and hydrants are repaired or replaced under reactive maintenance on an as-required basis.

Water Meters

The approach for a domestic water meter renewal strategy is based on proactive (model) and reactive processes. The proactive process for manifold meters considers a combination of economic age and throughput criteria, where replacement is indicated by the model when the theoretical point (where the revenue lost exceeds the cost of renewal) is identified for various meter cohorts.

Non-manifold and larger water meters in Council's fleet are annually reviewed, where renewals prioritisation is established using a two phased approach. The first phase is based on throughput analysis, age and meter type (suitability e.g. Automatic Meter Reading (AMR) requirements). The second phase further narrows down the priority 1 meters requiring renewal by assessment and weighting of number of times total throughput threshold

has been exceeded, meter type, meter over 20 years of age and service line association.

The reactive strategy targets individual water meters that are damaged or that malfunction and are identified as part of the meter reading process. Smaller manifold meters are replaced under reactive maintenance; larger meters are repaired, refurbished, and recalibrated or replaced.

Backflow Prevention Devices

Dual check valves within Non-testable backflow devices are replaced under the water meter replacement programme for the water meter they are associated with. The bulk of non-testable backflows are 20mm in size and the expected life is 15 years.

Testable backflow devices are tested annually, and maintenance carried out as a result of failed tests. The faulty components are replaced as a maintenance expenditure. A rehabilitation programme was implemented to ensure that testable backflows are rehabilitated when required by supplier standards, in order to maintain effective operation and mitigation of contamination risks.

Replacement would occur where the device reaches an age of 30 years. Most of the testable backflows are approximately 20 years old.

WASTEWATER

Conveyance assets

Council uses a number of indicators to monitor pipe asset performance, condition and renewal needs, these can be split into proactive and reactive indicators:

Proactive:

- Targeted CCTV surveys for identification of gravity mains for renewal based on poor condition and risk of failure
- Routine CCTV surveys
- Database (Accela and PowerPlan) interrogation resulting in identification and investigation of assets based on asset attributes such as age, environment, type of use, criticality, etc.
- Database (Accela and PowerPlan) interrogation based on historical work orders and CCTV records resulting in investigation of assets with excessive maintenance requirements or poor CCTV rating.
- Investigation of Inflow & Infiltration through changes in pump station run hours during rain events, identification of materials / asset types that are prone to inflow problems and further investigation of these.

Reactive:

- Investigation of breaks, blockages and overflows, once root cause is established, investigation of similar assets to identify whether problems are one-off or symptomatic.
- Dynamic model also used to monitor present and future performance of pipe and pump station assets.

PowerPlan Renewals Modelling Process

The renewal process for Wastewater conveyance assets including mains, manholes and service lines are managed using PowerPlan modelling software. The major phases of the process are:

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- Identify the risks – Identify and assess the factors that impact on the deterioration of assets. The various issues, e.g. age, material or pipe type issues, soil conditions, installation issues, etc. are taken into consideration when factors are identified and assessed. Issues considered during this process include deterioration of concrete mains pipes due to gas (H₂S) attack, the age and condition issues of GEW pipes, expected life issues of mPVC pressure mains etc. Failure modes are identified through analysis of the failure data and maintenance history.
- Calculate the remaining life – Determine the remaining life by analysing the temporary and permanent factors impacting on the useful life of the assets. Temporary factors are issues related to the installation of a number of pipes or issues with the performance of a specific material type. Permanent factors are typically the location of a specific soil condition e.g. peat or sandy soils, receiving gravity mains from rising mains, corrosive industrial areas, groundwater impact etc. The impact of any condition data will have priority in the calculation on the expected useful life of the assets.
- Schedule renewals events by using the prioritisation functionality in PowerPlan modelling software based on age, material type, failure data and condition. The CCTV condition assessments play a significant role in determining the expected useful life for wastewater mains. CCTV data from the ReticManager database is uploaded into PowerPlan to provide condition information for modelling purposes. Council are also using a

customised scoring methodology for defects and observations identified with CCTV, to determine if gravity mains pipes are candidates for renewals or just patch repairs.

- Adjust the planning year due to unplanned circumstances, e.g. roading programme, early failure, etc.
- Detailed investigation of the mains pipes on the priority list. Investigate each main pipe individually in terms of condition, failure, performance and viability for renewal. Develop a project list of mains to be replaced for the next three years.
- Determine the optimum construction or renewal methodology to be followed for each main to be replaced, e.g. open cut renewal or utilising any of the trenchless technologies, etc.

Pump Stations

Routine Inspections and investigation

A renewals strategy was developed in Powerplan using pump running hours and average running costs as indicators to prioritise pumps and pump stations for renewals investigations. Condition inspections and investigations play a major role in this decision process.

Annual inspections and investigations are undertaken on all pump stations. Major pump station components such as pumps are occasionally identified for replacement as a result of these inspections. However, this programme is primarily maintenance focused and mechanical and electrical components tend to be renewed in small steps as small components are replaced under maintenance. That is, they are constantly renewed under maintenance rather than occasional replacement of major components.

The asset condition records from these inspections are also used to determine future planned maintenance and renewal work. Consultant investigation contribute to the renewals decisions.

Obsolescence

Occasionally, changes in technology or in the market-place result in components which have served adequately in the past being no longer suitable or available. This is evident in the telemetry system (which includes radios and controllers) used to monitor and control each pump station.

One of the current suppliers of the telemetry radios stopped producing the units, so an alternative system was selected. Presently, stations are being progressively updated to this new system and the removed units provide spares for stations using the obsolete radios. Obsolescence of any of these components requires re-engineering to the Council's standard design.

Long Term Renewals

A forward looking programme is followed for long term pump station renewals. The strategic wastewater model is used to inform the LTP for renewals and upgrades of pump stations. A programme for identification and replacement of critical assets was developed. Dual rising mains on some critical pump stations was implemented. A storage assessment related to growth is currently underway.

Treatment Plants

The renewal programme for the wastewater treatment plants is a three-year rolling programme based on routine inspections of plant and equipment. The renewals are also managed via the Powerplan renewals modelling software.

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It is proposed to move more towards predictive renewal programming of major plant and equipment based on refined diagnostic techniques over the next three years.

Approximately 25% of assets are past their renewal date and are currently in use in the treatment plants. Roughly only 4% of assets are due for replacement in the next three years based on their expected base lives. About 20% will be due for replacement in the next four to ten years, with the balance (50%) due for renewal after ten years.

Some plant assets are simply run until failure, their performance isn't necessarily impeded and in fact replacing would possibly require some shutting down of sections of the plant that are required to run 24/7. Therefore, for less crucial assets, replacement does not occur until failure and built in redundancy is relied on. At this point, the failed asset is repaired or replaced. This ensures the economic life of the asset is maximised, value for money and least disruption to the process.

The more critical assets are generally not run to failure with additional condition-based monitoring being undertaken - vibration monitoring, visual inspection, monitoring of insulation resistance in windings, online temperature monitoring and leak detection for seal failure. These assets again are used to maximise the economic life, but replacement is planned prior to failure.

STORMWATER

Conveyance assets

While renewals and capital works have separate drivers, many projects are a combination of both. As a result of growth and the progression of best practice, levels

of service and environmental protection, assets are frequently upgraded, rather than just replaced when they reach the end of their physical life or demand exceeds capacity.

As described earlier in this section, the conveyance network (mains, manholes, service lines etc.) is a relatively young asset (average age of approximately 24 years), with the oldest pipes just halfway through their expected lives. On the basis of the current age and condition profiles of the stormwater assets it is unlikely that any significant renewal programmes will be required over the next ten to twenty years. CCTV condition inspections are conducted where required and assets are replaced where the condition is poor, and the required levels of service can't be delivered.

Flood modelling has been performed for all catchment areas in Tauranga city and renewal works has been targeted for areas where the levels of service cannot be delivered, or capacity have to be increased.

Flood protection and treatment

Most of the stormwater control, treatment an attenuation asset are naturally occurring or engineered land features (such as wetland areas), earthworks (e.g. ponds) or non-asset solutions (e.g., secondary overland flow paths). Works required on assets of this nature are therefore managed as either maintenance works or, should improvements be undertaken, capital works.

A renewals budget has been initiated in the LTP for stormwater treatments assets e.g. treatment devices e.g. rain gardens, storm filters etc. and other applicable treatment assets e.g. soakage modules and systems.

TRANSPORT

The operations of Tauranga's transportation network are managed by Council, whereas the maintenance of our transportation network is undertaken by Council's maintenance contractor.

Significant renewal programmes of work are described in methodology statements for each asset type typically a methodology will include:

- Data collection and preparation – All Faults data may be sourced and RAMM condition rating, data surveys etc.
- Data analysis and scenario modelling – modelling (e.g. dTIMS) is used to optimize total investment levels, comparing a range of renewal versus maintenance cost scenarios to find the lowest total cost option.
- Field validation and model alignment
- Outcome verification
- Final programme formulation

As the transport asset is used over the years, its condition and performance is monitored to ensure that the asset is replaced at the most cost-effective time. To help in this assessment the Council:

- Uses asset age information to identify assets for more detailed assessment
- Monitors the performance of assets to help identify where there might be issues
- Undertakes physical inspection and technical condition testing assets
- Use customer complaints to identify asset failures

Infrastructure Strategy (2021-2051)

- Uses the Bay of Plenty Regional Traffic Model to predict future traffic demand, levels of service and asset improvement requirements
- Uses asset condition and performance information to develop maintenance and renewal programmes to ensure expenditure on assets is done at the most cost-effective time.

The Road Assessment and Maintenance Management (RAMM) database is used to hold and manage our transport network asset information.

As part of the Road Efficiency Groups (REG) annual Asset Management Data Quality Report (2019/20), Tauranga City Council scored 84 compared to 79 the previous year. The asset data held in RAMM is a good state and improving. There are robust processes in place to maintain our asset data, enabling us to easily identify and address data quality issues to continually improve our asset data.

SOCIAL INFRASTRUCTURE

Note that this only includes information on the assets that Council owns and manages. It does not include the assets owned and managed by Bay Venues Limited.

PARKS AND RESERVES

Operation and Maintenance Strategies

Parks and Reserve's operations and maintenance strategy is to provide access, regular inspections for safe operation and condition through facilities and maintenance contracts. The contracts are quality assessed by Parks and Recreation team with support from council's Asset Information Team.

Sea lettuce collection is managed on a reactive basis (by the Parks Co-ordinator Harbour & Environment) and is jointly funded by TCC and the BOP Regional Council.

Public toilets are cleaned and maintained by contractors. Property Services tendered and manages the contract (TC21/13). on behalf of Parks & Recreation. The contract has specifications for maintenance including type, frequency, reporting, etc.

Street lighting is unmetered, and the power company is updated monthly with regards to any changes in asset number and type. The power company then bill appropriately according to the lamp type, number of each type and time used. The power company measure time used as the power company turn the street lighting circuit on and off. Transportation maintain Street lighting as part of their maintenance contract. This arrangement enables the most experienced and appropriate contractor to maintain the assets at a competitive contract price. A financial authority has been set up to allow the roading engineer access to the Parks and Recreation GL code for simplification of payment.

Renewals and Capital Strategies

Assets are acquired through vesting of new infrastructure or council funded to meet growth or renewal of existing assets. The Growth issues are addressed within the TCC 30 year infrastructure Plan. Parks assets are recorded within the asset management database (ACCELA). The asset information is stored as individual components detailing condition and expected remaining life. Assets are regularly condition assessed to establish current condition. The data base reports through RIVA where asset information showing what needs to be renewed and an estimated cost. Three yearly valuation exercise

confirms the replacement cost. Once reviewed a completed list of renewals is developed.

OTHER SOCIAL INFRASTRUCTURE

The Property Services Team manages buildings and leases to maximise opportunities and delivering levels of service expected by the community at a cost affordable to the rate payers of Tauranga. Properties are acquired for strategic reasons that need to be managed in financially prudent ways until the strategic purpose makes use of the property.

We will do this by:

- Understanding each property asset, its purpose and the likely holding period
- Support Council Business units and community by providing property expertise in property management and maintenance
- Awareness of local property issues and opportunities and how council can support outcomes
- Knowledge of property and reserve legal requirements to ensure leases are fair and compliant
- Planning for resilience when undertaking maintenance and capital work
- Enabling change within growth areas of the city
- Appropriately recognise known cultural, heritage, archaeological and ecological values

Infrastructure Strategy (2021-2051)

Issues to be addressed include:

- Environmental matters, implications of climate change requiring resilience adaptations and growth
- Properties response to the identified problems is to consider environmental sustainability and resilience when undertaking maintenance, renewals and new capital works
- Growth will be addressed in conjunction with Strategic Development Team and managing existing leased buildings to current demand factoring in fractional occupation in the modern

digital age.

Data reliability

WATER

Overall Confidence Data Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Raw Water Intakes including Pumps		•		
Raw Water Reservoirs		•		
Raw Water Mains	•			
Microfiltration Treatment Plants		•		
Treatment Plant Reservoirs		•		
Distribution pipes and associated assets (Pipes, Hydrants, Valves)	•			
Water Meters	•			
Backflow Protection Devices	•			
Distribution Reservoirs	•			
Water Stations (Pumps, Auto Valves, etc.)		•		
Land occupied by WS assets		•		
Catchment Land		•		
Resource Consents	•			

Infrastructure Strategy (2021-2051)

Asset Group	Grade	Comment
Collection Assets e.g. raw water intakes, pipelines and reservoir	A to B	Information about the raw water mains are highly reliable and accurate. Information about the intakes and raw water reservoir are reliable and has been improved the last few years
Pumping, Management and Storage assets e.g. water pump stations, reservoirs, automated valves, bulk meters	A to B	Location, material and quantity data is highly reliable with a high confidence in accuracy. Age, performance, condition, criticality data is reliable with a good level of accuracy.
Treatment Plant assets e.g. mechanical and electrical assets e.g. pumps, motors, membrane filters etc.	A to B	Information about the location, material and performance is highly reliable. Age, quantities and condition is reliable but can be improved e.g. criticality data and unit rate information
Distribution assets e.g. pipelines, water meters, backflow protection devices,	A to C	Information about age, material, quantity is highly reliable and very accurate. Location, performance and criticality information is reliable for decision making. The condition data on some of these assets can be improved e.g. service lines and some mains pipes.

WASTEWATER

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Pipes		•		
Laterals		•		
Manholes		•		
Pump Stations		•		
Treatment Plants		•		
Oxidation Ponds			•	
Wetlands		•		
Outfalls			•	
Resource Consents	•			

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Infrastructure Strategy (2021-2051)

Asset Group	Grade	Comment
Conveyance assets e.g. pipelines, manholes, service lines etc.	A to C	Information about age, material, quantity is highly reliable and very accurate for pipe assets. Location, performance and criticality information is reliable and used for decision making purposes. The condition data on some assets are uncertain and can be improved e.g. some mains pipes, manholes and some service lines.
Storage, Pumping and Management assets e.g. pump stations, chambers, storage tanks, bulk meters	A to B	Location, material and quantity data is highly reliable with a high confidence in accuracy. Age, performance, condition and criticality data is reliable with a good level of accuracy.
Treatment Plant and Outfall assets e.g. mechanical, electrical and outfall assets like pumps, motors, outfall pipeline etc.	A to C	Information about the location, material and performance is highly reliable. Age, quantities and condition is reliable but can be improved e.g. criticality data and unit rate information. Information on the outfall, oxidation ponds and wetlands are uncertain and not very accurate

STORMWATER

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Stormwater Mains	•			
Connections	•			
Manholes	•			
Open Drains		•		
Culverts		•		
Sump Leads	•			
Catchpits	•			
Inlets		•		
Outlets		•		
Overland Flow Paths		•		
Stopbanks			•	

Long-term Plan Amendment 2021-2031

Infrastructure Strategy (2021-2051)

STORMWATER

Overall Confidence Data - Accuracy - continued

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Stormwater Ponds		•		
Wetlands				•
Floodgates		•		
Soakage Modules		•		
Catchpit Filters		•		
Pollutant Traps		•		
Pumping Stations		•		
Resource Consents	•			

Asset Group	Grade	Comment
Flood Protection and Treatment Assets e.g. stormwater ponds, wetlands, overland flow paths, soakage modules etc.	A to C	Information about the location, material and performance of pump stations, floodgates, stormwater ponds and soakage modules are highly reliable. Age, quantities and condition for these assets are reliable but can be improved. Criticality data and unit rate information are uncertain and can be improved. Information on the overland flow paths, wetlands, pollutant traps, and catch pit filters are uncertain and not accurate

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Infrastructure Strategy (2021-2051)

TRANSPORT

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Pavement		•		
Surfacing	•			
Kerb and Channel		•		
Drainage Facilities		•		
Footpaths	•			
Accessways	•			
Walkways		•		
Protection Structures		•		
Bridges		•		
Retaining Walls		•		
Coastal Structures		•		
Parking Buildings	•			
Car Parks (Off-street)		•		
Pay and display machines	•			
Lanterns	•			
Brackets		•		
Poles		•		
Power Cabling		•		

Long-term Plan Amendment 2021-2031

Infrastructure Strategy (2021-2051)

TRANSPORT

Overall Confidence Data - Accuracy - continued

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Traffic Signals		•		
CCTV		•		
Variable Message Signs		•		
Street Signs		•		
Rails and Barriers		•		
Bus Shelters		•		

Asset Group	Grade	Comment
Transportation	A-C	The majority of Council's Transportation data is held in RAMM, with the remainder being captured in Accela. Transportation data is reasonably reliable, with some uncertainty about historic pavements. There are good processes in place for maintaining and improving our Transportation Asset Data.

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Infrastructure Strategy (2021-2051)

SOCIAL INFRASTRUCTURE

Note that this only includes information on the assets that Council owns and manages. It does not include the assets owned and managed by Bay Venues Limited.

Overall Confidence Data - Accuracy

Asset	Number	Confidence	Condition of renewable assets
Sports facilities (active reserves)	6	A Highly reliable (Condition assessed)	2.75
Community Facilities	8	A Highly reliable (Condition assessed)	2.37
Arts Centre (Baycourt)	1	A Highly reliable (Condition assessed)	1.58
Community share facilities	2	B Reliable (Age Based)	Community Managed
Grandstand (Domain) (currently under structural review)	1	A Highly reliable (Condition assessed)	1.83
Libraries	3 + 1 in Civic Buildings	A Highly reliable (Condition assessed)	1.69
Mobile Library	Visits 42 locations every fortnight	N/A	New 2021
Cemetery & Crematorium Buildings	1	A Highly reliable (Condition assessed)	1.7

Key to confidence data for Social Infrastructure

Rank	Description of condition	Portion of life remaining
1	Very good condition	100-55%
2	Good condition – minor defects only	54-30%
3	Fair or moderate condition – maintenance required to return to accepted level of service	29-15%
4	Poor condition – consider renewal	14-6%
5	Very poor condition – approaching unserviceable	5-0%

Long-term Plan Amendment 2021-2031



Financial Strategy – Now and for the future

INTRODUCTION

The Financial Strategy outlines how we propose to fund and finance the capital investments and services needed for the city over the period of the 2021-31 Long-term Plan (LTP).

It outlines the factors that are expected to have a significant impact on council during the next ten years and the plan to address these issues and work towards the agreed community outcomes which are:

- **We value and protect our environment** – Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it
- **We have a well-planned city** – Tauranga is a city that is well-planned with a variety of successful and thriving compact centres, resilient infrastructure, and community amenities.
- **We support business and education** – Tauranga is a city that attracts and supports a range of business and education opportunities, creating jobs and a skilled workforce
- **We are inclusive** – Tauranga is a city that recognises and promotes partnership with Tangata Whenua, values culture and diversity, and where people of all ages and backgrounds are included, feel safe, connected and healthy
- **We can move around our city easily** – Tauranga is a well-connected city, easy to move around in and with a range of sustainable transport choices.
- **We recognise we are an integral part of the wider Bay of Plenty region and upper North**

Island – Tauranga is a well-connected city having a key role in making a significant contribution to the social, economic, cultural and environmental well-being of the region.

The following factors are expected to have a significant impact on council during the next ten years:

- The impact of population growth and demand for more housing, within the requirements of the National Policy Statement on urban development (NPS)
- The effect of increased population and activity on the city's and the region's ability to function effectively, including managing levels of traffic congestion and safety
- The inadequacy of current infrastructure particularly community and civic facilities as a result of a history of underinvestment and a growing population
- The need to renew and upgrade existing infrastructure to meet government standards and consent requirements and to maintain the level of service provided by this infrastructure
- Investment in resilience of our infrastructure, recognising the effect of natural hazards and climate change.
- Review of three waters services with potential to move to larger (regional or national) entities outside of council.

Most of the above factors affecting the next ten years require significant **capital investment**. A summary of the capital investment requirements are outlined below with further detail of the full ten-year capital

programme provided at the end of this financial strategy. The thirty year capital programme is outlined in the infrastructure strategy.

Associated **operational investment** is required to enable council to meet this step change in capital delivery by building capacity within our organisation and with our contracting partners. Impacts on operational expenditure are also covered later in this strategy.

The large investment requirements come at a time when the council has limited balance sheet capacity to finance new investment. The current debt situation and need for options to enable us to continue to borrow is discussed later in this strategy under **Financial Sustainability**.

The initial LTP proposals to fund and finance the needed investment were based on options currently available to council. We have worked on alternative options for funding and financing with two proposals for use of the Infrastructure Funding and Financing legislation consulted on as part of the LTPA.

Financial Strategy – Now and for the future

CAPITAL INVESTMENT

Infrastructure deficits have been the result of continued growth of Tauranga City for most of the past 30 years which has stretched the capacity of available infrastructure and now requires substantial investment to be delivered by the council, developers and central government.

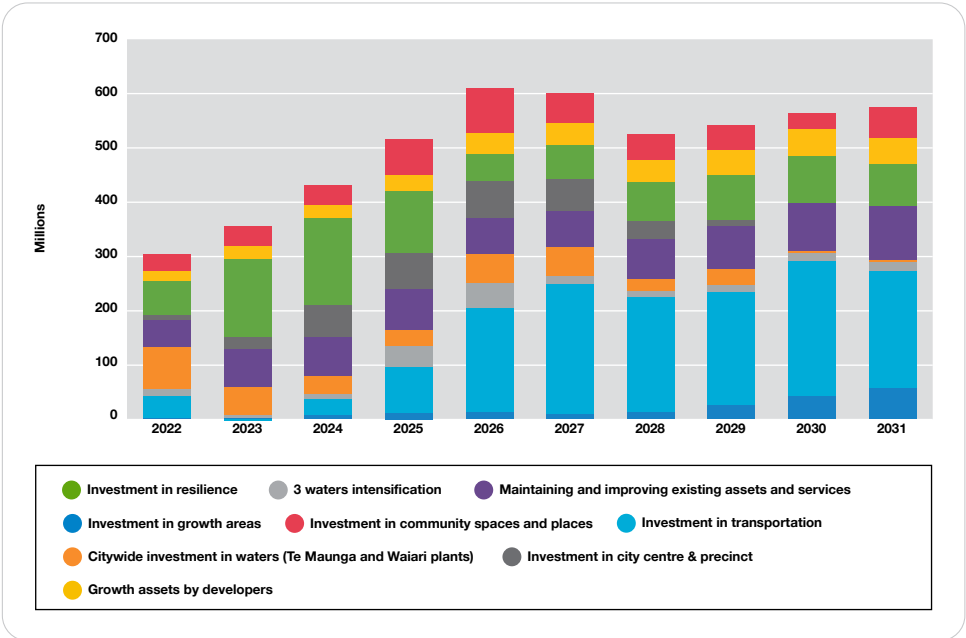
The pressure to cater for population growth and meet national requirements by opening up new areas of land for housing and commercial activity has meant a prioritisation of pipes and roads to enable new growth areas ahead of other investment including our core transportation network and community facilities and amenity.

As a result of underinvestment in these areas over the years, the facilities and places that support the things we do are often old and under capacity and moving around the city is becoming increasingly difficult.

The city's network infrastructure specifically, water supply, wastewater, and transportation are now running at or above capacity and the next ten years sees significant new infrastructure investment required across these networks.

We are proposing a capital investment programme of \$5.0b over the next 10 years. This programme is approximately double the value of the programme proposed in the previous 2018-28 LTP. The capital programme is based on addressing our key challenges primarily through capital investment. The following graphs summarise this capital investment on an annual basis (Graph 1) as well as the total over 10 years (Graph 2).

Graph 1: Capital investment by year and key investment programme



Graph 1 shows that we are ramping up our capital investment each year for the first five years and maintaining a much higher level of capital expenditure through the 10 years of the Long-term Plan. The coloured sections for each year show the amount of spend in each of our key investment programmes.

Financial Strategy – Now and for the future

Graph 2: Capital Investment for whole ten years by key investment programme



Graph 2 divides the total \$5.0b of investment by the key programme. Investment specifically for growth includes investment in new growth areas as well as the vested assets provided by developers directly in these areas. A significant portion of city-wide investment in water supply (Waiari) and wastewater (Te Maunga) upgrades also relates to growth. In the following section we will discuss funding of this investment. The remaining investment benefits people and businesses in Tauranga now while also ensuring we build to enable capacity into the future.

Graph 3 below shows this investment by year by its primary purpose whether it is growth, level of service improvement, renewal, or a combination of purposes. While growth is a major driver of required capital expenditure over the LTP it is not the primary driver. Much of the investment proposed is for the benefit of people who live here now. In particular:

- the provision of community infrastructure which recognises the current deficit of facilities and amenity in a city our size, including investment into the civic precinct
- upgrade of core network assets to meet new standards and expectations
- resilience of our assets recognising hazards and impacts of climate change
- renewal and upgrade of our existing assets as they age

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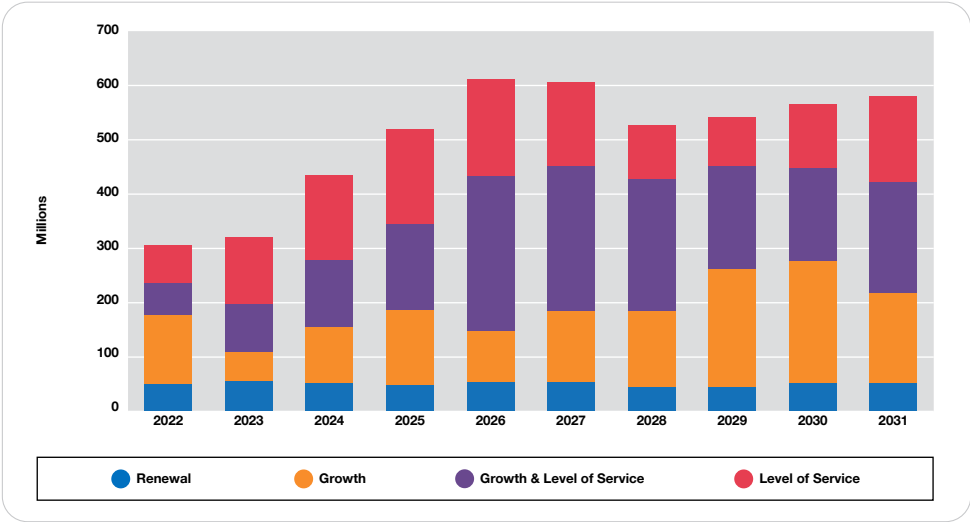
Financial Strategy – Now and for the future

Graph 3 below shows the \$5.0 billion capital programme over the next ten years broadly categorised by type (or purpose).

Projects have been divided into four types or purposes:

- Renewals – ensuring we continue to receive the service we need from our existing assets, which may include fully replacing existing assets
- Levels of service - investing to enhance the opportunities and amenity available to the community or to meet new standards e.g. environmental, safety
- Growth - to cater for a growing population. More detail on population growth and its impacts is included below.
- A combination of the above purposes often drives projects, for example the upgrades at Te Maunga wastewater treatment plant and outfall are to meet growing capacity requirements, to improve water quality and meet consent requirements and to replace and upgrade the existing assets so they will continue to work well into the future. Major investments that provide benefit for people now and in the future are identified in the multicoloured section of the graph

Graph 3 Capital Expenditure by Purpose



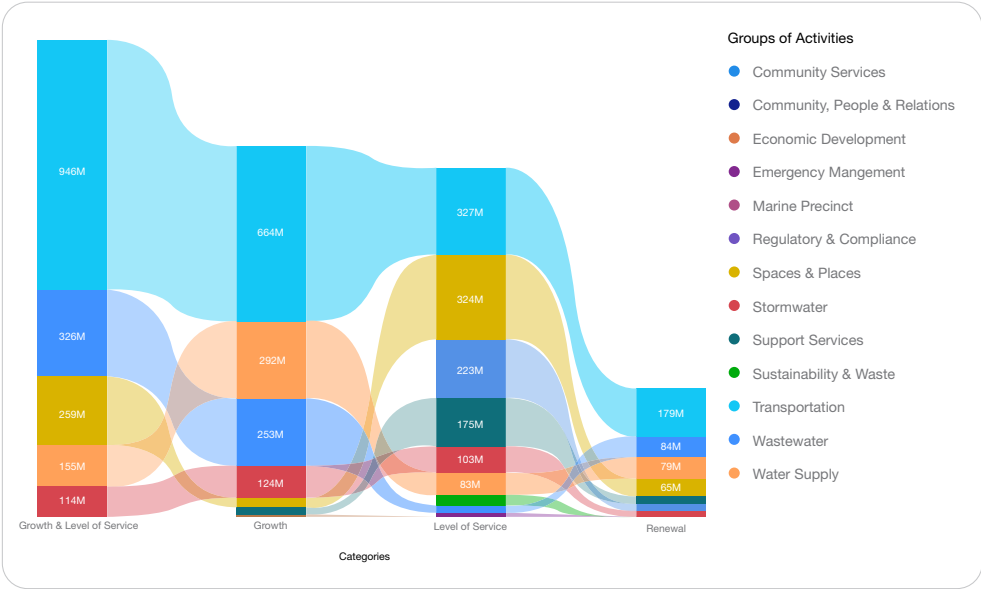
Financial Strategy – Now and for the future

Graph 4 below summarises the total capital spend by group of activity and whether it is for growth, level of service, renewals or a combination of these purposes.

Transportation activity, which is the **light blue** ribbon, has the highest total capital spend over the ten years and this includes the highest spend on growth projects, level of service projects, renewals, and combination projects.

The second highest spend on growth, renewals and combined purpose projects are in wastewater activity (**dark blue ribbon**), while the second highest spend on level of service projects is in spaces and places (**mustard** ribbon).

Graph 4: The total capital programme by groups of activities and type (purpose) of spend



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Financial Strategy – Now and for the future

POPULATION GROWTH A DRIVER FOR NEW CAPITAL INVESTMENT

Tauranga is New Zealand's fifth-largest city and growing fast. In the last 20 years, Tauranga has grown by about 60,000 people. Right now, 147,000 people call Tauranga home. And our city is projected to grow to almost 200,000 people by 2063. By the end of this LTP in 2031, the population is projected to be 160,000. The current rating base is rating base is 60,053 rating units.

The growth in our rating base over the next ten years is assumed to be:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Growth	1.90%	1.80%	1.50%	1.20%	1.00%	1.90%	2.40%	2.30%	2.30%	2.20%
Rating units	60,053	61,134	62,051	62,796	63,424	64,629	66,180	67,702	69,259	70,783

Growth provides benefits

Growth brings with it many benefits for our city in the form of more economic and social vibrancy, more talented people, new businesses, and better-quality jobs. With a larger city comes more choice around amenities like schools, sports and entertainment. We have more people to share the costs of developing and running our city through rates and user fees.

But growth also comes at a cost

- The cost to people in our city comes in the form of high house prices and lack of rental options for lower income earners,
- Increased congestion and crowding of existing amenity such as sportfields and infrastructure such as our roading network, and
- Demand for investment to improve community wellbeing and safe communities.

In managing growth, we want a city that is well planned, with a variety of successful and thriving compact centres.

New Growth Areas

Our approach to growth over the last 20 years has focused mainly on redeveloping rural land for urban purposes. Around 80 per cent of new housing in Tauranga continues to be stand-alone houses in new growth areas. During the next ten years we aim to complete the new growth areas of Pyes Pā West and Tauriko business estate, as well as Pāpāmoa and Wairākei growth areas. We aim to commence new growth areas in parts of Te Tumu and Tauriko West from 2026.

The total capital investment into new growth areas over the next 10 years is \$881m of which \$772m is on core waters and transportation network infrastructure, and a further \$109m on social infrastructure such as pools, libraries and reserves. \$336m of this expenditure is planned for the first three years.

Growth paying for Growth in new areas

Infrastructure to support new growth areas is intended to be funded by development contributions from people developing new growth areas or building throughout the city. However, growth funding normally falls short of requirements because of the long timeframe for collection and uncertainties regarding total costs and collection rates.

The graph in the Debt section that follows shows the amount of growth funded debt projected over the ten years along with the amount of growth debt which has already been agreed by council to be transferred to ratepayer debt over the next ten years due to DC collection shortfalls.

We have now developed financial agreements with developers who directly fund and deliver local infrastructure into the growth areas they are developing. This reduces our cost risk of building new infrastructure and avoids funding this infrastructure through Council debt. We have also amended our approach to costing to better recognise risk and contingency. We are also consulting on a new way of funding infrastructure at Tauriko West which uses the IFF legislation but still maintains the principle that growth pays for growth.

Once infrastructure is in place the maintenance and operating costs of new infrastructure, along with asset depreciation, are covered by all ratepayers.

Financial Strategy – Now and for the future

Growth through Intensification in existing residential areas

While urban expansion ensures more houses, it also creates other issues: dislocation between work and home, and a reliance on car-based travel. As our city gets bigger, we're feeling the pressure that comes from a city sprawling further outwards. The alternative is revitalisation of existing urban centres to accommodate new and more compact housing options within vibrant inner-city communities. Over the next ten years, we are planning to meet demand for 3150 new sections in existing areas. To achieve this level of housing, we will need considerable planning of our existing urban centres. We expect urban enhancement and intensification to require upgrading of some infrastructure as well as amenity development and transportation improvements. The first area for urban intensification has been identified as Te Papa peninsula and \$738m of expenditure is included in this programme. Most of this expenditure is funded through ratepayer loans with some subsidisation from Waka Kotahi NZTA.

Financial Implications of Expected Population Growth

The following tables summarise the costs, both operational and capital, attributed to growth.

Table 1: Capital Expenditure on Growth

	Capital Expenditure funded by Growth (excluding Intensification)									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Growth	113.9	30.5	77.7	109.5	56.1	88.9	98.8	173	176.3	116.9
Growth & Level of Service	26.6	52.7	63.8	19.3	119.3	189.1	198.4	141.9	122.4	149.6
Vested Assets	17.9	23.8	25.6	28.5	37.9	40.7	41.5	46.7	48.1	49.4
Total (Inflated)	158.5	107.1	167.2	157.2	213.2	318.8	338.7	361.5	346.7	315.8

Table 2: Capital Expenditure on Intensification of Existing Areas

	Capital Expenditure funded by Growth (excluding Intensification)									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Mount Intensification	0.1	0.3	0.3	0.3	-	-	0.1	0.1	0.1	0.1
Otūmoetai Intensification	0.1	0.1	0.1	1.4	8.5	0.3	9.3	9.3	9.5	9.8
Te Papa Intensification	30.9	35.3	59.5	149.8	165.5	93.7	44.2	47.4	46.9	65.1
Total (Inflated)	31.1	35.6	59.8	151.5	174.0	94.0	53.5	56.7	56.5	75.0

Table 3: Operating Costs of Growth

Operational Cost of Growth	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Non inflated (\$m)	13.8	16.7	16.9	18.0	25.5	31.6	42.4	48.4	59.2	68.9

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Financial Strategy – Now and for the future

Meeting Enhanced levels of Service

Enhanced levels of service are a key driver for much of the investment proposed in the LTP across transport, community, resilience, 3 waters infrastructure and sustainability and waste.

Environmental expectations include that of iwi, government standards and regulations along with consent requirements. Natural hazards such as erosion and liquefaction are exacerbated by climate change and associated impacts on sea and groundwater levels. We have investigated the risks and implications for our infrastructure and emergency planning processes and have identified projects required to improve the resilience of our city infrastructure.

The capital investment in level of service projects is significant and targeted rates are proposed to maintain transparency regarding this expenditure and the debt retirement required which are discussed further in the section below on funding and financing. Table 4 shows the total costs of new investment to meet enhanced levels of service.

Maintaining Existing Levels of Service - Renewals

The capital costs of maintaining our existing levels of service are represented by our business as usual programme for renewals. These costs are shown in Table 5.

Table 4: Improved Levels of Service

	Maintaining Existing Levels of Service - Network Infrastructure									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Transportation										
Level of Service	16.4	32.2	32.5	43.8	46.4	41.7	13.9	13.1	24.2	63.5
Growth & Level of Service	9.2	37.6	52.7	54.5	136.2	161.7	157.4	102.4	112.5	121.7
Total (Inflated)	25.6	69.8	85.2	98.2	182.5	203.4	171.3	115.5	136.7	185.2
Water Supply										
Level of Service	1.0	1.6	6.9	10.8	10.3	3.6	11.5	16.0	20.3	1.1
Growth & Level of Service	3.3	4.8	12.2	34.1	47.0	25.1	7.3	3.1	3.3	14.7
Total (Inflated)	4.2	6.4	19.1	45.0	57.3	28.7	18.9	19.1	23.7	15.7
Wastewater										
Level of Service	4.6	-	-	1.3	2.0	2.4	2.1	3.3	7.3	4.9
Growth & Level of Service	39.0	36.2	38.0	17.4	31.4	33.9	31.5	40.0	30.1	28.8
Total (Inflated)	43.6	36.2	38.0	18.7	33.4	36.3	33.6	43.3	37.5	33.7
Stormwater										
Level of Service	6.9	8.6	15.5	5.7	6.4	6.4	6.1	13.5	17.8	15.6
Growth & Level of Service	5.5	5.2	6.1	19.2	12.1	7.8	10.9	15.0	15.4	16.9
Total (Inflated)	12.4	13.9	21.5	25.0	18.5	14.1	17.0	28.4	33.2	32.5

Financial Strategy – Now and for the future

Table 4: Improved Levels of Service - continued

	Maintaining Existing Levels of Service - Network Infrastructure									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Spaces & Places										
Level of Service	18.1	34.9	27.9	38.9	52.9	47.5	19.1	18.0	19.8	47.4
Growth & Level of Service	0.8	4.5	13.6	36.8	62.1	39.5	36.9	31.2	12.3	21.5
Total (Inflated)	18.9	39.3	41.5	75.7	115.0	87.1	55.9	49.2	32.1	68.9
Community Services										
Level of Service	3.5	7.9	39.5	51.7	33.8	32.8	27.9	10.7	9.5	5.9
Growth & Level of Service	-	-	-	-	-	-	-	-	-	-
Total (Inflated)	3.5	7.9	39.5	51.7	33.8	32.8	27.9	10.7	9.5	5.9

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Table 5: Renewals

	Renewals - Network Infrastructure									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Transportation										
Renewals	16.0	19.7	17.1	16.7	18.8	23.5	15.9	16.5	16.9	18.1
Total (Inflated)	16.0	19.7	17.1	16.7	18.8	23.5	15.9	16.5	16.9	18.1
Water Supply										
Renewals	7.4	6.4	6.9	6.9	11.7	11.6	6.4	6.8	6.2	9.0
Total (Inflated)	7.4	6.4	6.9	6.9	11.7	11.6	6.4	6.8	6.2	9.0
Wastewater										
Renewals	8.3	9.6	7.4	7.9	7.8	7.2	7.7	6.4	12.0	9.5
Total (Inflated)	8.3	9.6	7.4	7.9	7.8	7.2	7.7	6.4	12.0	9.5
Stormwater										
Renewals	1.4	1.6	1.5	1.4	1.7	1.5	2.0	1.2	1.4	1.0
Total (Inflated)	1.4	1.6	1.5	1.4	1.7	1.5	2.0	1.2	1.4	1.0
Spaces & Places										
Renewals	4.1	6.3	11.4	7.1	5.9	4.3	5.5	4.8	7.8	7.7
Total (Inflated)	4.1	6.3	11.4	7.1	5.9	4.3	5.5	4.8	7.8	7.7
Community Services										
Renewals	4.1	3.7	2.7	2.5	2.2	2.2	2.3	1.7	2.1	2.4
Total (Inflated)	4.1	3.7	2.7	2.5	2.2	2.2	2.3	1.7	2.1	2.4

Financial Strategy – Now and for the future

OPERATIONAL REVENUE AND EXPENDITURE

Capital investment flows through to operational costs of depreciation, financing of debt along with the cost of operating and maintaining new assets. The large capital investment also results in higher costs of staff, consultancy and contractor costs as council resources to deliver much larger levels of capital investment.

Our operating budget requirements have increased in response to the need to:

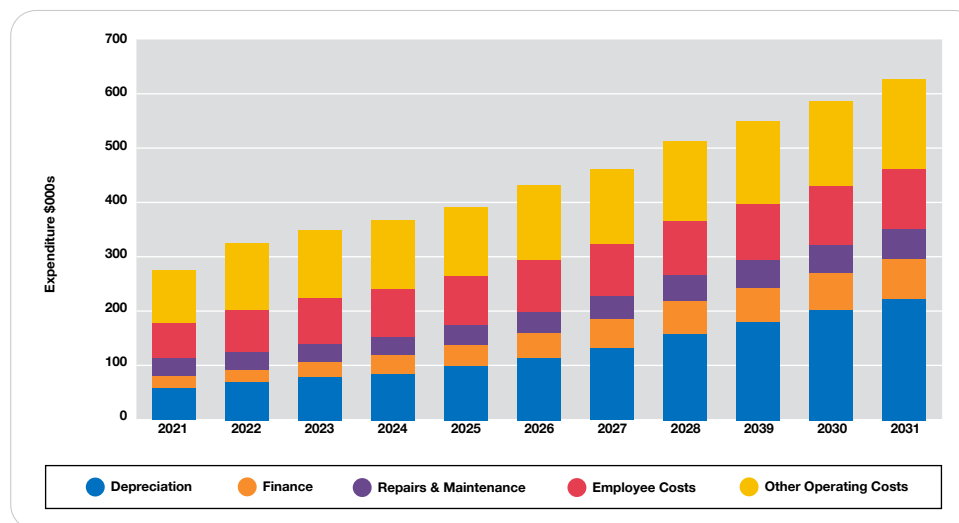
- provide what we need for our community in terms of contracted delivery and maintenance services across the business
- provide for planning for our city and our investments
- provide full household kerbside waste services from 1 July 2021. Previously only kerbside glass collection was undertaken by council with the rest delivered by a number of private waste collection operators.
- ensure adequate digital systems, security and performance (e.g. \$173m capital investment to replace outdated systems and improve systems that interact with our community)
- increase staff budgets to:
 - support the increased capital expenditure and to assure quality
 - meet increased community expectations for improved access, communication and engagement

- meet increased requirements for planning across the city
- attract and retain the very best people - we need to address market movement in salaries and to reverse the salary and training freeze from COVID-19 (note: reversing these temporary savings accounts for \$3.1m of the cost increase from last year)

- replace consultants with salaried staff to assist cost efficiency, adequately resource delivery and retain expertise in-house.

Operational costs over the 10 years are shown in Graph 5 below. In the graph costs have been inflation adjusted. They show the increase in depreciation and financing costs relative to 2021 levels and to other expenditure categories.

Graph 5 Operational Expenditure (inflated) - Operational costs over 10 years

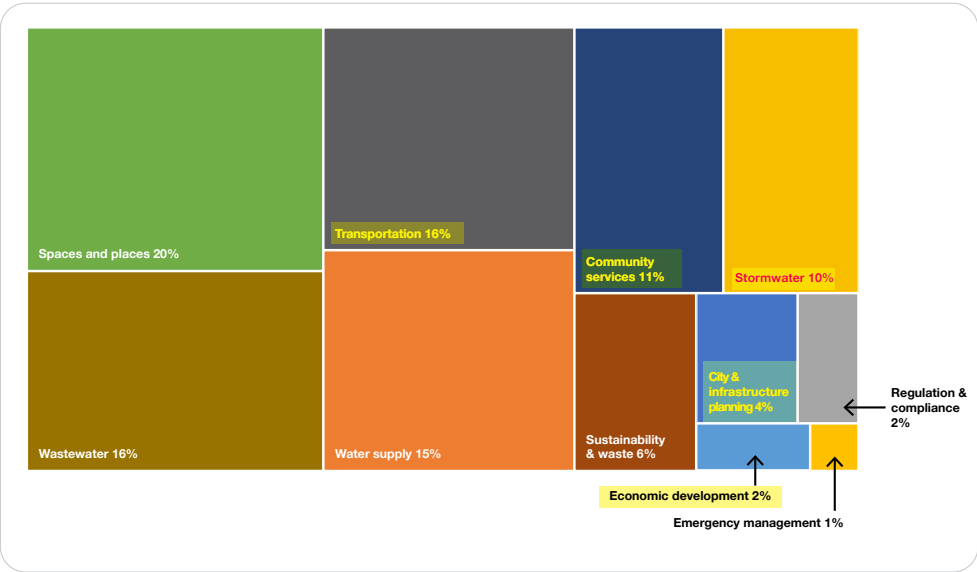


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Financial Strategy – Now and for the future

What our rates pay for

The following graph shows the proportion of rates spent on each group of activities. It shows that three waters, transportation, spaces and places and sustainability and waste, which are our core council services, account for more than 80% of our expenditure.



Financial Strategy – Now and for the future

FUNDING AND FINANCING

The following section considers who pays for the proposed capital investment and operational services. The biggest challenge is how to fund the high levels of capital investment required for the city.

Building Blocks

Tauranga already has high debt levels and under our current borrowing limits we cannot borrow more without first paying down some of our debt. Our approach to this Long-term Plan is to increase rates to pay to retire

some of this debt each year so that we can do more investment.

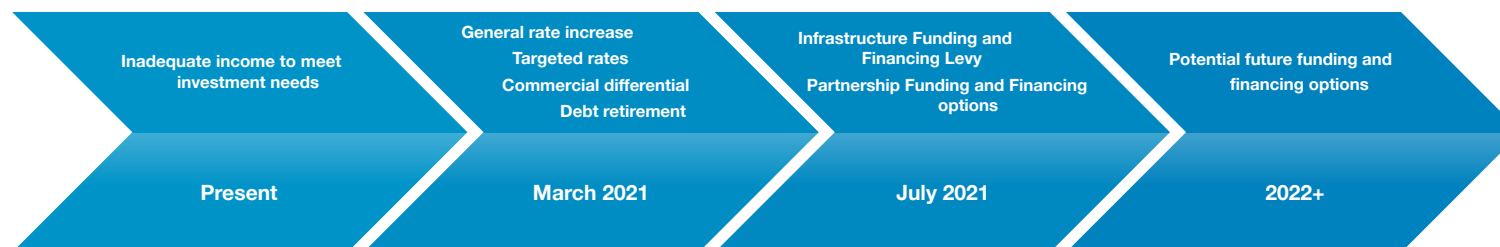
Over time this approach may not be the best way to fund our new investment. We have continued to investigate other options. Two of these options relate to IFF levies for Tauriko West and transport infrastructure are being proposed in the LTPA consultation. They reduce the need for the large amounts of debt retirement proposed from year four onwards and therefore offer a net reduction in the total payments made by ratepayers over this time.

For example, in the LTP we required rate-funded debt retirement of approximately \$0.55b over the Long-

term Plan. This was due to us approaching our overall financial limits. The adoption through the Long-term plan amendment (subject to ongoing analysis) of IFF funding for Transportation and Tauriko West has enabled the reduction of rate-funded debt retirement to \$0.36b. Options to avoid this additional rating burden continue to be a key focus of work going forward.

Work also continues with sub regional partners in order to progress other options. The following diagram shows the timeframe for reviewing other options for funding the large-scale investment rather than relying on rates and user fees and debt retirement. More discussion on future options is included at the end of this document.

Funding Options



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Financial Strategy – Now and for the future

Principles

The financial strategy aims to provide the financial framework underlying the proposed expenditure and funding of the LTP. This financial strategy is underpinned by principles of:

- **financial prudence.** Council services and investment in infrastructure are cost efficient and are an effective way of achieving the identified community outcomes.
- **financial sustainability.** The Council's activities must be financed and funded in a way that ensures Council's financial sustainability over time, in the face of risks and uncertainty.
 - a. Depreciation reserves will be regularly reviewed to ensure the level of funding is appropriate based on long-term renewal profiles
 - b. New funding and financing opportunities will be included within the strategy noting the impacts that these tools may have on both funding and financing.
- **transparency.** People who pay are aware of what they are paying for and can confirm that what is proposed has been provided.
 - a. targeted rates enable rates to be collected for specific services or purposes and revenue collected ring fenced to be spent for those purposes.
- **affordability.** Where services or costs of infrastructure are rates funded that the rates are affordable across the community. Council services

and infrastructure that are funded by rates, user fees or through development contributions are affordable to people wanting to access these services or to develop and build here.

- **fairness and equity.** Consideration is given to who should pay for investments and services, recognising who benefits, creates the need for, or is affected by the service and where possible ensuring they contribute a reasonable share of the costs of that service. This includes:
 - a. Growth pays for growth where practicable, acknowledging growth does not always pay for growth
 - b. Existing ratepayers pay an equitable contribution for the costs of infrastructure
 - c. Rates will be used where benefits can be attributable to wider areas of the community and user fees will be applied where an individual benefit accrues.
 - d. Where benefits are attributable to specific areas or groups in the community targeted rates or levies using the IFF Act will be investigated (subject to timing and resourcing to allow this to occur within this LTP)
 - e. Debt will be used to fund projects that accrue benefits over multiple years i.e. intergenerational equity
 - f. Relationships will be pursued to increase private investment or further investment from government or investments of regional or sub-regional benefit may be appropriately considered

Who Pays for new investment and services in our city?

The financial strategy for the LTP proposes that the right groups pay their share.

Funding Capital Investment

Funding sources for capital expenditure are:

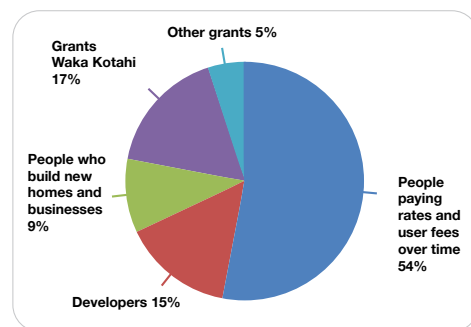
- borrowing, which becomes rates and user fee funded debt with the costs of borrowing and repayment of debt paid through rates and user fees over time.
- development contributions and borrowing which becomes growth debt with the costs of borrowing and repayment of debt paid through development contributions over time.
- subsidies and grants from central government
- Grants from other parties (e.g. community trusts)
- potentially financing and funding agreements made under the infrastructure Funding and Financing Act

Who pays over time for capital investment is therefore:

- people who pay rates and user fees over time (residents and businesses)
- developers
- people who build new homes and businesses here
- Government and other organisations who provide grants and subsidies to us

Financial Strategy – Now and for the future

Graph 6: Who pays for our capital investment



Graph 6 shows that ratepayers, now and in the future, will pay for a lot of the proposed capital investment. Ratepayer funding includes:

- the annual costs of interest to service our debt,
- depreciation charges which over time offset the cost of renewals of assets enable debt to be retired over the life of assets
- specific rate funded debt retirement which has been introduced during this LTP

Developers and people building new houses and businesses will also pay their share of investment to cater for growth. When new areas of land are subdivided, property developers pay development contributions (DCs) for the costs of providing new infrastructure like water and wastewater pipes, roads parks, playgrounds streetlights and community places. These are called local area development contributions. Developers may also deliver some of this infrastructure themselves and

then vest the assets in council as part of the subdivision process.

People who build new homes or commercial buildings also pay DCs for city-wide investments required to support growth. These investments include the new water supply at Waiari and work to extend the capacity of the wastewater treatment network and treatment facilities.

Council is relying on subsidies and grants from other organisations to fund a lot of this expenditure. The transport investment identified in the Transport System Plan (TSP) has been developed in partnership with Waka Kotahi NZTA and our regional partners; the Bay of Plenty Regional Council and the Western Bay of Plenty District Council. We will be relying on these organisations to pay their share of the investment consistent with who benefits from the investment. The subsidies from Waka Kotahi is a key assumption in this Long-term Plan and a reduction or lack of funding for projects would mean these investments could not be undertaken.

A key assumption of this LTP is that most transport investment receives 51% subsidy from Waka Kotahi. They have advised that they are not able to fully fund TCC's Maintenance, Operations and Renewal (MOR) request for 2022-2024. The reduction in Waka Kotahi funding is \$22m less than what was initially requested based on our preferred level of spend, but only \$14m less than budgeted in the draft LTP financials for the consultation. This is because of early indications of funding levels received from Waka Kotahi. The revised funding of \$52m means \$14m less maintenance and renewals work in the next three years. In the overall capital budget this expenditure is adjusted out to later years assuming that the required level of funding will be provided over time during the ten-year period. If not, it would eventually

result in a reduced level of service. While we will be able to deliver the expected level of service under the new contract in year one and two, a lower level of funding may show for example more potholes, less sweeping / cleaning, more chip-seal where asphalt is justifiable, in year 3 to 4 of the LTP unless additional funding is provided by year 4.

There is also risk around the amount and timing of Waka Kotahi investment in the TSP and other externally funded projects. To reflect this uncertainty about funding levels and timing, investment in the first five years has been reduced by \$425m, with this budget moved into the last five years. Further information will be forthcoming over the next months and refined in later years as Waka Kotahi and other external funding providers consider their funding priorities. The capital adjustments included for TSP across all investment options provides flexibility for council to respond to deliverability and funding uncertainty.

Funding Operations

Sources of income for operational expenditure are:

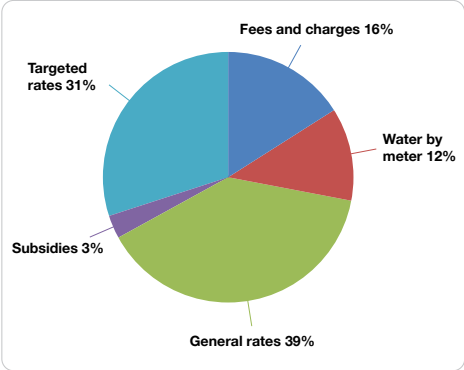
- rates (targeted or general)
- water charges (charged by the volume of water used)
- fees and charges
- subsidies (from central government).

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Financial Strategy – Now and for the future

Graph 7 shows how we fund our operations. Most operating expenditure is funded from rates. The rest is funded from a combination of subsidies and grants and user fees revenue. More detail on rates, user fees and subsidies are covered below.

Graph 7: Funding Operations



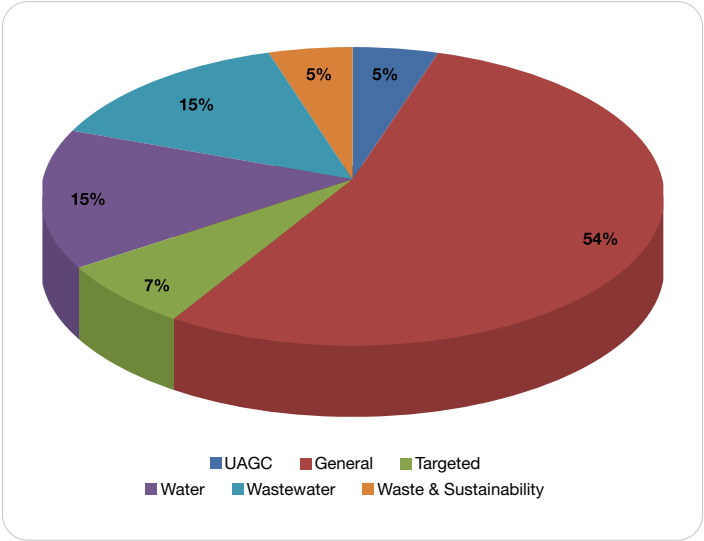
Rates

Each LTP has recognised the need for increased rates in order to continue to fund and finance the needed infrastructure investment in the city. However subsequent Annual Plans have reduced these rate increases.

The upward pressure on rates is significant in the first three years of the LTP reflecting the proposed investment programme and the commencement of debt retirement through rates.

The new kerbside service means that additional rates charges to bring this service in as a council provided service replaces previously payments by households to private operators. On average the council kerbside collection service results in lower costs to households than paying private waste collection services.

The rates structure in 2020-21 was as follows:



This shows a concentration of rates as general rates set on a capital value basis with 10% of all rates set on a uniform basis. The main targeted rates were for wastewater and water supply, with all revenue collected for these ring-fenced to be spent within these activities.

Financial Strategy – Now and for the future

New or Expanded Targeted Rates

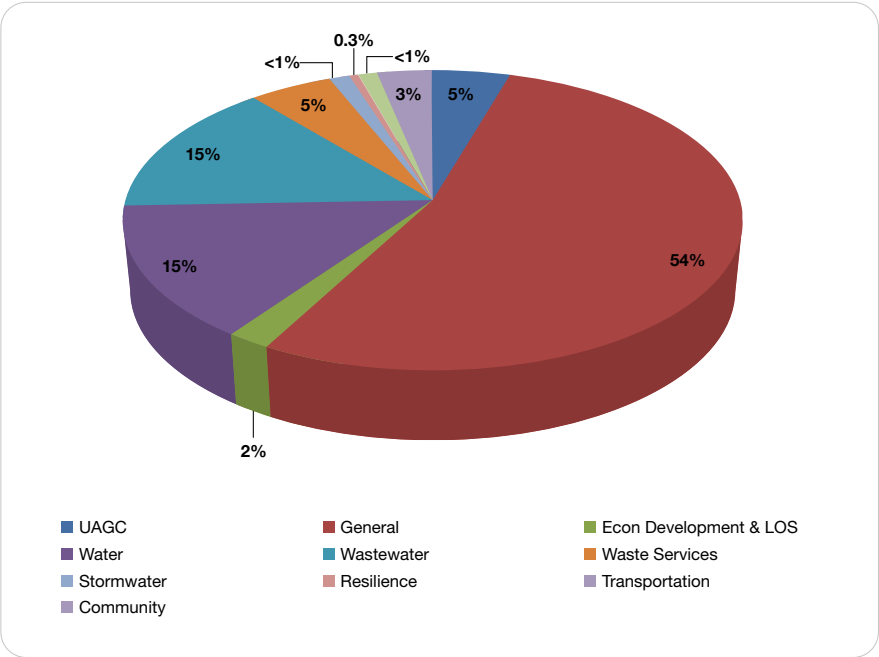
A key funding proposal for this LTP is to move to a greater focus on targeted rates for transparency and accountability and to ring fence funding.

The kerbside waste collection service has also been agreed to be a targeted rate which adds to the existing list. The full range of other minor targeted rates are outlined in the funding impact statement for the LTP.

The proposed introduction of further targeted rates is to support capital investment costs including debt retirement in the areas of:

- Transportation
- Community,
- Stormwater
- Resilience (extending the existing targeted rate which previously covered planning and investigation costs but going forward will cover the costs associated with capital investment)
- Wastewater
- Water supply

The rates structure in 2021-22 with activity specific targeted rates



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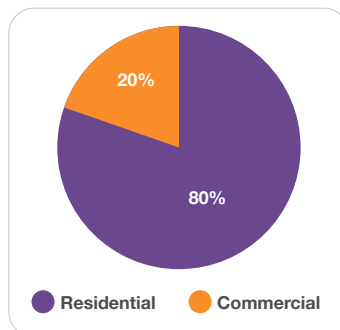
Financial Strategy – Now and for the future

Commercial differential

Currently TCC has a commercial differential of 1.2 meaning commercial ratepayers pay a rate 1.2 times the residential general rate. This was introduced in the last LTP and originally was proposed to move to 1.6 times however feedback from the commercial sector reduced this rate to 1.2 phased in over a three-year period.

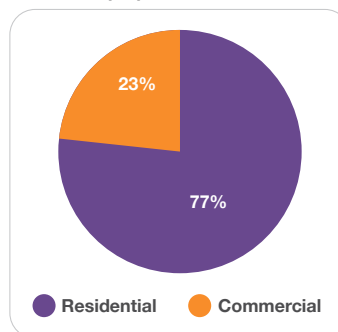
At the current differential level TCC collects 20% of its rates from the commercial sector which is a lower portion of rates than other comparable metro councils with the next lowest being Christchurch at 1.6 times.

Total rates share by commercial and residential: current



The commercial sector has the ability to claim GST and corporate tax deduction for rates paid. A level of 1.6 times is the level that equalises the after-tax payment of rates for both sectors. It is therefore proposed to increase the commercial differential to 1.6. This increases the contribution to the city's rates requirement from the commercial sector to 23%.

Total rates share by commercial and residential: proposed



Fees and Charges

People pay fees and charges for certain services we provide, and these make up 15% of our income. They help cover costs where the benefit of the service is exclusive to a person or property. Some major sources of revenue from user fees and charges are for building and resource consents, parking fees, property leases and airport landing charges. Council's revenue and financing policy explains the rationale for funding and user fees and charges are set and consulted on during the LTP consultation process.

Operational Subsidies

Most operational subsidies are received from Waka Kotahi NZTA to cover 51% of our operating costs of road maintenance and support our business unit resources. Other annual subsidies contribute to costs of specific activities that help to achieve government objectives such as sustainability and waste.

FINANCIAL SUSTAINABILITY

Financial sustainability is the ability of the council to sustain the services to the community and the level of investment it proposes to undertake over time.

Impact on debt

The capital programme now exceeds \$5.0b over the 10 years of this Long-term Plan which means our debt increases proportionately to very high levels. This impacts on already very high debt levels within council.

We are projecting a debt level of over \$635m by 1 July 2021 which is the opening balance of debt for this LTP. Debt increases to \$1.8b by the end of the ten years.

This has led to an infrastructure funding challenge for us. In the absence of other financing tools and, based on maintaining a debt to revenue ratio within LGFA limits, we have based this Long-term Plan budget on the full programme of capital delivery at \$5.0b supported by debt retirement of \$0.55b across the major infrastructure activities of council.

The level of capital expenditure proposed in this Long-term Plan would result in council's debt exceeding LGFA borrowing limits without the addition of rates funded debt retirement, or a substantial reduction in the capital programme. However, with debt retirement our debt levels remain within our borrowing limits.

Rates Funded debt retirement for the LTP

We have calculated rates funded debt retirement in specific infrastructure activities that is required to keep the whole of TCC in a financially sustainable position. Table 6 below shows debt retirement included in the LTP under the proposed activity based targeted rates.

In 2022 \$4.8m of debt retirement is proposed in stormwater and water supply. Debt retirement in

Financial Strategy – Now and for the future

wastewater commences in 2023 and all three waters activities have increasing debt retirement through to 2026. Without debt retirement, the three waters activities are projected to have unsustainable levels of debt to support the large capital investment required over the ten years of the LTP. The high level of debt and ongoing investment requirement in three waters is expected to need to be addressed regardless of 3 waters reform options.

Debt retirement in **community** activities is also proposed from 2022. The calculation of debt retirement is based around the costs of the substantial new investment required to recover community deficits to date. In the early years it is set to recover the funding and borrowing costs of various expenditure on spaces and places and the new library and civic plaza developments. Later in the ten years, debt retirement charges are increased to cover the costs of investment in community facilities to address existing infrastructure deficits.

The large **transportation** programme proposed for the LTP, requires debt retirement to support the portion not covered by Waka Kotahi NZTA. From 2027 retirement is proposed to cover investment programmes identified by TSP for projects to be delivered later in the LTP.

If some projects are not undertaken, or are delayed, debt would be lower and some of this rates funding would not be required.

As rates funded debt retirement is required to manage council's already large debt levels, the level of rates funded debt retirement would not be required if there was structural reform, such as three waters reform where a large portion of council's debt would be transferred from council to a new entity.

LTPA Funding & Financing Arrangements Using IFF

In the LTPA we adopted two arrangements for IFF funding as an alternative to traditional financing through council's balance sheet. Under the IFF Act a special purpose

Table 6: Revised debt retirement with IFF

Debt Retirement Targeted Rates	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
Stormwater (\$m)	1.3	1.2	1.3	1.3	1.3	1.4	1.4	1.5	1.5	1.5	13.7
Wastewater (\$m)	0.0	2.1	4.2	8.7	13.5	16.1	16.6	17.0	17.5	18.0	113.7
Water Supply (water by meter) (\$m)	3.5	3.6	3.7	6.5	6.7	6.9	7.1	7.3	7.5	7.7	60.5
Transport (\$m)	0.0	0.0	0.0	0.0	0.0	6.5	6.8	7.2	7.6	8.0	36.1
Community (\$m)	2.7	7.2	7.4	4.7	4.8	15.1	15.6	16.0	16.4	16.9	106.8
Resilience (\$m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.3	4.3
Other debt retirement	0.0	0.0	1.2	6.6	0.0	3.6	0.3	0.1	0.0	0.0	11.8
Unfunded Liabilities (\$m)	0.0	1.1	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	11.1
Rates funded debt retirement (\$m) included in targeted rates	7.5	15.2	19.0	29.0	27.5	50.9	49.1	50.4	51.8	57.6	358.0

entity borrows the money for the approved projects. This Crown owned entity controls the borrowing and provides these funds to the entity constructing and owning the assets (normally TCC). These borrowings are repaid over time by charging a levy on the beneficiaries of the projects. These levies will be collected by council on behalf of the entity as a separate item in its rates bill.

Based on our most recent accounting advice, the balance of this borrowing will not be on Council's Statement of Financial Position. We will recognise the initial grant as revenue and the ongoing collection and repayment of this debt to the third party will not flow through Council's Statement of Comprehensive Revenue and Expense.

The two arrangements are for:

1. \$200m financing of a series of transportation projects under the Transport system plan; and
2. \$56m toward funding infrastructure for the new growth area at Tauriko West.

The IFF arrangements mean that council can reduce the amount of rates funded debt retirement from \$550m as proposed in the LTP to \$358m. The revised debt retirement is shown above.

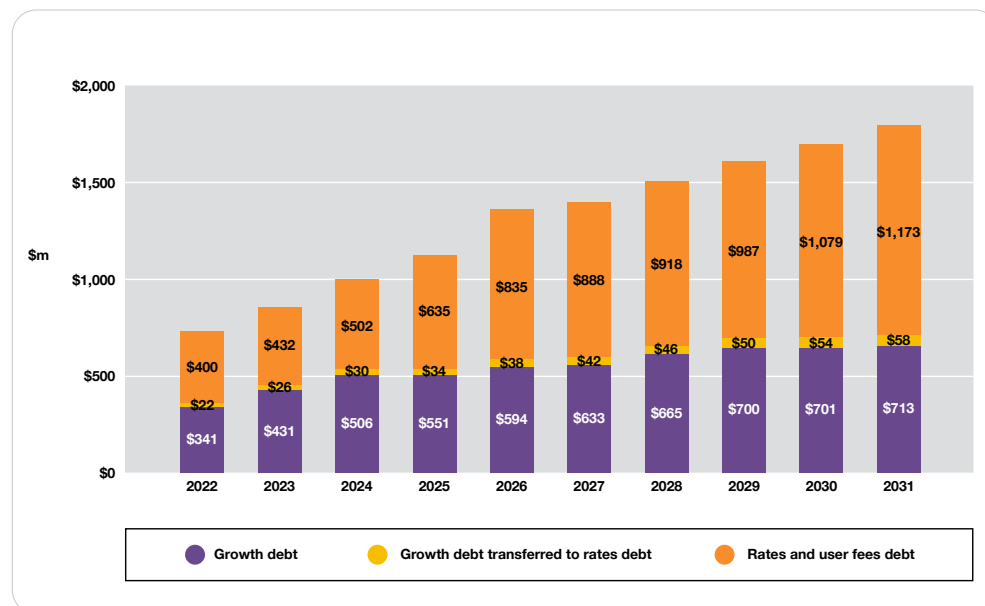
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Proposed debt profile after debt retirement

Graph 8 below shows the total level of debt in each year of the Long-term Plan. Total debt peaks at **\$1.9b** by 2031

Graph 8: Annual Debt Profile



The portion of development contribution (DC) funded debt for new growth areas increases till 2029 before flattening off even though the growth pressures continue. There are three main reasons for this:

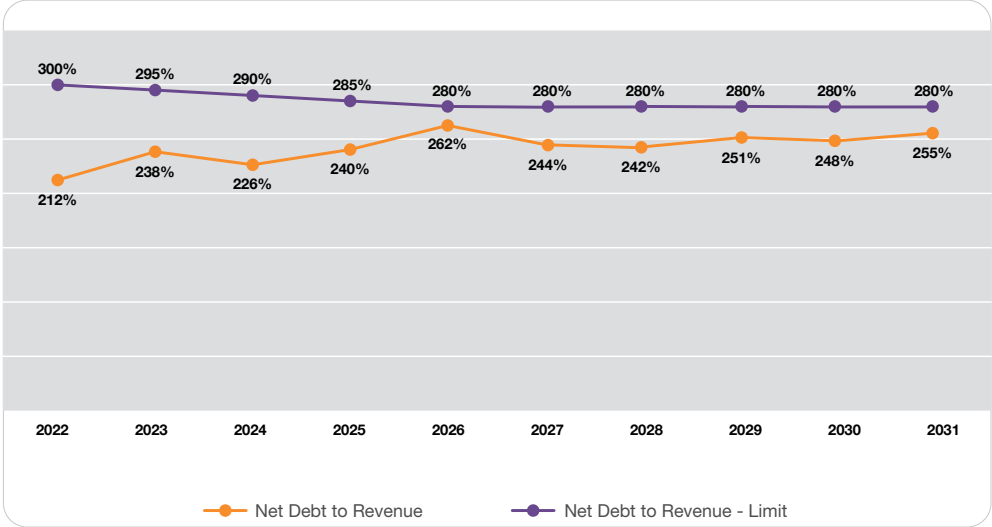
1. we have negotiated with developers for the new growth areas that they deliver the local infrastructure as vested assets. This has reduced the amount of infrastructure for these areas that we have needed to fund
2. the capital investment to enable new housing through intensification in existing areas is currently identified as loan funded. However, there may be opportunities to directly charge some of this spending to growth once we know more about the projects
3. Over time, growth debt would be expected to reduce as development contributions are collected to cover this debt.

There remains a risk that we will not be able to collect enough DCs to cover the costs of growth infrastructure. When this happens, the council can choose to transfer this debt to the ratepayer as has occurred in the past. The graph shows the allocation of growth debt to rates funded debt from existing developments where there has been DC shortfall. This transfer is being phased in over the period of the LTP. Total debt from growth that has been picked up by the ratepayer increases to \$58m over the 10 years.

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Graph 9 below shows that we can maintain a financially sustainable debt to revenue based on the rates assumptions in the budget including debt retirement and IFF funding. The yellow line shows the level of debt (after debt retirement and sources of capital revenue) that is associated with the \$5.0b capital programme. We come closest to the LGFA Borrowing limits in 2026, retaining borrowing headroom at a minimum of 25% from 2027 through to the end of the LTP. It is proposed the LGFA borrowing limits should be the council's borrowing limits for the LTP.

Graph 9: Debt to revenue ratio against proposed borrowing limit



UNCERTAINTY AND RISK

In preparing this Long-term Plan, a number of areas of uncertainty and risk were identified which include:

- unforeseen costs and challenges in delivering our capital investments (deliverability)
- the ability of the construction sector to deliver the volume of capital investment proposed across the country
- local government reform such as water reform
- the economic situation which could impact ability to pay (affordability)
- the impact of a change in timing or quantity of projected population growth
- uncertainty about the future including disruptive technologies and changing lifestyles and living and transportation choices,
- the impacts of climate change and the risk of unforeseen natural events such as earthquakes and major storms.
- potential impacts of failure of current assets

There are a number of tools used to manage risk and uncertainty in this budget:

- Investment to improve the capacity of the organisation to deliver the proposed investment, including an enhanced framework to recognise the risks associated with project design and costings

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- Continued review of timing of projects in relation to growth requirements
- Continued involvement in reform proposals to ensure planning is consistent with likely direction
- Maintain debt levels below treasury limits to provide debt headroom to cope with unforeseen events
- Use off-balance sheet funding and financing as proposed for transport and Tauriko West
- Rate fund to retire debt in selected activities ahead of standard debt retirement rates that are currently based on average asset lives in each activity, including to retire debt from unfunded liabilities which otherwise would not be retired as there is no depreciation collected on assets for this purpose
- Maintain a risk reserve, funded from rates, that enables consistent funding while the realisation of risks and payments is likely to be more sporadic
- Sound asset management including funding depreciation and budgeting renewals of assets from the depreciation reserve.

Improving organisational capacity to deliver. In response to our deliverability challenges we have made changes to the way we do things including:

1. Our organisation's structure and roles
2. Our approach to procurement and delivery

We have restructured our organisation, to strengthen leadership and focus within our core activities on capital programme and outcome management. We have increased staff numbers across planning, project delivery and procurement to ensure that we have the required

capacity. A new capital programme assurance division has been created to oversee the capital programme to ensure efficiency and quality of approach to procurement, contracting and delivery.

Options for procurement and delivery are being developed that enable us to deliver the programme at scale. This includes collaborative models to deliver multi-year programmes of work e.g. alliances.

While we are building capacity internally and with our contracting partners, and government is looking to

support this level of investment, we acknowledge that significant risks around delivery remain. If we are not able to meet the delivery of the proposed capital programme, then rates funded debt retirement will also reduce to align with actual capital delivery. This will be reviewed through future annual plans and the next Long-term Plan.

Improved recognition of risk and contingency in capital project costs. The capital budgets proposed include allowances for risk and contingency. Early year projects normally have clearer scope and more detailed design which helps to eliminate risk and is reflected in budgets.

Timing of capital projects. The timing of growth and therefore demand for land and receipt of development contribution revenue could change. This LTP has been based on estimates to achieve adequate land supply to meet the SmartGrowth projections. There is also investment in intensification across existing areas of the city. Should this growth slow down, debt levels would be higher in reflection of the lower levels of development contributions revenue. The response to such a slow-down would be a combination of adjustment in the timing of capital projects and a higher debt level, still within treasury limits.

Resilience Projects. The impacts of climate change and the risk of unforeseen natural events on council infrastructure has been considered over recent years and projects identified to increase city resilience are included in the capital programme.

Maintain debt headroom. In this LTP the LGFA borrowing covenants have been increased to a long-term level of 280%. Because of the large capital programme, the amount of debt headroom has been significantly reduced from the middle years of the LTP. Debt retirement throughout the ten years helps to improve the debt headroom in later years of the plan.

Retire Debt. Debt is currently retired annually within each activity through the depreciation reserve. Additional rate funding for debt retirement has been proposed through the ten years to support a large capital programme in the light of the high level of debt Tauranga City already has and the need to remain within debt covenants. Over the ten years the additional rate funded debt retirement proposed is **\$358m** including inflation.

Maintain a risk reserve. The risk reserve established a number of years ago is in significant deficit as a result of the financial impact of a number of events. At 30 June 2020 the risk reserve was \$28m in deficit. It is proposed that an amount of \$2m is rate funded per annum to fund this reserve. However, the budget also includes a provision of \$1.2m for further weathertight payments meaning \$2m is a minimal annual amount to address the deficit.

To assist with the required level of risk reserve in the early years there is an option to use any general rates surpluses to contribute to the risk reserve or to reduce debt. Council has also agreed to apply some of the rates funded debt retirement against unfunded liabilities. Council does not budget for a rates surplus, however surpluses (and deficits) may occur due to the nature of budgets which contain cost estimates. In addition, Council continues to look for ways to improve efficiency which may result in surpluses.

Funding depreciation for renewal of assets. The potential for asset failure is mitigated by maintaining assets to maximise their useful lives and undertaking regular condition assessment of assets. Depreciation is funded and the value of this funding recorded in a

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reserve to recognise the cost of renewals over time. When renewal is required this is undertaken to avoid asset failure and associated loss of level of service. Part of the requirement for debt headroom is to recognise the future obligation to renew assets as indicated by the value of these depreciation reserves. Debt retirement from these reserves reduces the balance recorded for reserves. However, it records the reduction in debt through depreciation charges and helps to maintain debt at a level at which ongoing renewal can be afforded.

QUANTIFIED LIMITS AND TARGETS

Quantified Limits on Borrowing

Consistent with Council's Treasury policy Council will adhere to the following limits on borrowing:

- Net interest expense on external debt as a percentage of annual operating revenue will not exceed 20%
- Net interest expense on external debt as a percentage of annual rates revenue will not exceed 25%, and
- Net external debt as a percentage of annual operating revenue (including Bay Venues Limited) will not exceed the borrowing limits set by the Local Government Funding Agency – see Table 7.

Rates and agreed limits on Rates

The focus of the LTP is on what we need to do and spend to achieve the desired outcomes for our city recognising the challenges and issues that our city is facing. Rating is one of the ways we fund the needed expenditure. Other

ways include direct charges to people using our services, subsidies and grants, developer contributions and shared arrangements or partnerships with other organisations.

Where we decide to fund activities or services by rates, Council must consider how to structure rates to determine how much different members of the community contribute and for what.

Quantified Limit on Rates Increases

In presenting rates limits for the LTP, we have set a limit on the increase in general rates which are rates to cover the general expenditure and services of council. Under the revenue and financing policy the areas covered by general rates are identified.

This quantified limit on rates increases sets the maximum budgeted increase in annual general rates collected per year based on the LTP budgets at 12%, which is the highest general rate increase proposed in year one of the LTP. This limit does not give an indication of the rates increase on different groups of ratepayers as this will vary according to rating structure and capital value changes. Because of the proposed changes to rating structure there is significant variation in rates increases amongst ratepayers.

This LTP sees a proposal for higher targeted rates to fund activities or specific outcomes with the revenue ring-fenced for that purpose. These costs are to either:

- fund the cost of delivering specific services such as kerbside collections, water supply and wastewater or
- a level of investment (including debt retirement) consulted on with the community.

Therefore, targeted rates are proposed to be not included in the overall limit on rates increases that has been applied to general rates.

COMPARISON OF FINANCIAL LIMITS TO LTP FINANCIALS

The summary of our key financials over the next ten years and proposed limits on general rates and debt are as follows.

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Table 7: Summary of Key Financials and limits on rates and debt

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
Capital Programme (\$m)	303	319	434	518	612	604	527	543	565	579	5,005
Net Debt (\$m)	763	889	1,038	1,220	1,467	1,563	1,630	1,737	1,834	1,944	
Debt to revenue ratio (inc BVL Revenue)	200%	224%	214%	228%	250%	234%	232%	241%	238%	246%	
Debt to revenue ratio (inflated, excluding BVL)	212%	238%	226%	240%	262%	244%	242%	251%	248%	255%	
Financial Limit on Borrowing (debt to revenue ratio)	300%	295%	290%	285%	280%	280%	280%	280%	280%	280%	
Total Rates (\$m)*	234	269	288	321	354	396	436	467	501	538	
Total Rates Increase (net growth)	21%	13%	6%	10%	9%	10%	8%	5%	5%	5%	

*Rates Breakdown	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
General Rates (\$m)	137	154	158	166	179	177	195	203	215	228	
Limit on General Rates Increase (net of growth)	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%	
General Rates Increase (net growth)	9%	10%	1%	4%	7%	-3%	7%	2%	3%	4%	4%
Kerbside Collection (\$m)	11	12	13	14	15	16	17	18	19	21	
Other Targeted Rates including rates funded debt retirement (\$m)**	53	65	75	93	108	147	164	181	197	215	
Water by Meter (\$m)	33	38	42	48	52	56	60	65	70	75	
Total Rates (\$m)	234	269	288	321	354	396	436	467	501	538	
Total Rates increase (net growth)	21%	13%	6%	10%	9%	10%	8%	5%	5%	5%	
Total rates increase (net growth) excluding kerbside	16%	14%	6%	11%	10%	10%	8%	5%	5%	5%	8%

** Targeted rates are in addition to general rates. Given the nature of these rates (relating primarily to debt retirement and the timing and scale of capital expenditure) a percentage increase limit has not been set. The increase required is determined by the level of investment. Targeted rates are included in the total rates increase above.

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The LTP remains compliant with the limits for borrowing and rates throughout the ten years.

Council is confident that it can maintain existing levels of service and meet additional demands for services within the rates and borrowing limits set.

SECURITIES AND FINANCIAL INVESTMENTS

Policy on the giving of securities for borrowing

Council will generally offer security for its general borrowing and interest rate risk management activities by way of a floating charge over rates revenue. Council recognises that utilising rates revenue as security lowers the risk involved for lenders and, therefore, will lower the cost of borrowing to the Council.

In the normal course of business, Council offers rates revenue as security for its borrowing. Council offers security through a Debenture Trust Deed, which allows Council to provide security over rates revenue from time to time made by Council under the Local Government (Rating) Act 2002.

Where doing so would help further the Council's community goals and objectives, Council may offer security over an asset other than rates, on a case by case basis.

Objective for holding and managing financial investments and equity securities

Council's investment objectives are included in Council's Treasury policy. Overall Council holds financial investments to manage its liquidity and funding risks. Its objectives in relation to these investments and equity are therefore that they:

- Contribute to the fundamental objective of managing liquidity requirements and funding risk,
- Protect the capital amount invested,
- Optimise returns in the long-term while balancing risk and return.

Quantified targets for returns on financial investments and equity securities

Council's quantified target for returns on financial investments and equity securities are: they are better than the daily average of call, 30-day, 60 day, and 90 day bank bill rates as published by the New Zealand Financial Markets Association.

ALTERNATIVE OPTIONS – FUNDING AND FINANCING

Central government has recognised the financing challenges councils face to deliver significant infrastructure investment and has developed a range of tools to assist councils. TCC has utilised interest free loans through the Housing Infrastructure Fund (HIF), which are ongoing in this LTP. This reduces the overall borrowing cost of council.

IFF Off-Balance-Sheet Options

As discussed at the beginning of the financial strategy, the financial strategy for the LTP was limited to the funding and financing tools and arrangements currently in place for TCC. Subsequently for the LTPA further alternative options were adopted to take some debt associated with new capital investment off TCC's balance sheet.

The Infrastructure Funding and Financing Act 2020 offers potential for projects that normally are financed through council's balance sheet to be financed by another organisation. The funding would still come from Tauranga residents but the resulting increased capacity for council would reduce the amount of debt retirement required to be charged through rates.

The LTPA approved the use of IFF funding for two areas of capital expenditure –

1. To open up a new growth area at Tauriko West, and
 2. To invest in selected transportation improvement projects agreed under the Western Bay of Plenty Transport Network Plan (TSP).
-
1. Tauriko West
IFF funding (\$56m) would be provided to Council to undertake capital infrastructure investment, then this debt would be paid with interest by people living in the homes in that area as an annual charge for 30 years. This maintains the growth pays for growth principle. Because of the charges associated with these properties the price paid for sections would be expected to be lower than for unencumbered sections.
 2. Transportation Projects (TSP)
IFF funding of \$200m would be provided to Council to pay for the required infrastructure investment. The loan would be repaid with interest by all ratepayers across the city as an annual charge for 30 years until the debt is recovered. The funding paid to council offsets debt in the early years so enables council to remove an

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equivalent amount of rates funded debt retirement along with other amendments included in this LTPA (\$200m). This means that during the ten years of the LTP the total payments required of ratepayers (rates and levy) would be less than in the original LTP 2021-31. However, in the last 20 years of the 30 year period the amount of payments would be higher than in the original LTP 2021-31.

In both cases, obtaining this funding is dependent on the external party raising the required funds from private investors and requires government approval. If the funds cannot be obtained, or provided at a satisfactory financing rate, Council will continue to use debt and development contributions funding in order to progress these work programmes. This could result in other projects being delayed or reprioritised to avoid breaching debt limits, thereby affecting current or future improvements to levels of service.

Other Options - Partnering

We are also continuing to investigate other options for delivering services and needed infrastructure within Tauranga. Options around partnering with other organisations, such as our current regional partnering for economic development (Priority One) and growth management (SmartGrowth) are continuing.

In continuing to consider future options a number of options hold particular interest:

- Alignment of income streams and capital expenditure. For example, public transport income currently resides with BOPRC however the capital infrastructure expenditure is largely with TCC. Realigning these income streams provides greater financing capacity.
- Ratepayer funding options for example the use of balance sheets to provide a form of reverse mortgage scheme recognising the significant capital growth occurring to properties within the sub region together with the ongoing need for significant expenditure.
- Water reform is being evaluated by the government across the country with aim of improving three waters service delivery for communities to realise significant public health, environment, economic, and other benefits over the medium to long term. As part of this process government has engaged Water Industry Commission for Scotland to undertake detailed economic modelling and Ernst & Young / Mafic Partners to undertake financial and commercial modelling. This work is expected to provide a better understanding of the current and future state of three waters assets and their operating environment. It is expected that this will lead

legislation change to establish new water entities across the country. Therefore, Council's water assets together with associated liabilities would be transferred to a new entity and so associated revenue and operating would also transfer. Significantly more work will need to be undertaken surrounding overheads and stranded costs.

- Legislative development and longer-term funding and financing options. It is widely recognised that the current local government funding and financing model is severely stressed particularly for high growth councils such as Tauranga. This option could introduce such options as road pricing (e.g. tolling), value capture, GST reallocation, fuel tax. These options are not factored into the funding and financing options for this LTP given the level of legislative and policy change required outside of the control of Council

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TCC Programme of Capital Investment

Key:	Grouping per Graph in Financial Strategy
	Investment by Programme
	Further details of specific projects in Programmes

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
3 Waters Intensification		12,160,384	6,277,850	8,316,961	39,610,375	46,345,276	15,304,218	10,427,375	13,502,500	13,907,300	15,596,400	181,448,638
Mount Intensification		100,000	257,500	265,225	273,175	-	-	-	-	-	-	895,900
Otūmoetai Intensification		50,000	51,500	106,090	109,270	281,375	289,250	297,925	-	-	-	1,185,410
Te Papa Intensification		11,790,667	5,865,850	7,839,556	39,227,930	39,730,150	8,503,950	10,129,450	13,502,500	13,907,300	15,596,400	166,093,753
Cameron Road Crown Infrastructure Partner Waste Water Upgrade Harington to 6th Ave	123669	8,565,000	1,339,000	-	-	-	-	-	-	-	-	9,904,000
Cameron Road Upgrade 1st Ave to Elizabeth St - Stage 1	138435	259,000	-	-	-	-	-	-	-	-	-	259,000
Cameron Road Crown Infrastructure Partner Project Wastewater Upgrade 6th to 17th Ave	138433	-	611,820	-	-	-	-	-	-	-	-	611,820
Cameron Road Upgrade Wastewater - Stage 2	123670	-	-	-	2,185,400	-	-	-	-	-	-	2,185,400
Cameron Road. Upgrade - Stormwater Stage 1	123696	2,566,667	2,884,000	990,173	-	-	-	-	-	-	-	6,440,840
Cameron Road Upgrade - Stormwater Stage 2	123701	200,000	412,000	2,121,800	3,278,100	2,251,000	-	-	-	-	-	8,262,900
Cameron Road Upgrade 17th Ave to Barkes Corner - Stage 2	123703	-	-	377,893	1,092,700	1,575,700	1,272,700	-	-	-	-	4,318,993
Cameron Road Upgrade 14th to 15th Ave - Stage 1	138434	-	310,030	-	-	-	-	-	-	-	-	310,030
Oropi trunk main upgrade	123612	-	-	3,713,150	25,842,355	28,869,075	-	-	-	-	-	58,424,580
Stormwater network capacity upgrades - Otūmoetai and surrounds	123676	-	-	-	-	-	-	-	3,068,750	3,160,750	3,249,250	9,478,750
Stormwater network capacity upgrades & Land acquisition - Te Papa	123677	-	-	106,090	273,175	281,375	289,250	2,979,250	3,068,750	3,160,750	3,249,250	13,407,890

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Te Papa Intensification Stormwater Upgrade Priority Development Areas	123791	200,000	309,000	530,450	6,556,200	6,753,000	6,942,000	7,150,200	7,365,000	7,585,800	9,097,900	52,489,550
Water Network Upgrades & Renewals		100,000	103,000	106,090	-	6,333,751	6,511,018	-	-	-	-	13,153,859
Waste Water Reticulation Upgrades & Renewals		119,717	-	-	-	-	-	-	-	-	-	119,717
Citywide Investment in Waters (Te Maunga & Waiari Plants)		78,716,274	51,059,756	34,164,856	30,699,413	55,054,170	54,902,709	23,763,367	28,413,215	4,289,836	3,612,516	364,676,113
Te Maunga Waste Water Treatment Plant		32,767,930	30,683,382	28,011,636	11,686,433	32,031,359	31,075,509	9,319,963	13,042,273	4,289,836	3,612,516	196,520,837
Waiari Water Treatment Plant Capital		45,948,344	20,376,375	6,153,220	19,012,980	23,022,812	23,827,200	14,443,404	15,370,942	-	-	168,155,276
Growth Assets by Developers		17,886,447	23,801,351	25,645,193	28,459,378	37,852,483	40,733,680	41,536,885	46,657,118	48,055,881	49,362,287	359,990,703
Vested Assets		17,886,447	23,801,351	25,645,193	28,459,378	37,852,483	40,733,680	41,536,885	46,657,118	48,055,881	49,362,287	359,990,703
Investment in City Centre		9,382,222	22,112,803	60,760,478	64,953,603	66,115,002	61,821,571	32,715,570	10,080,080	-	-	327,941,329
Civic Rebuild Capital Programme		9,382,222	22,112,803	60,760,478	64,953,603	66,115,002	61,821,571	32,715,570	10,080,080	-	-	327,941,329
Civic Administration Building	121048	1,909,200	3,734,574	7,883,548	-	-	-	-	-	-	-	13,527,322
Civic Building IT Infrastructure	121050	-	-	4,634,011	-	-	-	-	-	-	-	4,634,011
Civic Heart Building Demolition Costs	121055	3,000,000	-	-	-	-	-	-	-	-	-	3,000,000
Masonic Park upgrade	182657	-	-	-	685,500	3,540,649	6,673,853	-	-	-	-	10,900,001
Civic Whare	182660	-	-	540,500	1,634,500	4,725,199	4,897,950	3,601,849	-	-	-	15,399,998
Baycourt Upgrade	182661	-	-	1,820,000	9,180,000	-	-	-	-	-	-	11,000,000
Strand Waterfront Reserve	182662	-	-	-	1,560,000	5,940,001	-	-	-	-	-	7,500,000
Civic Plaza	182663	-	-	487,999	1,944,999	6,633,500	6,633,499	-	-	-	-	15,699,997
Willow St Upgrade	182664	-	-	-	1,054,000	2,437,892	3,607,580	1,850,527	-	-	-	8,949,998
Civic Library and Community Hub	121980	3,093,022	7,569,478	35,308,168	34,255,817	9,973,516	-	-	-	-	-	90,200,001
Civic Administration Building - Temporary Site	138444	1,380,000	-	-	-	-	-	-	-	-	-	1,380,000
Museum & iSite	182658	-	-	-	1,497,499	4,582,175	13,000,334	13,439,909	10,080,080	-	-	42,599,998
Exhibition & Gallery	182659	-	-	2,195,000	6,541,288	19,249,858	19,790,569	13,823,285	-	-	-	61,600,000

Long-term Plan Amendment 2021-2031

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Hamilton, Wharf & Durham footpath Upgrade	182665	-	-	-	-	1,932,214	7,217,786	-	-	-	-	9,150,000
Wharf as part of Waterfront Reserve	182668	-	5,100,001	6,600,001	6,600,000	7,099,999	-	-	-	-	-	25,400,001
Site A Civic Establishment	186240	-	5,708,750	1,291,250	-	-	-	-	-	-	-	7,000,000
Investment in Community Spaces & Places		29,702,282	35,914,851	36,329,713	65,752,585	82,434,589	54,908,311	46,309,072	44,224,138	27,997,280	56,899,508	480,472,329
Bay Venues New Capital		2,775,950	5,613,713	4,814,920	30,194,671	26,463,189	4,652,540	25,176,648	23,212,746	1,400,077	1,729,511	126,033,965
Beachside Holiday Park Capital Programme		570,729	643,541	359,706	51,842	170,656	136,645	232,476	68,590	1,068,334	396,727	3,699,245
Blake Park Development		465,862	-	844,710	-	1,217,540	-	-	-	189,645	10,397,600	13,115,357
Bus Infrastructure	121562	-	-	106,090	-	-	-	-	-	-	-	106,090
Cemeteries Capital Programme		372,107	956,081	220,650	123,388	88,996	59,743	35,596	248,000	101,635	111,213	2,317,408
City Centre Streetscape Capital Programme		5,126,957	1,275,129	-	-	-	-	-	-	-	-	6,402,086
Historic Village Capital		39,000	-	-	-	-	-	-	-	-	-	39,000
Kopururerua Valley Development		2,599,000	2,636,269	2,431,084	-	-	-	-	-	-	-	7,666,353
Library Capital Works		897,000	1,174,123	1,209,346	1,511,040	1,282,986	1,318,893	1,358,449	1,399,258	1,441,207	1,481,561	13,073,862
Marine Facilities Upgrades & Renewals		1,536,883	2,335,153	7,321,975	2,232,767	686,239	160,169	455,252	553,237	316,075	16,257	15,614,007
Mount Intensification		-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Otūmoetai Intensification		-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Parks LOS Capital Development		4,881,489	2,350,872	660,304	1,365,875	562,750	578,500	595,850	613,750	632,150	1,975,284	14,216,824
Parks Major Capital (\$1m+) Dev & Upg		7,789,555	7,865,634	6,602,545	10,787,840	9,103,747	3,933,035	4,955,982	4,624,577	8,167,378	4,496,962	68,327,256
Marine Parade Boardwalk (Active Rec)	123831	2,000,000	2,060,000	-	-	-	-	-	-	-	-	4,060,000
Accessibility Hotspots (Active Rec)	123845	400,000	412,000	424,360	437,080	450,200	462,800	476,680	491,000	505,720	519,880	4,579,720
CFIP Community Centres in Existing Urban Areas - Future development	123616	-	-	-	-	-	-	595,850	613,750	7,585,800	3,899,100	12,694,500

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Gordon Carmichael Reserve Walkway & Cycleway Development	121399	691,610	-	-	-	-	-	-	-	-	-	691,610
Greerton Park - Development (Active Rec)	121432	-	386,535	180,505	565,632	-	-	-	-	-	-	1,132,672
Kulim Park Development	121659	1,999,185	-	-	-	-	-	-	-	-	-	1,999,185
Marine Park/Sulphur Point Upgrade & Capacity Increase	121650	-	-	-	-	363,114	364,455	3,811,950	3,446,177	-	-	7,985,697
Mauao Placemaking and Interpretation Projects	123586	738,760	1,118,849	-	-	-	-	-	-	-	-	1,857,609
Memorial Park to City Centre Pathway (Active Rec)	123582	500,000	515,000	891,156	9,178,680	7,878,500	-	-	-	-	-	18,963,336
Omanawa Falls Formal Track	122104	1,000,000	3,017,900	-	-	-	-	-	-	-	-	4,017,900
Shared Club Facility Gordon Spratt Reserve (Active Rec)	123593	-	139,050	4,963,303	-	-	-	-	-	-	-	5,102,353
TECT Park Development	123011	460,000	216,300	143,222	147,515	67,530	69,420	71,502	73,650	75,858	77,982	1,402,978
Wairoa River Esplanade Imps (Active Rec)	123258	-	-	-	458,934	175,578	247,598	-	-	-	-	882,110
Memorial Park Upgrade (Ex S2)	121888	-	-	-	-	168,825	2,788,762	-	-	-	-	2,957,587
Parks Minor Capital Development & Upgrades		5,446,534	5,282,878	4,165,709	2,751,755	1,404,096	1,116,505	595,850	981,359	1,448,816	772,022	23,965,524
Cliff Road - Robbins Park area	123643	-	103,000	106,090	546,350	-	-	-	-	-	-	755,440
Develop McLaren Falls	121182	7,149	539,723	7,584	-	-	-	-	-	-	-	554,456
Dive Crescent Activation	150177	100,000	-	-	-	-	-	-	-	-	-	100,000
Elmes Reserve Development	121261	115,000	-	-	-	-	-	-	-	-	-	115,000
Ferguson Park Beach Road end public toilet (Active Rec)	121102	-	246,644	-	-	-	-	-	-	-	-	246,644
Fergusson Park - Sportsfield Reconfiguration	123801	-	811,702	-	-	-	-	-	-	-	-	811,702
Fergusson Park Groynes	121314	-	562,916	-	-	-	-	-	-	-	-	562,916
Fergusson Park reserve upgrades	121312	-	96,226	159,135	145,689	509,324	-	-	-	-	-	910,373
Fraser Street Reserve 1 Development	121341	1,081,378	-	-	-	-	-	-	-	-	-	1,081,378

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Gordon Spratt Court Lights	123594	475,000	-	-	-	-	-	-	-	-	-	475,000
Gordon Spratt Court Shelter	159395	-	-	328,879	-	-	-	-	-	-	-	328,879
Gordon Spratt Multi sport & Cricket Pavilion (Active Rec)	121404	-	30,900	1,125,394	-	-	-	-	-	-	-	1,156,294
Gordon Spratt Reserve Development (Active Rec)	121405	-	128,490	376,620	75,989	-	-	-	399,708	809,080	-	1,789,887
Grange Road - Scout Hall Reserve	123547	200,000	-	-	-	-	-	-	-	-	-	200,000
Install Drinking Fountains	121575	20,000	20,600	21,218	-	-	-	-	-	-	-	61,818
Installation of Additional Public Facilities	159398	290,000	-	-	-	-	-	-	-	-	-	290,000
Installation of Bore Water Irrigation	121576	272,804	-	-	-	-	-	-	-	-	-	272,804
Matua Park Development	121830	120,000	-	314,298	-	-	-	-	-	-	-	434,298
Matua Peninsula Reserve Development	121831	-	-	-	-	-	-	-	-	134,016	252,142	386,158
Mauao Development	121841	85,000	48,668	169,744	87,416	33,765	-	-	-	-	-	424,593
Merivale Community Reserve (12 Kesteven)	123632	-	123,600	169,744	-	-	-	-	-	-	-	293,344
Monmouth Redoubt Upgrades	121926	179,000	-	-	-	-	-	-	-	-	-	179,000
Morland Fox Park - Install walkways and furniture	121929	-	-	-	-	-	-	-	90,651	-	-	90,651
New Public Toilet Gordon Spratt Pump Track	123625	235,000	-	-	-	-	-	-	-	-	-	235,000
New Skatepark Facility	159392	75,000	669,500	-	-	-	-	-	-	-	-	744,500
Oropi Forest and Mountain Bike Trail Restoration Works	123492	-	257,500	265,225	-	-	-	-	-	-	-	522,725
Pāpāmoa Beach Reserve 1 (opp hartford pl and Stella Pl) Public Toilet	123528	-	-	175,049	-	185,708	-	-	-	-	-	360,756
Pāpāmoa Beach Reserve 2 (Opp Alexander Pl & opp Parton Rd) - Public Toilet	123530	-	-	-	180,296	-	190,905	119,170	-	-	-	490,371
Pāpāmoa Dunes: Road-to-Beach Accessways	122201	58,000	59,740	61,532	63,377	-	-	-	-	-	-	242,649

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Playground Shade (Active Rec)	138440	400,000	412,000	424,360	437,080	450,200	462,800	476,680	491,000	505,720	519,880	4,579,720
Pyes Pā Walkways	122418	91,000	-	-	-	-	-	-	-	-	-	91,000
Reconfigure and upgrade toilets Ferguson Park	123621	-	-	-	158,442	-	-	-	-	-	-	158,442
Selwyn Park upgrade	123633	20,000	228,660	-	-	-	-	-	-	-	-	248,660
Signage implementation	123690	-	206,000	212,180	218,540	225,100	231,400	-	-	-	-	1,093,220
Soper Reserve - Ground Leveling for event use	123533	69,400	-	-	-	-	-	-	-	-	-	69,400
Sydenham Botanical Park Development	159388	35,000	-	-	-	-	-	-	-	-	-	35,000
Tauranga and Wharepai Domain improvements	123634	-	41,200	-	-	-	231,400	-	-	-	-	272,600
Tauranga Domain TV Filming Platform	122854	433,031	-	-	-	-	-	-	-	-	-	433,031
Te Papa o Nga Manu Porotakataka	122984	165,000	-	-	-	-	-	-	-	-	-	165,000
Te Ranga Landscape Plan	123745	314,525	216,171	-	-	-	-	-	-	-	-	530,696
Tuihana Reserve Playground	123101	112,572	-	-	-	-	-	-	-	-	-	112,572
Upgrades to Existing Skatepark Facilities	159390	50,000	51,500	53,045	-	-	-	-	-	-	-	154,545
Welcome Bay Reserve Development	121331	442,675	-	-	-	-	-	-	-	-	-	442,675
Welcome Bay Reserve Development	159394	0	309,000	-	-	-	-	-	-	-	-	309,000
Welcome Bay Road Esplanade Development (Active Rec)	123344	-	119,139	195,612	838,578	-	-	-	-	-	-	1,153,329
Parks Renewals		1,874,490	2,607,190	3,243,917	4,644,053	4,021,946	3,674,860	4,002,504	4,031,462	5,965,181	6,380,034	40,445,637
Prop Management Upgrades & Renewals		826,726	916,287	688,651	178,924	1,110,494	491,645	1,035,245	389,659	818,853	1,068,819	7,525,303
Redevelopment of Merivale Community Centre		-	928,212	-	-	-	-	-	-	-	-	928,212
Strand Extension & Waterfront Access		-	515,000	3,182,700	2,731,750	-	-	-	-	-	-	6,429,450
Te Papa Intensification		-	51,500	1,113,945	8,741,600	4,502,000	15,098,850	7,746,050	6,751,250	5,057,200	20,795,200	69,857,595

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Te Papa - Gate Pā Pukehinahina Regeneration Plan implementation - Public realm amenity improvements.	123550	-	-	53,045	6,556,200	3,376,500	-	595,850	613,750	-	-	11,195,345
Te Papa - Greerton Public realm amenity improvements.	123551	-	-	-	-	-	1,157,000	-	1,227,500	-	7,798,200	10,182,700
Te Papa - Merivale Regeneration Plan implementation - Public realm amenity improvements.	123520	-	-	-	-	-	6,942,000	3,575,100	2,455,000	2,528,600	-	15,500,700
Te Papa Spatial Plan Implementation - City Centre Public spaces	123553	-	-	1,060,900	1,092,700	1,125,500	1,157,000	2,383,400	2,455,000	2,528,600	2,599,400	14,402,500
Te Papa Spatial Plan Implementation Gate Pā - Pukehinahina Community Spaces	123560	-	-	-	-	-	5,785,000	-	-	-	-	5,785,000
Te Papa Spatial Plan Implementation General	123561	-	-	-	1,092,700	-	-	1,191,700	-	-	10,397,600	12,682,000
Te Papa Spatial Plan Implementation General Open Space Projects Cultural and local identity interpretation improvements	123562	-	51,500	-	-	-	57,850	-	-	-	-	109,350
Western Active Reserve Capital Works		-	1,793,269	424,360	437,080	31,819,950	23,686,925	-	-	-	-	58,161,585
Capital Delivery Adjustment		(5,500,000)	(1,030,000)	(1,060,900)	-	-	-	-	1,227,500	1,264,300	7,148,350	2,049,250
Investment in Growth Areas		62,984,851	144,448,053	159,887,125	116,614,763	50,857,349	63,586,502	71,979,650	84,023,145	88,883,461	76,846,754	920,111,653
Eastern Corridor - Pāpāmoa East		1,414,091	4,802,654	2,037,779	10,708,460	-	-	-	-	-	-	18,962,984
Eastern Corridor - Pāpāmoa Growth Area		-	-	2,305,256	1,563,503	45,020	-	-	-	-	-	3,913,779
Eastern Corridor - Te Tumu		380,000	257,500	265,225	273,175	16,094,650	25,222,600	22,880,640	31,867,692	20,770,742	8,448,050	126,460,274
Eastern Corridor - Trunk Wastewater		2,550,000	14,780,500	16,404,697	5,572,770	6,978,100	11,627,850	28,318,856	36,885,872	40,579,645	42,729,629	206,427,918
Eastern Corridor - Wairākei		1,869,924	1,973,207	848,720	743,685	-	-	-	734,622	500,822	-	6,670,980
Eastern Corridor - Pāpāmoa East Wairākei		17,247,155	38,796,351	35,304,412	21,334,523	-	-	-	-	-	-	112,682,440
Smiths Farm Development		(8,000,000)	-	-	(21,854,000)	607,770	9,165,754	-	-	-	-	(20,080,476)

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Floodway F3 Land Purchase - Pyes Pā West	121326	-	72,450	-	-	-	-	-	-	-	-	72,450
WC - Pyes Pā West Growth Area		8,073,284	10,868,228	5,761,993	327,810	1,793,766	2,545,400	2,979,250	1,227,500	189,645	194,955	33,961,831
WC - Tauriko Business Estate		27,749,984	36,320,849	22,349,898	16,076,529	-	-	-	-	-	-	102,497,259
Western Corridor - Belk Rd Plateau		844,350	404,275	3,165,248	3,605,910	1,463,150	-	-	-	-	-	9,482,933
Western Corridor - Bethlehem		2,130,000	5,308,668	3,341,835	3,751,141	-	-	476,680	1,473,000	1,517,160	1,299,700	19,298,184
Western Corridor - Reserves & Playgrounds		78,524	161,759	4,165,315	1,318,797	-	-	-	-	-	-	5,724,396
Western Corridor Water land purchase- Reservoir and PS land	123648	-	-	-	-	-	-	-	-	-	129,970	129,970
Western Corridor - Ring Rd		4,138,000	696,307	217,485	15,291,025	-	-	-	-	-	-	20,342,817
Western Corridor - Social Infrastructure		-	-	5,304,500	5,463,500	5,627,500	5,785,000	7,150,200	1,473,000	18,711,640	24,044,450	73,559,790
CFIP Strategic Land Purchase for Social Infrastructure - Western Corridor	180752	-	-	5,304,500	5,463,500	5,627,500	5,785,000	5,958,500	-	-	-	28,139,000
CFIP Western Corridor Active Reserve Development	123362	-	-	-	-	-	-	-	245,500	1,011,440	11,047,450	12,304,390
CFIP Western Corridor Community Centre Development	123363	-	-	-	-	-	-	595,850	613,750	7,585,800	5,848,650	14,644,050
CFIP Western Corridor Indoor Pool Development	123365	-	-	-	-	-	-	-	-	-	1,299,700	1,299,700
CFIP Western Corridor Indoor Sports Centre Development	123366	-	-	-	-	-	-	-	-	-	649,850	649,850
CFIP Western Corridor Library Development)	123372	-	-	-	-	-	-	595,850	613,750	8,850,100	5,198,800	15,258,500
Western Corridor Destination Playground Development (Active Rec)	123364	-	-	-	-	-	-	-	-	1,264,300	-	1,264,300
Western Corridor - Tauriko West		4,509,539	30,005,304	58,414,763	52,437,935	18,247,394	9,239,898	10,174,024	10,361,459	6,613,806	-	200,004,123
Cambridge Rd Reservoir No 4	120844	-	-	-	327,810	6,753,000	-	-	-	-	-	7,080,810
Cambridge road Water PS TW	123611	-	-	-	-	-	2,429,700	-	-	-	-	2,429,700
Redwood Lane Widening	150207	1,000,000	576,800	668,367	721,182	-	-	-	-	-	-	2,966,349

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Tauriko West High Level Watermain	122911	-	288,400	2,652,250	-	-	-	-	-	-	-	2,940,650
Tauriko West public toilets	122914	-	-	-	327,810	168,825	-	-	-	-	-	496,635
Tauriko West Temporary pump station rising main- initial stage	122915	651,265	3,763,174	-	-	-	-	-	-	-	-	4,414,439
Tauriko West Temporary pump station rising main- initial stage- Planning	130240	150,000	-	-	-	-	-	-	-	-	-	150,000
Tauriko West - Northern Access	123737	1,000,000	10,900,001	18,789,260	18,966,301	-	-	-	-	-	-	49,655,562
Tauriko West Spine Road	130255	-	-	-	5,716,132	5,887,716	6,052,498	6,234,021	6,421,298	6,613,806	-	36,925,471
Whiore Avenue Upgrade	123740	50,000	319,999	3,152,830	-	-	-	-	-	-	-	3,522,830
Water Supply Connecting Matakokiri to Redwood vis Stage 4 TBE, Other growth projects outside of LTP period	123608	-	-	3,713,150	-	-	-	-	-	-	-	3,713,150
Water Supply Connecting Matakokiri to Redwood vis Stage 4 TBE, Other growth projects outside of LTP period- Planning	130239	250,000	257,500	-	-	-	-	-	-	-	-	507,500
Western Corridor Stage 1 East	150194	-	-	-	-	-	757,700	3,940,003	3,940,161	-	-	8,637,864
Western Corridor Stage 1 West	150192	1,208,274	7,199,429	5,954,905	5,954,758	-	-	-	-	-	-	20,317,366
Western Corridor Stage 2	150193	-	-	-	-	5,437,853	-	-	-	-	-	5,437,853
Cambridge Road Intersection Upgrade	182671	-	6,700,001	23,484,001	20,423,942	-	-	-	-	-	-	50,607,943
Tauriko West High Level wtrmn Planning	130241	200,000	-	-	-	-	-	-	-	-	-	200,000
Investment in Resilience		1,600,000	1,648,000	7,850,660	11,298,518	12,166,655	9,587,570	13,942,506	27,024,375	43,401,117	57,789,655	186,309,056
Investment in Transportation		41,228,540	-36,891,360	29,620,147	84,353,423	193,634,235	239,731,600	211,041,073	207,944,835	249,284,529	218,432,830	1,438,379,852
Accessible Streets		2,179,827	13,029,801	29,683,471	32,996,622	31,025,339	28,668,190	10,990,073	3,238,268	10,196,009	9,320,390	171,327,991
Chapel Street Esplanade Walkway/ Cycleway	121020	-	688,864	-	-	-	-	-	-	-	-	688,864
Cycle Action Plan - Low Cost Low Risk Projects	121133	1,120,470	2,692,863	1,981,178	2,040,563	2,101,815	2,160,640	2,225,440	2,292,295	2,361,017	2,427,125	21,403,405

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Otūmoetai / Matua Coastal Pathway	123265	-	309,000	742,630	764,890	-	-	-	-	-	-	1,816,520
Welcome Bay Road multimodal improvements	123680	300,000	412,000	954,810	-	-	-	-	-	-	-	1,666,810
Access St Area C - Te Papa E/W connect	123744	-	-	-	-	-	-	-	945,973	7,834,992	6,893,266	15,674,231
Access St - AreaA Mount/Bayfair/ Pāpāmoa	123730	-	597,196	4,142,681	11,584,425	16,350,313	19,565,550	8,764,633	-	-	-	61,004,798
Arataki Area Accessibility and Placemaking	123734	-	-	4,774,050	-	-	-	-	-	-	-	4,774,050
Arataki Area Accessibility and Placemaking Business Case/Design	130267	-	257,500	265,225	-	-	-	-	-	-	-	522,725
Arataki to Pāpāmoa East Multimodal Stage 2	123832	-	-	-	-	-	6,942,000	-	-	-	-	6,942,000
Arataki to Pāpāmoa East Multimodal Stage 2 BUS CASE	130266	-	-	254,616	-	-	-	-	-	-	-	254,616
Arataki Multi-modal Stage 1	120641	-	-	1,424,789	1,467,496	-	-	-	-	-	-	2,892,285
S1 Access St - AreaB-Otūmoetai/ Bellevue/Judea	123731	759,357	8,072,378	15,143,492	17,139,249	12,573,211	-	-	-	-	-	53,687,687
Bus Infrastructure		2,805,170	5,763,025	18,028,585	14,898,058	4,076,752	4,046,226	4,000,739	11,223,855	5,934,839	4,363,314	75,140,563
Bus Shelter Renewals	120836	127,170	130,985	134,915	352,035	362,602	372,751	383,930	395,464	407,320	418,724	3,085,895
New bus shelter installation	123720	1,000,000	1,030,000	1,060,900	1,092,700	225,100	86,775	89,378	92,063	94,823	97,478	4,869,215
Optimise public transport infrastructure Business Case	123847	420,000	-	-	-	-	-	-	-	-	-	420,000
Optimise public transport infrastructure	159385	200,000	1,236,000	1,273,080	1,311,240	1,350,600	1,388,400	1,430,040	1,473,000	1,517,160	1,559,640	12,739,160
Realtime Bus Information	122474	200,000	164,800	-	-	-	-	-	-	-	-	364,800
Bethlehem bus infrastructure improvements	123743	-	-	747,935	2,311,061	-	-	-	-	-	-	3,058,995
Tauranga Crossing bus facility improvements	123736	-	463,500	2,646,946	-	-	-	-	7,102,929	1,690,369	-	11,903,743
City centre active modes and public transport upgrades - studies and implementation	123797	300,000	1,957,000	2,015,710	2,076,130	2,138,450	2,198,300	2,097,392	2,160,400	2,225,168	2,287,472	19,456,022

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Arataki Bus Facility - Construction	123719	-	-	7,308,540	7,754,892	-	-	-	-	-	-	15,063,432
Arataki Bus Facility - Business Case	123839	408,000	420,240	432,847	-	-	-	-	-	-	-	1,261,087
Brookfield Public Transport Improvements	120813	-	206,000	-	-	-	-	-	-	-	-	206,000
Wairākei Town Centre bus facility	150204	150,000	154,500	2,407,713	-	-	-	-	-	-	-	2,712,213
Carpark Buildings		3,981,000	4,100,430	-	-	-	-	-	-	-	-	8,081,430
Domain Rd Upgrading Capital Works		-	-	2,619,488	1,748,320	2,662,370	-	-	-	-	-	7,030,179
Local Roads Pedestrian Improvements		1,933,070	2,060,000	2,635,276	2,731,927	1,688,250	1,735,500	1,787,550	1,841,250	1,896,450	1,949,550	20,258,823
Local Roads Renewals		13,265,050	17,284,761	14,579,879	14,555,392	14,918,299	19,559,319	13,584,537	14,068,715	14,567,986	15,680,606	152,064,544
Local Roads Upgrades and Improvements		10,106,943	27,296,852	16,561,092	10,130,247	6,134,920	58,153,227	83,142,049	4,604,695	5,201,295	5,048,500	226,379,820
230 Ohauiti Road Retaining Wall	123549	436,152	-	-	-	-	-	-	-	-	-	436,152
Beaumaris Boulevard flood mitigation	120725	500,000	4,396,421	-	-	-	-	-	-	-	-	4,896,421
Coastal Erosion Protection	121060	600,000	-	-	-	-	-	-	-	-	-	600,000
Drainage Improvements	121224	175,000	180,250	185,658	382,445	393,925	404,950	625,643	644,438	663,758	454,895	4,110,960
Land Purchases - Widening District Wide	121674	100,000	206,000	212,180	218,540	168,825	173,550	178,755	-	-	-	1,257,850
Maranui St Reconstruction	121791	-	-	1,644,928	-	-	-	-	-	-	-	1,644,928
Maunganui Road Safety Improvements	121853	3,336,750	4,849,240	4,120,642	-	-	-	-	-	-	-	12,306,632
New Retaining Wall LCLR programme	150198	-	515,000	-	-	-	-	-	-	-	-	515,000
Ohauiti Rd (Boscobel South)	122097	-	-	-	-	-	-	-	-	509,260	-	509,260
Oropi Road / Maleme Street Intersection Upgrade	122160	-	-	-	109,270	1,688,250	-	-	-	-	-	1,797,520
Papamoa Beach Rd Intersection Imprvmnts	122192	-	-	-	-	-	-	1,050,406	-	-	-	1,050,406

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Retaining Wall - Poike Road	150199	-	1,339,000	-	-	-	-	-	-	-	-	1,339,000
Retaining Wall Courtney Road	150197	165,000	-	-	-	-	-	-	-	-	-	165,000
Totara Street Improvements inc Cycleways	123039	-	8,002,070	-	-	-	-	-	-	-	-	8,002,070
Truman Lane Reconstruction	123088	-	-	3,177,999	-	-	-	-	-	-	-	3,177,999
TSP002 - Hewletts Sub Area (Totara, Hull, Maunganui)	123653	1,000,000	2,060,000	2,121,800	2,185,400	-	51,735,255	77,651,172	-	-	-	136,753,627
TSP038 Speed Management Plan Impl	122743	375,000	695,250	434,969	327,810	337,650	347,100	357,510	368,250	379,290	389,910	4,012,739
TSP041 - Fraser St/Chadwick Rd Intsctn Upgrade	121339	-	257,500	1,088,616	-	-	-	-	-	-	-	1,346,116
TSP042 - Safe Network Programme	123724	2,944,041	3,096,621	3,574,302	3,082,332	3,546,270	5,492,372	2,602,244	3,592,007	3,648,987	4,203,695	35,782,871
TSP052 - Te Marie/Newton Street Link Construction	122942	-	1,699,500	-	-	-	-	-	-	-	-	1,699,500
Turret Road Safety Improvements (Hairini)	150205	475,000	-	-	-	-	-	-	-	-	-	475,000
Waitaha Rd	123260	-	-	-	-	-	-	676,320	-	-	-	676,320
Welcome Bay Rd Upgrade	123341	-	-	-	3,824,450	-	-	-	-	-	-	3,824,450
Ohauti South - Growth Area		-	-	-	-	-	-	-	184,125	1,453,945	2,794,355	4,432,425
Otūmoetai Intensification		-	-	-	1,311,240	8,216,150	-	8,937,750	9,206,250	9,482,250	9,747,750	46,901,390
Park & Ride Activation		597,400	3,032,583	9,211,461	10,320,835	13,233,824	4,021,988	-	-	-	40,418,090	40,418,090
TSP014 - Park & Ride Eastern Corridor Papamoa East - Business Case	123846	-	-	343,201	710,255	-	-	-	-	-	-	1,053,456
TSP014 - Park and Ride site Eastern corridor - Papamoa East area	123545	-	-	-	1,639,050	1,688,250	8,793,200	-	-	-	-	12,120,500
TSP016 - Park and Ride - Eastern Corridor (Domain Road area)	123534	-	-	1,432,215	2,212,718	8,328,700	-	-	-	-	-	11,973,633
TSP019 - Park & Ride Tauriko - Business Case and Design	123843	-	257,500	530,450	-	-	-	-	-	-	-	787,950
TSP043 - Tauriko Park n Ride	123742	-	-	-	4,649,439	303,885	4,440,624	4,021,988	-	-	-	13,415,935
TSP054 - Park and Ride - Eastern Corridor (Domain Road area) Business Case & Design	123844	-	339,900	726,717	-	-	-	-	-	-	-	1,066,617

Long-term Plan Amendment 2021-2031

Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Parking Infrastructure		1,350,333	1,565,943	1,082,471	381,821	393,282	404,289	416,415	428,924	441,783	454,153	6,919,415
Prop Management Upgrades & Renewals		231,607	47,851	49,286	15,123	15,577	16,013	16,493	16,989	17,498	17,988	444,424
Property Disposals		(20,000)	(20,600)	(21,218)	(21,854)	(22,510)	(23,140)	(23,834)	(24,550)	(25,286)	(25,994)	(228,986)
Streetlight Renewal & LED Upgrade		1,400,000	1,236,000	1,273,080	1,330,968	3,112,518	3,199,630	1,504,943	1,550,153	1,511,665	1,553,991	17,672,950
Te Papa Intensification		19,123,554	29,365,822	50,523,443	101,828,961	121,314,523	70,065,218	26,310,233	27,100,622	27,913,089	28,694,647	502,240,113
Cameron Road / 9th Ave Traffic Signals	123770	295,602	422,952	-	-	-	-	-	-	-	-	718,554
Cameron Road Stage1	123428	15,763,192	20,600,000	2,652,250	-	-	-	-	-	-	-	39,015,442
Cameron Road/ 3rd Avenue Traffic Signals	123786	718,760	-	-	-	-	-	-	-	-	-	718,760
Cameron Road/Harington Street Traffic Signals	123769	-	515,000	-	-	-	-	-	-	-	-	515,000
TSP006 - Active Mode Memorial to Greerton off Road BC	130263	-	1,606,800	-	-	-	-	-	-	-	-	1,606,800
TSP006 - Fraser Street MultiModal	123710	-	-	-	-	877,890	902,460	24,265,276	24,994,232	25,743,550	26,464,361	103,247,770
TSP018 - Cameron Road Stage 2	123429	1,530,000	1,000,000	32,292,089	49,607,735	51,096,829	23,949,050	-	-	-	-	159,475,703
TSP019 - Greerton, Gate Pa, Hospital and City Centre periphery - active modes and public transport upgrades, including public realm - studies and implementation	123798	300,000	1,339,000	1,379,170	1,420,510	1,463,150	1,504,100	1,549,210	1,595,750	1,643,590	1,689,610	13,884,090
TSP020 - Wayfinding - Study and Implementation	123796	100,000	463,500	477,405	-	-	-	-	-	-	-	1,040,905
TSP022 -10th Avenue Western Avenues walking and cycling bridge single stage business case	123714	-	-	245,068	1,093,793	6,239,772	6,414,408	-	-	-	-	13,993,041
TSP023 - Gate Pa and Merivale Walking and Cycling Bridge Single Stage Business Case	123715	-	237,930	1,061,961	6,057,929	6,239,772	-	-	-	-	-	13,597,592
TSP024 - Hospital Area Transport Hub	123723	-	643,750	1,326,125	5,474,427	13,213,370	-	-	-	-	-	20,657,672
TSP025 - Greerton Area Transport Hub	123725	-	643,750	1,326,125	-	-	-	-	-	-	-	1,969,875

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
TSP028 - East West Links Active Modes Upgrades - standard interventions/business case	123799	-	-	1,273,080	-	3,038,850	3,123,900	-	-	-	-	7,435,830
TSP032 - City Centre Transport Hub	123717	-	1,464,660	2,782,529	17,264,660	17,782,900	12,211,441	-	-	-	-	51,506,189
TSP049 - Neighborhoods active modes and public transport upgrades	130262	416,000	428,480	441,334	454,563	468,208	481,312	495,747	510,640	525,949	540,675	4,762,909
TSP054 - Te Papa Active Mode Off-Road (North-South) Connection Business Case	130272	-	-	2,121,800	-	-	-	-	-	-	-	2,121,800
TSP054 - Te Papa Active Mode Off-Road (North-South) Connection Implementation	123716	-	-	3,144,508	20,455,344	20,893,782	21,478,548	-	-	-	-	65,972,182
Traffic Signalisations		700,000	-	-	130,510	-	-	-	-	-	779,820	1,610,330
Transportation Model		853,528	463,500	700,194	781,281	534,613	289,250	297,925	-	-	-	3,920,290
TTOC Projects		612,458	426,892	460,918	314,069	179,320	209,446	232,173	275,482	161,230	215,393	3,087,380
Welcome Bay, Turret Rd & 15th Ave Corridor		706,000	862,110	2,441,767	314,698	18,008,000	40,263,600	-	-	-	-	62,596,175
Western Active Reserve Capital Works		-	80,855	-	-	6,579,842	4,565,696	-	-	-	-	11,226,392
Capital Delivery Adjustment		(18,000,000)	(141,052,001)	(114,030,167)	(108,305,420)	(35,523,846)	(4,654,687)	55,822,038	134,230,057	170,531,775	137,838,367	76,856,117
Maintaining & Improving Existing Assets & Services		49,092,985	71,083,506	71,432,491	76,643,026	67,324,486	63,571,165	75,625,537	80,917,632	89,060,794	100,684,911	745,436,532
Airport Upgrades & Renewals		554,265	677,668	387,229	8,933,232	118,178	5,785	5,959	98,200	6,322	58,487	10,845,323
Animal Services Minor Capital Works		77,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	206,914
Animal Services Pound Upgrades		200,000	339,900	-	-	-	-	-	-	-	-	539,900
Baycourt Capital Renewals		425,245	270,356	417,793	303,969	301,607	357,864	389,387	283,706	435,632	356,473	3,542,032
Capital Delivery Adjustment		(19,000,000)	(7,725,000)	(1,060,900)	(1,639,050)	(9,004,000)	(4,628,000)	11,917,000	13,502,500	12,643,000	12,997,000	8,002,550
Civic Complex Renewals		10,150	14,420	10,768	15,298	-	-	-	-	-	-	50,636
Corporate Services Minor Capital Works		400,000	51,500	31,827	32,781	33,765	34,710	35,751	36,825	37,929	38,991	734,079

Long-term Plan Amendment 2021-2031

Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
CSC Stormwater Treatment Capital Works		829,420	1,030,000	1,060,900	1,639,050	1,125,500	578,500	595,850	613,750	632,150	649,850	8,754,970
Digital Services Business As Usual		2,479,248	3,182,692	3,415,282	2,303,294	3,181,970	2,785,197	3,778,411	2,796,549	3,122,970	3,358,256	30,403,869
Digital Services Capital Programme		1,219,145	1,053,835	1,152,061	1,247,894	1,392,334	1,505,613	1,632,670	1,771,982	1,924,583	2,087,895	14,988,012
Elder Housing Disposal & Upgrades		482,888	-	-	-	-	-	-	-	-	-	482,888
Emergency Management Capital Works		50,000	3,573,708	37,132	38,245	-	-	-	-	-	-	3,699,084
Freshwater Management		330,000	473,800	116,699	-	-	-	-	-	-	-	920,499
Harrisons Cut Stabilisation		1,000,000	2,027,797	-	-	-	-	-	-	-	-	3,027,797
Health & Safety Risk Control Capital		500,000	463,500	371,315	163,905	112,550	115,700	119,170	122,750	126,430	129,970	2,225,290
Historic Village Capital		2,378,142	2,427,489	1,104,943	821,692	489,678	313,799	261,024	62,443	168,180	294,452	8,321,842
IT Hardware Renewals		247,447	108,803	34,607	34,966	24,902	21,086	19,693	22,371	20,893	35,807	570,574
IT Software		10,621,113	11,252,228	11,851,043	11,560,585	13,429,343	10,706,102	11,820,864	13,069,572	14,467,800	16,004,568	124,783,218
Kerbside Waste Collection Capital Works		750,000	860,587	919,738	947,306	975,742	1,003,051	1,033,255	1,092,763	1,125,578	1,157,038	9,865,059
Maranui Street RDG Associated	121793	-	-	-	373,985	-	-	-	-	-	-	373,985
Marine Precinct Upgrades & Renewals		2,519,533	1,981,770	4,644,101	351,456	257,334	264,536	272,470	280,656	289,070	297,163	11,158,091
Marine Precinct - Offloading Wharf	121807	1,998,716	514,669	-	-	-	-	-	-	-	-	2,513,385
Marine Precinct Office Construction	121811	20,000	515,000	-	-	-	-	-	-	-	-	535,000
Marine Precinct Renewal	121813	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Stage 2 Marine Precinct Development	123595	-	422,300	4,530,042	101,621	-	-	-	-	-	-	5,053,963
Maintaining & Improving Existing Assets & Services		1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Growing Communities Smart Hub		-	602,783	1,338,575	1,378,699	-	-	-	-	-	-	3,320,056
Prop Management Upgrades & Renewals		508,658	136,500	132,305	67,681	92,936	126,804	175,755	116,670	166,407	216,956	1,740,672
Regulatory Services Minor Capital Works		10,000	10,300	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	114,493

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Reservoir Upgrades & Renewals		1,431,000	2,316,470	5,607,917	4,810,066	8,952,227	7,228,937	2,351,224	1,768,827	1,625,890	13,113,869	49,206,428
Strategic Acquisition Fund		(7,500,000)	5,150,000	5,304,500	5,463,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	44,746,500
Sustainability & Waste Upgrds & Renewals		8,566,159	14,266,330	135,381	2,071,919	4,786,899	160,752	67,316	104,544	65,897	70,804	30,296,000
SW Bulk Fund & Reactive Reserve		3,712,449	5,106,133	13,852,606	2,185,400	2,251,000	2,314,000	2,383,400	3,437,000	3,540,040	3,639,160	42,421,189
SW Minor Capital Works & Renewals		1,891,391	2,138,090	2,042,835	2,335,453	3,033,503	2,833,898	3,613,711	7,712,608	8,083,729	7,790,369	41,475,588
Wairākei Stream Culvert Upgrade		-	-	1,538,251	8,182,224	2,351,170	-	-	-	-	-	12,071,644
Wairākei Stream Landscaping		1,250,000	2,059,916	397,838	163,905	225,100	231,400	-	-	-	-	4,328,158
Wastewater Renewals/Upgrades Programme		-	-	-	-	-	-	-	245,500	1,868,426	-	2,113,926
Water Netwrk Upgrades & Renewals		5,520,659	6,523,580	5,629,812	7,534,683	4,819,592	14,217,393	8,687,949	3,325,412	3,916,607	7,842,648	68,018,336
Water Supply Plant Upgrades & Renewals		2,647,413	1,586,819	1,710,527	2,768,094	8,810,295	5,103,628	1,560,858	3,552,067	2,809,416	1,409,068	31,958,185
Waters CIP Stimulus		15,570,121	-	-	-	-	-	-	-	-	-	15,570,121
Welcome Bay, Turret Rd & 15th Ave Corridor		-	-	-	291,751	-	-	-	-	-	-	291,751
Western Active Reserve Capital Works		-	-	-	-	433,462	115,700	-	-	-	-	549,162
WW Reticulation Upgrades & Renewals		6,209,235	8,257,558	8,285,363	11,170,125	12,132,963	11,647,784	17,464,786	19,361,565	24,853,131	21,380,873	140,763,384
WW Treatment Plant Renewals		2,201,355	863,974	951,434	1,073,609	1,341,483	729,704	1,401,999	1,383,931	771,975	1,234,862	11,954,328
Total Capital Programme		302,753,985	319,454,811	434,007,624	518,385,084	611,784,246	604,147,325	527,341,034	542,787,037	564,880,197	579,224,862	5,004,766,204

Capital Delivery Adjustment - This is an adjustment to financing of the capital programme. It recognises that while we plan to deliver all the projects identified, there will be for some projects, delays caused by factors such as consenting requirements, unforeseen ground conditions and weather impacts that will affect the timing of projects.



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Finance

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Financials

PROSPECTIVE STATEMENT OF FINANCIAL POSITION (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
ASSETS												
ASSETS - CURRENT												
Cash and Cash Equivalents	14,774	0	22	22	22	22	22	22	22	22	22	22
Debtors & Other Receivables	59,895	30,419	59,895	61,632	63,419	65,258	67,151	68,964	70,895	72,880	74,921	76,943
Inventories	444	451	444	444	444	444	444	444	444	444	444	444
Derivative Financial Instruments	0	218	0	0	0	0	0	0	0	0	0	0
Other Investments	0	0	0	0	0	0	0	0	0	0	0	0
Financial Assets held for sale	0	0	0	0	0	0	42,351	0	0	0	0	0
Non-Current Assets Held for Sale	14,692	4,251	5,703	5,874	6,050	6,232	6,419	6,599	6,796	7,000	7,210	7,412
Total Current Assets	89,805	35,339	66,064	67,973	69,936	71,957	116,387	76,029	78,158	80,347	82,598	84,822
ASSETS NON-CURRENT												
Derivative Financial Instruments	0	0	0	0	0	0	0	0	0	0	0	0
Other Financial Assets	22,343	22,374	36,487	37,867	39,303	40,797	0	0	0	0	0	0
Other Investments - CCOs	113,227	120,256	117,945	121,310	122,255	122,746	129,918	129,713	129,760	128,915	127,765	127,036
Other Investments - Other Entities	391	364	391	391	391	391	391	391	391	391	391	391
Investment Property	55,765	56,140	67,080	69,092	71,165	73,300	75,499	77,613	79,941	82,340	84,810	87,185
Intangible Assets	30,001	15,635	29,675	38,124	45,821	58,115	72,467	83,805	96,378	110,808	126,041	142,854
Forestry	9,872	10,641	10,197	10,503	10,818	11,143	11,477	11,799	12,153	12,517	12,893	13,254
Property, Plant & Equipment	4,315,052	4,702,085	5,340,978	5,740,478	6,250,447	6,841,795	7,518,170	8,183,010	8,776,005	9,383,358	10,011,464	10,632,931
Total Non-Current Assets	4,546,651	4,927,495	5,602,753	6,017,766	6,540,200	7,148,286	7,807,922	8,486,330	9,094,627	9,718,328	10,363,363	11,003,650
TOTAL ASSETS	4,636,456	4,962,834	5,668,817	6,085,738	6,610,136	7,220,243	7,924,309	8,562,358	9,172,785	9,798,675	10,445,960	11,088,472

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF FINANCIAL POSITION (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
LIABILITIES												
LIABILITIES - CURRENT												
Payables & Deferred Revenue	101,100	63,684	101,115	104,047	107,064	110,169	113,364	116,425	119,685	123,036	126,481	129,896
Provisions	8,251	4,165	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242
Employee Entitlements	5,431	4,331	5,416	5,573	5,735	5,901	6,072	6,236	6,411	6,590	6,775	6,958
Deposits Held	6,173	5,577	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174
Revenue in Advance	5,375	5,175	5,375	5,531	5,691	5,856	6,026	6,189	6,362	6,540	6,723	6,905
Derivative Financial Instruments	1,486	1,473	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486
Borrowings	54,079	49,958	55,623	55,613	115,152	115,725	179,888	189,154	117,317	132,374	201,604	165,771
Total Current Liabilities	181,895	134,363	183,431	186,666	249,544	253,554	321,253	333,906	265,677	284,443	357,486	325,432
LIABILITIES NON-CURRENT												
Provisions	4	4	14	14	14	14	14	14	14	14	14	14
Employee Entitlements	0	40	0	0	0	0	0	0	0	0	0	0
Derivative Financial Instruments	69,286	56,054	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286
Borrowings	485,620	636,012	707,250	833,628	922,697	1,104,502	1,286,803	1,373,786	1,512,214	1,604,505	1,632,129	1,777,783
Other Non-Current Liabilities	2,181	1,354	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176
Total Non-Current Liabilities	557,091	693,464	778,726	905,104	994,173	1,175,978	1,358,279	1,445,262	1,583,690	1,675,981	1,703,605	1,849,259
TOTAL LIABILITIES	738,986	827,827	962,157	1,091,770	1,243,717	1,429,532	1,679,531	1,779,168	1,849,367	1,960,423	2,061,090	2,174,691
NET ASSETS	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,191	7,323,419	7,838,251	8,384,870	8,913,781
EQUITY												
Retained Earnings	1,174,848	1,306,346	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,306	3,143,398	3,384,830	3,602,498	3,802,057
Restricted Reserves	(162,556)	(232,224)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)
Other Council Created Reserves	130,243	115,706	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Asset Revaluation Reserves	2,754,934	2,945,176	3,431,251	3,592,297	3,767,209	3,957,101	4,163,808	4,374,104	4,618,663	4,884,136	5,171,540	5,460,332
Total Equity	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,191	7,323,419	7,838,251	8,384,870	8,913,781

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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Financials

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
OPERATING REVENUE												
Rates, Including Targeted Rates for Water Supply	179,605	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Grants & Subsidies	9,921	10,174	11,652	10,340	10,028	10,184	11,678	11,583	13,153	15,364	14,819	15,218
Fees & Charges	49,951	46,565	53,771	55,817	59,499	62,182	66,312	71,142	74,381	78,799	84,800	89,588
Finance Revenue	3,333	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Total Operating Revenue	242,810	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
ASSET DEVELOPMENT REVENUE & OTHER GAINS												
Development Contributions	30,877	17,657	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Other Gains	4,750	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0
Grants & Subsidies Capital Expenditure Contributions	31,929	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774
Vested Assets to Tauranga City Council	24,110	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636
Total Asset Development Revenue & Other Gains	91,666	76,535	107,454	135,624	207,359	232,206	246,274	310,478	281,853	234,038	242,967	220,564
TOTAL REVENUE	334,476	324,310	408,627	472,725	567,288	628,120	681,539	792,600	809,638	799,706	848,495	868,389
OPERATING EXPENDITURE												
Personnel Expense	62,797	66,310	78,588	85,716	88,993	91,706	94,254	97,081	100,106	103,761	107,417	110,311
Depreciation & Amortisation Expense	55,947	62,282	71,338	81,374	87,239	100,671	116,424	134,058	161,381	181,935	204,489	225,070
Finance Expenses	22,206	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Other Operating Expenses	116,732	127,285	154,961	155,863	160,317	162,807	177,986	179,779	192,337	201,667	210,114	220,522
Total Operating Expenditure	257,682	276,722	326,354	348,924	368,549	392,520	432,980	463,284	512,769	549,147	588,080	627,071

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
OTHER EXPENSES												
Other Losses	35,764	0	0	0	0	0	0	0	0	0	0	0
Unrealised Loss on Interest Swaps	13,643	0	0	0	0	0	0	0	0	0	0	0
Provisions Expense	32,645	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Other Expenses	81,872	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
TOTAL EXPENDITURE	339,554	277,922	327,554	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271
SURPLUS/(DEFICIT) BEFORE TAXATION	(5,078)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
Income Tax (Expense)/Benefit	1,440	0	0	0	0	0	0	0	0	0	0	0
Surplus from Continuing Operations	(3,638)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
SURPLUS/(DEFICIT) AFTER TAXATION	(3,638)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
OTHER COMPREHENSIVE REVENUE AND EXPENSE												
Asset Revaluation Reserve Gains/(Losses)	(6,386)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
Taxation on Other Comprehensive Revenue	(2,263)	0	0	0	0	0	0	0	0	0	0	0
Other Comprehensive Revenue and Expense for the year, net of tax	(8,649)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	(12,287)	223,908	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911

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Financials

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
EQUITY AT END OF PRIOR YEAR	3,909,105	3,909,104	4,460,636	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870
Total Comprehensive Revenue and Expense	(12,287)	223,908	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911
Other Movements	651	1,995	1	3,661	0	0	0	0	1	0	0	0
Movements in Equity for the Year	(11,636)	225,903	246,024	287,308	372,451	424,292	454,067	538,412	540,229	514,832	546,619	528,911
EQUITY AT THE END OF PRIOR YEAR	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781
COMPONENTS OF EQUITY												
Retained Earnings												
Retained Earnings at beginning of Year	1,129,294	1,129,294	1,324,906	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,304	3,143,398	3,384,830	3,602,498
Surplus/(Deficit) after taxation for the Year	(3,638)	46,386	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911
Net Transfers to/ from Other Reserves	49,192	128,671	63,212	62,397	80,986	30,770	39,133	32,151	(578)	(7,927)	(41,547)	(40,559)
Other Adjustments	0	1,994	(164,949)	(157,386)	(174,912)	(189,892)	(206,708)	(210,298)	(244,556)	(265,474)	(287,404)	(288,793)
Retained Earnings at end of Year	1,174,848	1,306,345	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,304	3,143,398	3,384,830	3,602,498	3,802,057
Restricted Reserves												
Restricted Reserves at beginning of Year	(115,039)	(115,039)	(247,746)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)
Net Transfers to/ (from) Retained Earnings	(47,517)	(117,185)	(88,449)	(59,899)	(74,977)	(44,240)	(55,007)	(57,412)	(51,833)	(58,320)	(26,569)	(36,490)
Restricted Reserves at end of Year	(162,556)	(232,224)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)
Restricted Reserves Consists of:												
Trusts	798	795	28	20	12	3	(5)	(14)	(22)	(30)	(39)	(47)
Other Restricted Reserves	4,416	4,237	4,241	4,126	4,007	3,885	3,759	3,630	3,496	3,359	3,217	3,072
Development Contributions	(167,770)	(237,257)	(340,465)	(400,240)	(475,090)	(519,199)	(574,072)	(631,346)	(683,037)	(741,211)	(767,630)	(803,966)
Restricted Reserves at end of Year	(162,556)	(232,225)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
Council Created Reserves												
Council Created Reserves at beginning of Year	127,191	127,191	117,175	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284
Net Transfers to/ (from) Retained Earnings	3,052	(11,486)	25,237	(2,498)	(6,009)	13,470	15,874	25,261	52,411	66,247	68,116	77,049
Council Created Reserves at end of Year	130,243	115,705	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Council Created Reserves Consist of:												
Depreciation Reserves	145,569	123,091	134,243	128,799	123,401	134,624	143,752	164,461	209,890	268,816	328,591	395,728
Other Special Purpose Reserves	(15,326)	(7,385)	8,169	11,115	10,504	12,751	19,497	24,050	31,032	38,352	46,693	56,606
Council Created Reserves at end of Year	130,243	115,706	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Asset Revaluation Reserves												
Asset Revaluation Reserves at beginning of Year	2,767,656	2,767,656	3,266,301	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541
Net Impact of Revaluations on Revaluation Reserves Gains/(Losses)	(6,386)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
Deferred Tax on Revaluation	(2,267)	0	0	0	0	0	0	0	0	0	0	0
Net Transfers to/ (from) Retained Earnings on Asset Disposals	(4,069)	0	0	0	0	0	0	0	1	0	0	0
Asset Revaluation Reserves at end of Year	2,754,934	2,945,176	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541	5,460,333
Asset Revaluation Reserves Consist of:												
Heritage	602	602	602	602	602	602	602	602	602	602	602	602
Distribution Systems	563,372	634,474	926,484	973,951	1,026,485	1,084,180	1,147,380	1,212,390	1,288,241	1,370,788	1,461,263	1,552,775
Library	334	334	334	334	334	334	334	334	334	334	334	334
Land, Building & Improvements	1,963,419	2,080,412	2,213,632	2,265,787	2,321,328	2,380,755	2,444,630	2,508,537	2,581,060	2,657,782	2,738,737	2,817,975
Road Network	235,066	234,946	298,053	359,477	426,315	499,085	578,718	660,096	756,281	862,485	978,460	1,096,501
Deferred Tax on Revaluation	(7,859)	(5,592)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)
Asset Revaluation Reserves at end of Year	2,754,934	2,945,176	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541	5,460,333
Components of Equity	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781
EQUITY AT THE END OF THE YEAR	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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Financials

PROSPECTIVE STATEMENT OF CASH FLOWS - (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from rates revenue	180,450	187,191	231,327	264,560	283,327	315,924	349,117	390,885	430,999	462,067	496,003	532,898
Subsidies and grants received	19,606	32,123	69,311	84,109	154,200	167,814	172,608	227,667	197,527	142,674	149,497	134,992
Development and financial contributions received	30,878	17,657	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Fees and charges received	42,586	50,067	53,771	55,817	59,499	62,182	66,312	71,142	74,381	78,799	84,800	89,588
Interest received	2,356	851	1,110	1,648	2,206	2,585	2,946	3,244	3,766	3,759	4,039	4,133
Dividends received	829	375	363	379	409	428	446	461	485	501	515	529
Receipts from other revenue	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Cash Provided	276,705	288,264	382,741	441,506	534,787	589,602	634,482	742,476	760,045	742,319	788,966	812,294
Payments to Suppliers	(122,642)	(138,870)	(153,381)	(151,530)	(155,847)	(158,149)	(173,140)	(174,955)	(187,236)	(196,352)	(204,587)	(214,906)
Payments to Employees	(62,253)	(66,310)	(78,588)	(85,559)	(88,831)	(91,540)	(94,083)	(96,917)	(99,931)	(103,582)	(107,232)	(110,128)
Interest paid	(22,290)	(20,845)	(21,297)	(25,796)	(31,821)	(37,152)	(44,125)	(52,170)	(58,744)	(61,577)	(65,848)	(70,950)
Payments to/on Behalf of Other Authorities	0	0	0	0	0	0	0	0	0	0	0	0
Deposits Repaid	0	0	0	0	0	0	0	0	0	0	0	0
Goods and Services taxation (net)	1,627	0	0	0	0	0	0	0	0	0	0	0
Total Operating Cash Applied	(205,558)	(226,025)	(253,266)	(262,885)	(276,499)	(286,841)	(311,348)	(324,043)	(345,911)	(361,511)	(377,666)	(395,984)
NET CASH FLOWS FROM OPERATING ACTIVITIES	71,147	62,239	129,475	178,621	258,288	302,761	323,134	418,433	414,135	380,808	411,299	416,309

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF CASH FLOWS - (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
CASH FLOWS FROM INVESTING ACTIVITIES												
Short-term Deposits Maturing	0	0	0	0	0	0	0	0	0	0	0	0
Receipts from Sale of Property, Plant and Equipment	5,344	4,251	45,622	21	21	21,876	23	23	24	25	25	26
Receipts from Sale of Non Current Assets Held for Sale	2,532	0	8,989	(171)	(176)	(182)	(187)	(180)	(198)	(204)	(210)	(202)
Receipts from Sale of Intangible assets	0	0	0	0	0	0	0	0	0	0	0	0
Receipts from Sale of Investments & CCO repayment of Borrowings	0	(11,046)	0	0	0	0	0	44,173	0	845	1,150	729
Total Investing Cash Provided	7,876	(6,795)	54,611	(150)	(155)	21,694	(164)	44,016	(174)	666	965	553
Purchase of Short-Term Deposits	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of Investment Property	(289)	0	0	0	0	0	0	0	0	0	0	0
Movements of Investments in CCOs	(2,405)	0	(2,318)	(3,360)	(945)	(491)	(7,172)	0	(47)	0	0	0
Purchase of Property, Plant & Equipment	(142,559)	(300,342)	(298,753)	(291,987)	(397,195)	(492,949)	(546,449)	(545,932)	(466,598)	(472,901)	(492,245)	(508,097)
Purchase of Intangible assets	(17,621)	0	(11,389)	(9,494)	(8,601)	(13,394)	(15,812)	(12,767)	(13,906)	(15,922)	(16,873)	(18,586)
Total Investing Cash Applied	(162,874)	(300,342)	(312,460)	(304,840)	(406,741)	(506,833)	(569,434)	(558,699)	(480,551)	(488,823)	(509,118)	(526,683)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(154,998)	(307,137)	(257,850)	(304,990)	(406,896)	(485,139)	(569,598)	(514,683)	(480,725)	(488,156)	(508,153)	(526,130)
CASH FLOWS FROM FINANCING ACTIVITIES												
Proceeds from borrowings	91,950	283,300	182,453	181,992	204,221	297,530	362,189	276,137	255,745	224,666	229,228	311,425
Repayment of borrowings	(9,880)	(54,958)	(54,079)	(55,623)	(55,613)	(115,152)	(115,725)	(179,887)	(189,154)	(117,317)	(132,374)	(201,604)
NET CASH FLOWS FROM FINANCING ACTIVITIES	82,070	228,342	128,374	126,369	148,608	182,378	246,464	96,250	66,591	107,349	96,854	109,821
NET INCREASE/(DECREASE) IN CASH	(1,782)	(16,556)	0	0	0	0	0	0	0	0	0	0
Cash at the beginning of the year	16,556	16,556	22	22	22	22	22	22	22	22	22	22
CASH AT END OF THE YEAR	14,774	0	22	22	22	22	22	22	22	22	22	22

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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REPORTING ENTITY

Tauranga City Council is a local authority under Schedule 2, Part 2, of the Local Government Act 2002 and is domiciled in New Zealand. For the purposes of financial reporting, Tauranga City Council is a public benefit entity.

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

The main purpose of the prospective financial statements in the Long-term Plan is to provide users with future-oriented information about the changes that have been made to the previous Long-term Plan for the financial years under review and as a consequence, how much Council requires by way of rates to fund any changes.

The information in these prospective financial statements may not be appropriate for purposes other than those described.

The level of rates funding required is not affected by subsidiaries except to the extent that Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The prospective financial statements of Tauranga City Council comply with the 2021 updated Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) for Tier 1 entities including the following:

- **PBE IPSAS 34** Separate Financial Statements
- **PBE IPSAS 35** Consolidated Financial Statements issued for 1 January 2021

- **PBE IPSAS 36** Investments in Associates and Joint Ventures issued for 1 January 2021
- **PBE IPSAS 37** Joint Arrangements for 1 January 2021
- **PBE IPSAS 38** Disclosure of Interests in Other Entities
- **PBE IPSAS 39** Employee Benefits

and with the following new Public Benefit Entities Financial Reporting Standard (PBE FRS):

- **PBE FRS 42** Prospective Financial Statements issued for 1 January 2021
- **PBE FRS 45** Service Concession Arrangements: Operator issued for January 2021

and with the following new Public Benefit Entities International Financial Reporting Standard (PBE IFRS):

- **PBE IFRS 4** Insurance Contracts issued for January 2021
- **PBE IFRS 5** Non-current Assets Held for Sale and Discontinued Operations issued for January 2021

New standards, amendments and interpretations issued for 1 January 2022 have been adopted by Tauranga City Council for the purposes of this LTP. These are:

- **PBE IPSAS 41** Financial Instruments issued for January 2022. Note PBE IPSAS 41 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and supersedes PBE IFRS 9 which was issued as an interim standard.

As a result financial assets have been reviewed and an assessment made initially for the next 12 months, and also for the life of that asset.

This standard introduces a new regime regarding

new classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held.

Council's Financial Assets and Financial Liabilities are assessed by principles in PBE IPSAS 41 with any changes being recognized through surplus/deficit.

Financial Assets and Financial Liabilities have been assessed for expected credit losses (ECLs) for this LTP. Such testing has a focus on the lifetime valuation expectation.

For Council that has not resulted in any material effect on the financial statements for the LTP 2021-2031.

Tauranga City Council does not apply hedge accounting.

These prospective financial statements comply with the requirements of the Local Government Act 2002, Part 6 Section 95 and Part 2 of Schedule 10 which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) with the exception of the Funding Impact Statements (FIS).

The prospective financial statements were issued on 26 July 2021 by Tauranga City Council. Tauranga City Council is responsible for the prospective financial

statements including the appropriateness of assumptions underlying the prospective financial statements and all other disclosures. The prospective financial statements include forecast results for the 2020/2021 financial year in the prospective statement of financial position, prospective statement of comprehensive revenue and expense, prospective statement of movements in equity

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and prospective statement of cash flows. There is no intention to update the prospective financial statement after the issue date.

The accounting policies set out below have been applied consistently to all periods presented in this Long-term Plan.

MEASUREMENT BASE

The Long-term Plan has been prepared on a historical cost basis, modified by the revaluation of land and buildings, all infrastructural assets, investment property, forestry assets, airport assets, library books and certain financial instruments (including derivative instruments).

FUNCTIONAL AND PRESENTATIONAL CURRENCY

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 Tauranga City Council is New Zealand dollars.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies other than noted above.

REVENUE

In preparation of the Long-term Plan, Tauranga City Council have adopted PBE IPSAS 9 Revenue from Exchange Transactions and PBE IPSAS 23 Revenue from Non-exchange Transactions which are applicable to Public Benefit Entities for periods beginning on or after 1 July 2015 (with subsequent amendments).

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions is defined by PBE IPSAS 23 as a transaction that is not an exchange transaction. Non-exchange transactions are those

transactions whereby an entity receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Non-exchange transactions typically fall into the category of Taxes or Transfers.

RATES REVENUE

The following policies for Rates Revenue have been applied:

- General Rates, targeted rates (excluding water by meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Revenue arising from late payment penalties is recognised when Rates become overdue.
- Revenue from water by meter is recognised on an accrual basis. Revenue is based on the estimated water usage for each year of the LTP.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Any rates collected on behalf of Bay of Plenty Regional Council (BOPRC) are not recognised in the prospective financial statements as the Council is acting as an agent for BOPRC.

Infringement fees and fines	Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued, factoring in the probability of collection. Fifty percent of warrant and registration fines are payable to central government. These are recognised as a liability until payment is made to central government.
Licences	Licenses revenue is recognised when the license is issued, and revenue is received or invoiced
Development and Financial Contributions	Development and financial contributions are recognised as revenue when Tauranga City Council provides, or is able to provide, the service for which the contribution was charged. In cases where contributions are collected in advance to fund a service that is not currently provided in an area, the contribution is initially recognised as revenue in advance.
Grants and Subsidies	Government grants and other grants are recognised as revenue when any conditions relating to eligible expenditure have been fulfilled.

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Local Roads Funding	<p>Tauranga City Council received funding assistance from the New Zealand Transport Agency. These grants are reimbursements that subsidise part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue when conditions pertaining to eligible expenditure have been fulfilled.</p> <p>Tauranga City Council performs certain state highway roading works on behalf of New Zealand Transport Agency (NZTA).</p> <p>These works mainly relate to traffic signals and streetlights on state highways. Neither the costs nor recoveries related to this work are included in the surplus or deficit (with the exception of an administration fee). However, they are included as receipts in Grants and Subsidies received and as payments in Payments on Behalf of Other Authorities, in the Statement of Cash Flows.</p>
Vested or donated Assets	<p>For assets received for no or nominal consideration, the asset is recognised when the Council obtains control of the asset.</p> <p>The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.</p>
Donations and Bequeathed Financial Assets	<p>Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met e.g. as the funds are spent for the nominated purpose.</p>

EXCHANGE TRANSACTIONS

Revenue from exchange transactions are defined by PBE IPSAS 9 as transactions in which one entity receives assets or services, or has liabilities extinguished and directly gives approximately equal value (primarily in the form of cash,

goods, services, or the use of assets) to another entity in exchange.

Sale of Goods	Revenue from the sale of goods is recognised when the product is sold to the customer.
Entrant Fees	Entrance fees are charged to users of the Council's local facilities, such as pools and the Tauranga Art Gallery. Revenue from entrance fees is recognised upon entry to such facilities.
Lease Revenue	Lease revenue is recognised on a straight line basis over the term of the lease.
User Fees & Charges	User fees and charges are recognised on the basis of actual services provided. Any fees and charges received in advance are recognised as unearned revenue in Deferred Revenue.
Interest Income	Interest income is recognised using the effective interest rate method. Interest income on an impaired financial asset is recognised using the original effective interest rate.
Dividend Income	Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.
Operational Grants	Operational Grants are recognised as revenue when they become receivable, unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such a condition, the grants or subsidies are initially recorded as grants received in advance and recognised as revenue when the condition of the grant is satisfied.

BORROWING COSTS

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

FOREIGN CURRENCY TRANSACTIONS

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

Income Tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using the tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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

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

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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 profits will be available against which the deductible temporary differences or tax losses can be utilised.

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

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

LEASES

(i) Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and benefits incidental to the ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Tauranga City Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or 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 certainty as to whether Tauranga

City Council obtains ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term or its useful life.

(ii) Operating Lease

An operating lease is a lease that does not transfer substantially all the risks and benefits of ownership of the leased item to the lessee.

Lease payments under an operating lease are recognised as expenses in the surplus or deficit on a straight line basis over the lease term.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held on call with banks and other short term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities in the Tauranga City Council Statement of Financial Position.

DEBTORS AND OTHER RECEIVABLES

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council and group apply the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

DERIVATIVE FINANCIAL INSTRUMENTS

Tauranga City Council uses derivative financial instruments to manage exposure to interest rate risk arising from investing and financing activities. In accordance with its Treasury Policy, Tauranga City Council does not hold or issue derivative financial instruments for trading purposes. Tauranga City Council has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re measured at fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non current.

Gains or losses in fair value and those resulting from re-measuring are recognised in the surplus or deficit.

OTHER FINANCIAL ASSETS

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

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

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

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

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

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

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Management determines the classification of its investments at initial recognition.

Subsequent Measurement of Financial Assets

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance.

Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates

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

Financial assets that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity.

The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

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

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

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

COMMUNITY LOANS

Loans to community organisations made at nil or below market interest rates are initially recognised at cost, or at the present value of its expected future cash flows, discounted at the current market rate of return for a similar financial instrument. Depending on the circumstances and provisions of each loan, the loans are subsequently:

- Amortised over the period of the loan, provided the conditions of the loan are met. The amortised cost is recognised in surplus or deficit as a grant expense.
- The loan is paid off by the loan recipient in annual instalments.
- The loan is subsequently measured at amortised cost using the effective interest rate method less any expected losses. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as interest.

EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS

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

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it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

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

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

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

Loans and Receivables

ECLs are established when there is objective evidence that Tauranga City Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default on the payments are considered indicators of ECL. The amount of the ECL is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is not past due). Impairment in term deposits and community loans is recognised directly against the instrument's carrying value.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost, adjusted when applicable, for any loss of service potential. The loss of service potential of inventory held for distribution is determined on the basis of obsolescence. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of the purchased inventory is determined using the first in first out method.

The amount of any write down for the loss of service potential or from cost to net realisable value is recognised in the statement of comprehensive income in the period of the write down.

Non Current Assets Held for Sale

All non-current assets intended for sale are measured at the lower of carrying amount and fair value less costs to sell. Interest and other expenses relating to the liabilities of properties held for sale continue to be recognised.

Non-current assets held for sale are classified as held for sale if they meet all of the following conditions:

- their carrying amount will be recovered principally through a sale transaction and not through continuing use; and
- the intention is to sell them within 12 months of the end of year; and
- they are being actively marketed or their sale is under negotiation.

Any ECL of non-current assets held for sale 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 (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of:

(i) Operational Assets

These include land, buildings, airport facilities and operational assets, marine facilities and structures, landfill post closure, library books, plant and equipment, and motor vehicles.

(ii) Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by Tauranga City Council. Each asset type includes all items that are required for the network to function. e.g. Water Supply Treatment plants and facilities, Sewerage Treatment Plants and facilities, Wastewater reticulation, piping and wastewater pump stations.

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(iii) Restricted Assets

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

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

(iv) Land

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), library books, and infrastructure assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

REVALUATION

Those asset classes that are revalued are valued on a three yearly valuation cycle as described below. Where the fair value of an asset can be determined by reference to the price in an active market for the same asset or a similar asset, the fair value of the asset is determined using this information. Where fair value of the asset cannot be determined using price in an active market, depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value. The carrying values of all assets not revalued in any year are reviewed at each balance date to ensure that those values are not materially different to fair value. If there is a material difference, then a revaluation will be performed for those asset classes.

Assets acquired or constructed after the last revaluation are carried at cost less accumulated depreciation.

Tauranga City Council accounts for revaluations of property, plant and equipment on a class of asset basis.

Net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve 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 income 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 income.

ADDITIONS

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

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

In most cases an item of property plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

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

DISPOSALS

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

DEPRECIATION

All assets are depreciated over their expected useful lives. Depreciation is provided on a straight line (SL) or diminishing value (DV) basis, at rates calculated to allocate the asset cost less estimated residual value

over the estimated useful life. When assets are revalued, depreciation rates are overridden by the new annual depreciation rates which may be outside the range for the class of asset to accurately reflect the useful life of the asset.

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Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
RESTRICTED ASSETS		
Land	N/A	N/A
Buildings	50-100	SL
Parks Facilities	5-80	SL
Improvements	10-25	SL
OPERATIONAL ASSETS		
Land	N/A	N/A
Buildings	50-100	SL
Artefacts	N/A	N/A
Library Books	8-20	SL
Plant and Equipment	8-20	SL
Computer Equipment	2.5-12	SL
Office Furniture & Equipment	5-10	SL
Motor Vehicles	4-10	DV
Marine Assets		
Breakwater & Rockwalls	50-100	SL
Boat Ramps & Pontoons	20-70	SL
Wharves	50-70	SL
INFRASTRUCTURAL ASSETS		
Water Reticulation		
Freshwater Pipework	50-100	SL
Freshwater Treatment Plants		
Mechanical Plant	1-20	SL
Electrical & Control Equipment	1-20	SL
Structural & Buildings	30-70	SL
Pipe work & Valves	10-50	SL

Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
Generator Set	1-20	SL
Fibre Optic network		
Fibre Optic Network	25	SL
Freshwater Reservoirs		
Reservoirs & Foundation	30-70	SL
Pipe work Valves & Connections	15-50	SL
Telemetry & Controls	1-10	SL
Wastewater Reticulation		
Wastewater Pipework	50-100	SL
Wastewater Pump Stations		
Structures & Civil Works	30-70	SL
Electrical Controls & Cabling	1-20	SL
Telemetry	14-20	SL
Pumps & Motors	1-20	SL
Pipe work Valves & Connections	20-50	SL
Wastewater Treatment Plants		
Mechanical Plant	1-20	SL
Electrical & Control Equipment	1-20	SL
Structural & Buildings	40-70	SL
Pipe work & Valves	20-50	SL
Stormwater Reticulation		
Stormwater Pipe work	50-100	SL

Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
ROADING NETWORK		
Roads less than 200 Vehicles per day		
Formation	Infinite	N/A
Pavement	96-100	SL
Surfacing	1-40	SL
Roads more than 200 Vehicles per day		
Formation	Infinite	N/A
Pavement	1-60	SL
Surfacing	1-30	SL
Roading Reseals	8-15	SL
Infrastructural Assets	50-70	SL
Bridges		

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INTANGIBLE ASSETS

Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Staff training costs are recognised as an expense when incurred.

Property Subdivision Rights

Council have a property subdivision right in terms of the land block referred to as Te Tumu. This has been recognised as an intangible asset and has previously been amortised over the period of the agreement.

Easements and Access Rights

Easements and Access Rights are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements used for access to Council infrastructure assets are included in PP&E and easements used by Council for access to restricted assets such as reserves are included as part of intangible assets.

Where easements have an indefinite useful life they are not amortised. These are capitalised to the asset to which they belong. They are tested for impairment as part of the regular asset impairment testing.

Access Rights have a definite life and are amortised over the life of the right given.

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. Carbon credits allocated by the Crown are recognised at fair value on receipt.

They are derecognised when they are used to satisfy carbon credit emission obligations. Any costs associated with maintaining New Zealand Units (NZU) are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible 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 the asset is derecognised. Amortisation charge for each period is recognised in the surplus or deficit.

Intangible assets capitalised to infrastructural assets are amortised at the rate of the principal asset to which they have been capitalised.

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

Class of intangible asset	Estimated Useful Life	Amortisation rates
Acquired Computer software	4 years	25.0%
Core systems software	4-7 years	14.3%-25%
Access Rights	8-50 years	2.0%-12.0%

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

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

Intangible assets subsequently measured at cost that have a finite useful life, along with property plant and equipment are reviewed for impairment 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 value in use.

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

VALUATION IN USE FOR NON-CASH-GENERATING ASSETS

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

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

VALUATION IN USE FOR CASH-GENERATING ASSETS

Cash generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash generating assets and cash generating units is the present value of expected future cash flows.

Financials - Statement of Accounting Policies

FORESTRY ASSETS

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

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

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

INVESTMENT PROPERTIES

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

Properties classified as investment properties are measured initially at cost including transaction costs.

After initial recognition Tauranga City Council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

CREDITORS AND OTHER PAYABLES

Creditors and other payables are recognised at the amount payable.

BORROWINGS

Borrowings are initially recognised at the amount borrowed plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless Tauranga City Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date, or if the borrowings are not expected to be settled within 12 months of balance date.

EMPLOYEE ENTITLEMENTS

Provision is made in respect of Tauranga City Council's liability for salaries, wages, annual leave, long service leave and gratuities, accrued up to balance date.

SHORT-TERM EMPLOYEE ENTITLEMENTS

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

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

LONG-TERM EMPLOYEE ENTITLEMENTS

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

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

SUPERANNUATION SCHEMES

(i) Defined contribution schemes

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

(ii) Defined benefit schemes

Tauranga City Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the scheme's surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

PRESENTATION OF EMPLOYEE ENTITLEMENTS

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

Sick leave, annual leave, vested long service leave, and

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Financials - Statement of Accounting Policies

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

PROVISIONS

Tauranga City Council recognises a provision for future expenditure of an 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 expenditures 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. Provisions are not recognised for future operating losses.

FINANCIAL GUARANTEE CONTRACTS

A financial guarantee contract is a contract that requires Tauranga City Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to meet a payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Tauranga City Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

If the fair value of a financial guarantee cannot be reliably determined, a liability is recognised at the amount of the

loss allowance determined in accordance with the ECL model.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model; and
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue

However, if Tauranga City Council assesses that it is probable that expenditure will be required to settle a guarantee, then a provision for the guarantee is measured at the present value of the future expenditure.

Tauranga City Council initially recognises financial guarantees on behalf of its subsidiaries at fair value in the statement of financial position, as a liability and as an increase to the value of the investment in the subsidiary.

PROVISION FOR LEAKY BUILDINGS CLAIMS UNDER THE FINANCIAL ASSISTANCE PACKAGE

Tauranga City Council is part of the Governments Financial Assistance package which provides that Local Authorities may provide 25% of the repair costs.

EQUITY

Equity is the community's interest in Tauranga City Council as measured by the value of total assets less total liabilities. Equity is segregated and classified into a number of reserves to enable clearer identification of the specified uses Tauranga City Council makes of its accumulated surpluses.

These components of equity include:

Retained Earnings

Retained Earnings are the cumulative surplus of revenue

over expenditure that has been retained in the entity which have not been allocated to another reserve.

Restricted and Council Created Reserves

Retained Earnings are the cumulative surplus of revenue over expenditure that has been retained in the entity which have not been allocated to another reserve a particular use for which various parts of equity have been assigned. Reserves may be legally restricted or created by Tauranga City Council.

Restricted Reserves

These are reserves subject to specific conditions accepted as binding by Tauranga City Council and which may not be revised by Tauranga City Council without reference to the courts or a third party. Restricted reserves may be legally restricted. Transfers from these reserves may be made only for certain specified purposes or if certain specified conditions are met.

Council Created Reserves

These are part of the accumulated balance and are established at the will of Tauranga City Council. Tauranga City Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Tauranga City Council.

Asset Revaluation Reserve

This reserve relates to the revaluation of property, plant and equipment to fair value through other comprehensive revenue and expense. This comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

Goods and Services Tax

All items in the prospective financial statements are stated exclusive of goods and services tax (GST), with the

Financials - Statement of Accounting Policies

exception of trade and other receivables and creditors and other payables, which are presented on a GST inclusive basis. When 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 Inland Revenue Department (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 GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

OVERHEAD ALLOCATION

Support services net costs have been charged to each significant activity. These overheads have been allocated by determining the most appropriate basis e.g. staff numbers, floor space used etc. applicable to the service provided to each significant activity.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these prospective financial statements Tauranga City Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to

be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a

material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

TE TUMU LAND

In respect of the land block referred to as Te Tumu which gave rise to a financial asset, it has been assumed that this asset will be sold during the 2026/27 financial year. This has been recognised in the financial statements of the 2021-2031 Long-term Plan.

LANDFILL CLOSURE COSTS (AFTERCARE LIABILITY)

As operator of the Cambridge Road and Te Maunga landfills, Tauranga City Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure. A calculation of the future costs of this monitoring has been discounted and is recognised in the surplus or deficit and as a liability in the statement of financial position. Both landfill sites are closed.

EARTHQUAKE PRONE BUILDINGS

Earthquake prone buildings are a key challenge facing Councils and private property owners.

Tauranga City Council has undertaken a preliminary assessment to identify buildings that may be earthquake prone. Council will continue to assess its buildings for earthquake risk over the next financial year.

No impairment of buildings has currently been undertaken until more detailed assessments can be completed.

CLASSIFICATION OF PROPERTY

Tauranga City Council owns a number of properties

held to provide housing to pensioners. The receipt of market based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are accounted for as property, plant and equipment

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Financials - Funding Impact Statement

FUNDING IMPACT STATEMENT (FIS)

The purpose of the funding impact statement is to provide information about the income and funding streams Council will use and an indication of the amount of funding Council will generate from each stream.

Council will use a mix of revenue sources to meet operating expenses, with major sources being general and targeted rates, land transport subsidies and fees and charges. Capital expenditure for new works will be funded from loans and development contributions, with capital renewals being funded from reserves (funded by rates) set aside for this purpose. Council has resolved to rate fund reserves for stormwater and risk management and to fund a depreciation reserve for Bay Venues Limited.

Where the revenue stream is rates an indicative level of rate, the mechanism used to assess the rate, and the activities that the rate funds, is described.

These indicative figures support the calculations in the rate sample models and are included to provide you with an indication of the level of rates Council are likely to assess on your rating unit in the coming year. So long as we set the rates in accordance with the system described in this statement, the amounts may change.

The Funding Impact Statement should be read in conjunction with the Revenue and Financing Policy which can be obtained from our web site.

Financials - Funding Impact Statement

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL											
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/2023 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	123,841	137,493	153,920	158,402	166,518	182,223	176,934	194,339	202,627	213,486	226,967
Targeted Rates	65,969	96,785	114,997	129,385	154,016	171,659	218,759	241,661	264,618	287,870	311,390
Subsidies and grants for operating purposes	9,008	10,464	9,117	8,770	8,890	10,345	10,214	11,746	13,918	13,332	13,691
Interest and dividends from investments *	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Fees and charges	45,911	53,121	55,148	58,809	61,471	65,580	70,387	73,603	77,997	83,973	88,737
Local authorities fuel tax, fines, infringement fees, and other receipts *	1,820	1,838	1,892	1,948	2,005	2,065	2,123	2,185	2,248	2,313	2,377
Total Sources of Operating Funding (A)	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	193,575	232,198	240,231	247,966	253,175	270,906	275,532	291,118	304,108	316,213	329,521
Finance Costs	20,847	21,297	25,796	31,821	37,152	44,125	52,170	58,744	61,577	65,848	70,950
Other Operating Funding applications	1,221	2,721	2,722	2,722	2,723	2,724	2,724	2,725	2,726	2,726	2,727
Total Applications of Operating Funding (B)	215,643	256,216	268,749	282,509	293,050	317,755	330,426	352,587	368,411	384,787	403,198
Surplus/(Deficit) of Operating Funding (A-B)	32,132	44,957	68,352	77,420	102,864	117,510	151,697	175,198	197,257	220,741	244,627
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	22,106	54,319	71,476	138,385	136,141	140,577	205,222	162,503	119,233	134,678	119,774
Development and financial contributions	17,658	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Increase/(Decrease) in debt	81,799	82,722	69,046	108,558	206,994	260,955	204,453	167,928	224,717	256,810	281,993
Gross proceeds from the sale of assets	4,521	45,622	21	21	21,876	23	23	24	25	25	26
Lump sum contributions	3,342	3,340	2,293	5,787	21,489	20,353	10,862	21,871	8,077	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	129,156	212,863	177,829	287,897	427,169	464,960	469,638	405,214	406,570	445,625	451,947

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Financials - Funding Impact Statement

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL											
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/2023 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	92,729	137,354	61,899	163,224	237,927	282,062	243,955	225,275	314,228	342,523	328,935
- to improve level of service	104,457	113,304	174,725	187,097	215,750	216,214	254,202	208,554	130,674	111,648	141,869
- to replace existing assets	47,455	50,497	53,660	55,651	52,846	64,173	60,720	46,874	44,124	55,158	56,080
Increase/(Decrease) in reserves	(83,132)	(43,335)	(44,104)	(40,655)	23,510	20,021	62,458	99,709	114,801	157,037	169,689
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	161,288	257,820	246,181	365,317	530,033	582,470	621,335	580,412	603,827	666,366	696,574
Surplus/(Deficit) of Capital Funding (C-D)	(32,132)	(44,957)	(68,352)	(77,420)	(102,864)	(117,510)	(151,697)	(175,198)	(197,257)	(220,741)	(244,627)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

Long-term Plan Amendment 2021-2031

Financials - Funding Impact Statement

RECONCILIATION OF FUNDING IMPACT STATEMENT AND PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE											
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/23 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)
Total Rates from Funding Impact Statement (Whole of Council)	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
General Rates Requirement	123,841	137,493	153,920	158,402	166,518	182,223	176,934	194,339	202,627	213,486	226,967
Targeted Rates	41,485	63,996	76,854	87,284	105,696	119,609	162,720	181,265	199,588	217,902	236,244
Targeted Rates for Water Supply	24,485	32,789	38,143	42,101	48,320	52,050	56,039	60,396	65,030	69,968	75,146
Total Rates requirement per Prospective Statement of Comprehensive Revenue and Expense	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Revenue from Funding Impact Statement (Whole of Council)	57,965	66,895	68,184	72,142	75,379	81,383	86,429	91,785	98,423	104,173	109,468
Revenue funding capital expenditure	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774
Vested Assets	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636
Development Impact Fee revenue	17,658	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Other Gains & Revaluation	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0
Total Rates Requirement	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Total Revenue per Prospective Statement of Comprehensive Revenue and Expense (includes Asset Development revenue)	324,310	408,627	472,725	567,288	628,120	681,539	792,600	809,638	799,706	848,495	868,389
Expenditure from Funding Impact Statement (Whole of Council)	215,643	256,290	268,750	282,511	293,049	317,756	330,426	352,588	368,412	384,791	403,201
Depreciation	62,282	71,338	81,374	87,239	100,671	116,424	134,058	161,381	181,935	204,489	225,070
Total Expenditure per Prospective Statement of Comprehensive Revenue and Expense	277,922	327,628	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271
Total Capital Expenditure from Funding Impact Statement (Whole of Council)	240,391	255,533	290,264	405,951	484,648	562,427	558,854	480,679	489,002	509,303	526,859
Vested Assets	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636
Total Capital Expenditure	273,026	277,141	315,746	432,556	517,062	603,164	602,554	525,271	541,211	563,480	577,495

* Water by Meter is now included under Targeted Rates as opposed to Fees and charges.

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Financials - Funding Impact Statement

RATING INFORMATION

The Funding Impact Statement should be read in conjunction with the draft Revenue and Financing Policy contained in the Long-term Plan. This can be obtained from our website.

OVERVIEW OF RATES

Council's rates, pursuant to the Local Government (Rating) Act 2002, for the 2021/22 year includes:

- A general rate set differentially
- A uniform annual general charge
- Targeted rates for waste services
- Targeted rates for water supply
- Targeted rates for wastewater disposal
- A targeted rate for economic development
- Targeted rates for mainstreet activities
- Targeted rates for special services
- A targeted rate for resilience set differentially
- A targeted rate for stormwater set differentially
- A targeted rate for transportation set differentially
- A targeted rate for community set differentially

As indicated above, there are several parts to a typical rates bill, some of which are fixed and others variable. The fixed rates (where everybody is charged the same amount) are:

- Wastewater rates – if you are, or can be connected to councils wastewater system you will incur this fixed rate

- Uniform Annual General Charge (UAGC) – this rate ensures a minimum contribution from every ratepayer in the City
- Waste Service rates – if you have a residential use and receive low, standard or high kerbside waste collection services you will incur this fixed rate per capacity of bins provided.
- Garden Waste Service rates – if you have a residential use and receive kerbside garden waste collection service (optional) you will incur this fixed rate per bin provided, and frequency of collection.

The variable rates (where you are charged differently from your neighbour) are:

- General rates – Council is setting this differentially which will mean that commercial ratepayers will have a higher general rate in the dollar than residential ratepayers. This is to balance the overall impact of rates allocation for revenue needs on the whole community
- Economic development rate – this is a rate charged to commercial properties only for development of Tauranga's economy
- Mainstreet rates – commercial properties located within the four 'main street' areas in Tauranga City incur this rate for the continued delivery of their Mainstreet organisation programmes
- Water rates – water rates are invoiced separately from your land rates bill. The amount charged is dependent on the amount of water used, and the connection size of the water meter supplying water service to a rating unit

- Special services targeted rates – these are rates to The Lakes, Papamoa Coast and Excelsa subdivisions in the City where the level of service required to maintain the subdivision is higher than usual across the City.
- Resilience targeted rate – this is a rate for resilience infrastructure investments relating to water, wastewater, stormwater, transportation and emergency management.
- Transportation targeted rate – this is a new rate set differentially for transportation infrastructure investments.
- Community targeted rate – this is a new rate set differentially for community amenity investments.
- Stormwater targeted rate – this is a new rate set differentially for existing and new stormwater infrastructure investments.

Where Council sets a targeted rate differentially this means that commercial ratepayers will have a higher targeted rate in the dollar than residential ratepayers.

Council sets the Uniform Annual General Charge, and other targeted rates set on a uniform basis, excluding wastewater, to 10% of the total rates requirement over the next three years. This means that more of your rates bill will be based on your property value. Rates will be progressively higher for higher value properties. This will assist affordability for ratepayers, while ensuring that all ratepayers contribute a minimum amount for the services provided by Council.

The rates in this funding impact statement will apply in respect to every year in this Long-term Plan, not withstanding that the amounts may change.

What this means for rates - Rating base information

RATES (FIS)

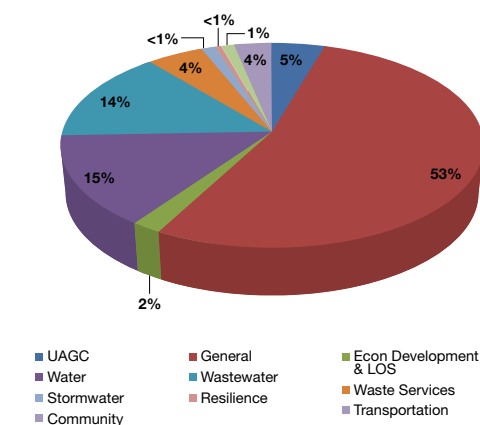
RATES FOR THE 2021/2022 YEAR				
Description	Category	Factor	Rate (\$) (GST Inclusive)	Revenue Sought (\$000) (Excluding GST)
City Wide General Rates				
General Rate (residential)	All residential property	Capital Value	0.00176063	103,359
General Rate (commercial)	All commercial property	Capital Value	0.00334520	38,846
Uniform Annual General Charge	All rateable property	Fixed amount per SUIP*	250.00	14,888
Targeted Rates				
Waste Collection Standard	Residential Serviced	Fixed amount per SUIP*	220.00	10,510
Waste Collection Low	Residential Serviced	Fixed amount per SUIP*	190.00	558
Waste Collection High	Residential Serviced	Fixed amount per SUIP*	320.00	111
Garden waste (optional)	Residential Serviced	Fixed amount per Service (Bin) and Frequency	4 weekly 70 2 weekly 100	736
Wastewater	Connected	Fixed Amount per water closet/urinal	584.47	37,437
Wastewater	Serviceable	Fixed Amount per SUIP*	292.23	532
Stormwater (Residential)	All residential property	Capital Value	0.00001331	782
Stormwater (Commercial)	All commercial property	Capital Value	0.00002130	247
Water (metered)	Connected/Supply	Fixed amount per m3 of water supplied	3.33	39,319
Water (metered base charge)	Connected	Fixed Amount per number and size of meter connections	Base meter size (20mm) 37- (250mm) 1,407	2,331
Water (unmetered)	Unmetered Supply	Fixed amount per SUIP	851.00	23
Economic Development	Commercial	Capital Value	0.00037709	4,379
Tauranga Mainstreet	Commercial in catchment area	Capital Value	0.00041402	365
Mount Mainstreet	Commercial in catchment area	Capital Value	0.00048457	188
Greerton Mainstreet	Commercial in catchment area	Capital Value	0.00137618	141
Papamoa Mainstreet	Commercial in catchment area	Capital Value	0.00024837	50
The Lakes	All rateable in catchment area	Fixed amount	102.75	178
Coast Papamoa	All rateable in catchment area	Fixed amount	35.01	10
Excelsa	All rateable in catchment area	Fixed amount	51.78	4
Resilience (Residential)	All residential property	Capital Value	0.00001113	653
Resilience (Commercial)	All commercial property	Capital Value	0.00001781	207
Transportation (Residential)	All residential property	Capital Value	0.00003951	2,320
Transportation (Commercial)	All commercial property	Capital Value	0.00013158	1,528
Community (Residential)	All residential property	Capital Value	0.00013794	8,098
Community (Commercial)	All commercial property	Capital Value	0.00022070	2,563
Total Revenue Requirement (minus metered water)				231,044
Total Revenue Requirement (including metered water)				270,363

STATISTICS		
	Capital Value (\$,000,000)	Rating Units
Residential	68,119	57,444
Growth (from previous year)	53.6%	1.9%
Commercial	14,205	3,750
Growth (from previous year)	48.4%	1.6%

*(Note: SUIP= Separately Used or Inhabited Part)

As at June 2022 the projected number of rating units is 61,193 with a total land value of \$50,922 Million and a total capital value of \$ 82,324 Million

WHAT YOUR RATES PAY



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What this means for rates - Funding Impact Statement (Rating)

RATING METHODOLOGY (FIS)

CATEGORIES

Residential - land for which the primary use is residential, rural, education, recreation, leisure or conservation.

Commercial - land for which the primary use is commercial, industrial, port, transportation or utilities networks, and includes any land not in the Residential Category. The general commercial rate, the targeted economic development rate and the targeted mainstreet rate are set and assessed on this category.

The **separated parts of a rating unit** will be separated into parts where a part of the property is non-rateable or the property fits under one or more rating differential.

Vacant land will be categorised according to the predominant zone in the City Plan.

Rural means primary production, or residential activity in Rural zones in the City Plan.

Education means educational establishment under schedule 1 Part 1 clause 6(a) and (b)(i)&(ii) of the Local Government (Rating) Act.

Recreation and leisure means community facilities as defined in the City Plan.

Conservation has the same meaning as under schedule 1 Part 1 clause 3 of the Local Government (Rating) Act.

RATING CALCULATIONS AND LUMP SUM CONTRIBUTIONS

The base for the general rate is Capital Value. The revenue sought by Council from the Uniform Annual General Charge and certain targeted rates set on a uniform basis,

is to be assessed close to 10% of the total rates revenue to ensure that every ratepayer contributes a base level of rates irrespective of the property value or services used.

Lump sum contributions will not be accepted in respect of any targeted rate.

DEFINITIONS

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner/ a person other than the owner, who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purposes of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. This includes any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are examples of where there may be application of multiple charges because a rating unit is comprised of more than one separately Used or Inhabited Part.

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one Record of Title
- Business premises with flat above
- Commercial building leased, or sub-leased, to multiple tenants
- Farm or Horticultural property with more than one dwelling

- Council property with more than one lessee
- Individually surveyed lots of vacant land on one Record of Title offered for sale separately or in groups
- Where part of a Rating Unit that has the right of exclusive occupation when more than one ratepayer/owner

As a minimum, the land or premises intended to form a separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use. For a residential property to be classified as having an additional Separately Used or Inhabited Part (SUIP) it must have separate cooking facilities, living facilities and toilet/bathroom facilities. If the separate part is internal to the main building (under the same roof) it must also have separate external access. For avoidance of doubt, a rating unit that has only one use or inhabitation is treated as being one separately used or inhabited part of the rating unit.

For the purposes of the Kerbside Waste Collection Rate, the definition of SUIP is the same as above, except that:

- where a rating unit has two SUIPs (being one principal unit with another unit such as a flat or minor *secondary* dwelling); and
- the ratepayer notifies the Council that only one *full set of glass, food, waste and recycling bins per principal unit* is required to be provided; then the rating unit will be treated as having only one SUIP.

ALLOCATIONS OF PAYMENTS

Where any payment is made by a ratepayer that is less than the amount now payable, the payment will be applied firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

What this means for rates - Funding Impact Statement (Rating)

The following rates are to be set and assessed on all properties by Tauranga City Council for the 2021/2022 year: (All figures are GST inclusive)

CITY WIDE RATES

1. GENERAL RATE

A general rate set under section 13 of the Local Government (Rating) Act 2002, on a differential basis, for the purposes of providing all or some of the costs of:

- City and Infrastructure Planning, Community People and relationships, Arts and Culture, Venues and Events, Community Partnerships, Libraries, Economic Development, Emergency Management, Animal services, Building services, Environmental Planning, Environmental Health and Licensing, Regulation Monitoring, Marine Facilities, Spaces and Places, Stormwater, Support Services, Sustainability and Waste and Transportation.

For the 2022/23 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00176063
Commercial	1.9	0.00334520

Note: capital value represents the market value of land and improvements of a rating unit. The values are assessed by independent valuers who are audited by the Office of the Valuer General. City wide revaluations are performed every three years, with the last revaluation base date of 1 July 2018.

2. UNIFORM ANNUAL GENERAL CHARGE

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit for the purposes of providing all or

some of the costs of:

- The same costs as the general rate above.

For the 2021/22 year this rate will be \$250 on each separately used or inhabited part of a rating unit within the City boundary.

TARGETED RATES

3. WASTE COLLECTION SERVICE (GLASS, FOOD, RECYCLING AND WASTE)

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all rateable land in the city that is used for residential purposes and provide with the waste collection service, and set as a fixed amount per separately used or inhabited part of a rating unit, for the purpose of providing the costs of:

- waste collection in the city

For the 2022/23 year, this rate will be per separately used or inhabited part of a rating unit.

Service	Bins, per separately used or inhabited part	Rate (\$)
Waste Collection Standard	Glass (45L), Food (23L), Rubbish (140L), Recycle (240L)	220
Waste Collection Low	Glass (45L), Food (23L), Rubbish (80L), Recycle (140L)	190
Waste Collection High	Glass (45L), Food (23L), Rubbish (240L), Recycle (240L)	320

4. GARDEN WASTE (OPTIONAL - RATEPAYERS OPT TO RECEIVE THIS ADDITIONAL SERVICE)

Targeted rates set under section 16 of the Local

Government (Rating) Act 2002 on all rateable land in the city that is used for residential purposes and is provided with the garden waste collection service. There are two targeted rates, each set as a fixed amount per bin provided, up to a maximum of 1 bin per separately used or inhabited part of a rating unit. These rates fund the costs of:

- garden waste collection in the city

For the 2021/22 year, these rates are as follows (the rate that applies will depend on the frequency of collection selected by ratepayers).

Collection Frequency	Rate (\$)
4 weekly	70
2 weekly	100

5. WASTEWATER RATES

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on a differential basis on each serviceable or connected rating unit for the purposes of providing all or some of the costs of:

- Wastewater disposal and wastewater infrastructure

For the 2022/23 year this rate will be

- \$584.47 per water closet or urinal on every connected rating unit within the city boundary.
- \$292.23 per separately used or inhabited part of a rating unit which is serviceable within the City boundary.

“Serviceable” means any Rating Unit situated within 30 metres of a public wastewater or stormwater drainage scheme to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected.

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What this means for rates - Funding Impact Statement (Rating)

“Connected” means any rating connected to a public wastewater or stormwater drainage scheme.

A rating unit used primarily as a residence for one household is treated as having not more than one water closet.

6. STORMWATER RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of stormwater infrastructure investments

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00001331
Commercial	1.6	0.00002130

7. METERED WATER RATES

A targeted rate set under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, and a differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 per connection for every connected rating unit in the City which is provided with a metered water supply. The amount of the rate per connection depends on the size of the connection. This rate is for purposes of providing all or some of the costs of:

- Water supply and water infrastructure

For the 2021/22 year these rates will be:

1. \$3.33 per cubic metre of water supplied
2. A fixed amount between \$37 and \$1,407 dependent on the size of the water meter connections, per connection.

Base charge meter connection size (mm)	Rate (\$)
20	35.00
25	66.00
32	66.00
40	273.00
50	540.00
80	1,079.00
100	1,329.00
150	1,329.00
200	1,329.00
250	1,329.00

8. UNMETERED WATER RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on each connected separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply for purposes of providing some of the costs of:

- Water supply and water infrastructure

For the 2021/22 year this rate will be \$851 per separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply.

“Connected” means any rating unit to which water is supplied.

9. ECONOMIC DEVELOPMENT RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on all commercial rating units in the City for purposes of providing costs of:

- Priority One, Tourism Bay of Plenty, the Visitor Information Centre and general economic development.

For the 2021/22 year this rate will be \$0.00037709 per

dollar based on the rateable capital value of all rateable land with a category “Commercial” within the City boundary.

10. MAINSTREET RATES

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all commercial rating units in Tauranga CBD, Mount Maunganui Mainstreet, Greerton Village Mainstreet and Papamoa Mainstreet for purposes of providing costs of:

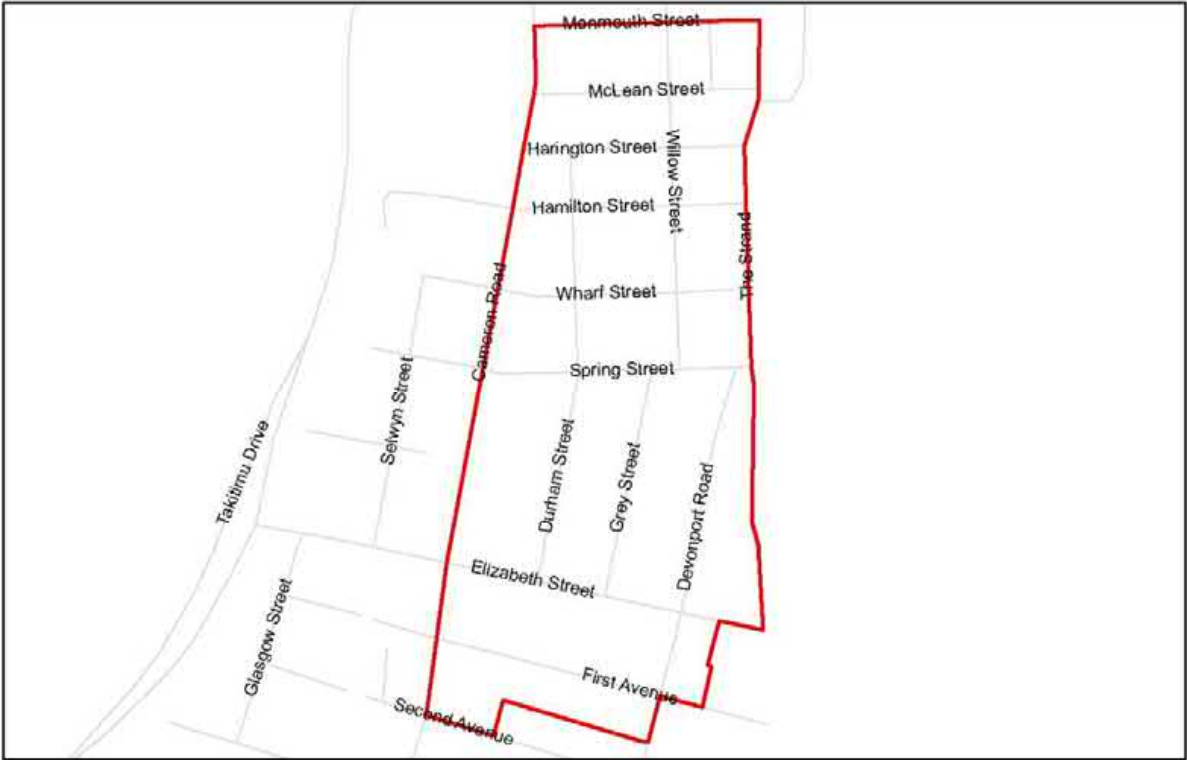
- Promotion of business through grants to each individual Mainstreet Organisation.

For the 2021/22 year the amounts of the rates will be

1. \$0.00041402 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Tauranga Mainstreet (CBD) area (see map).
2. \$0.00048457 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Mount Maunganui Mainstreet area (see map).
3. \$0.00137618 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Greerton Village Mainstreet area (see map).
4. \$0.00024837 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Papamoa Mainstreet area (see map).

* within the area means rating units on the inside of the road defining the boundary on the map.

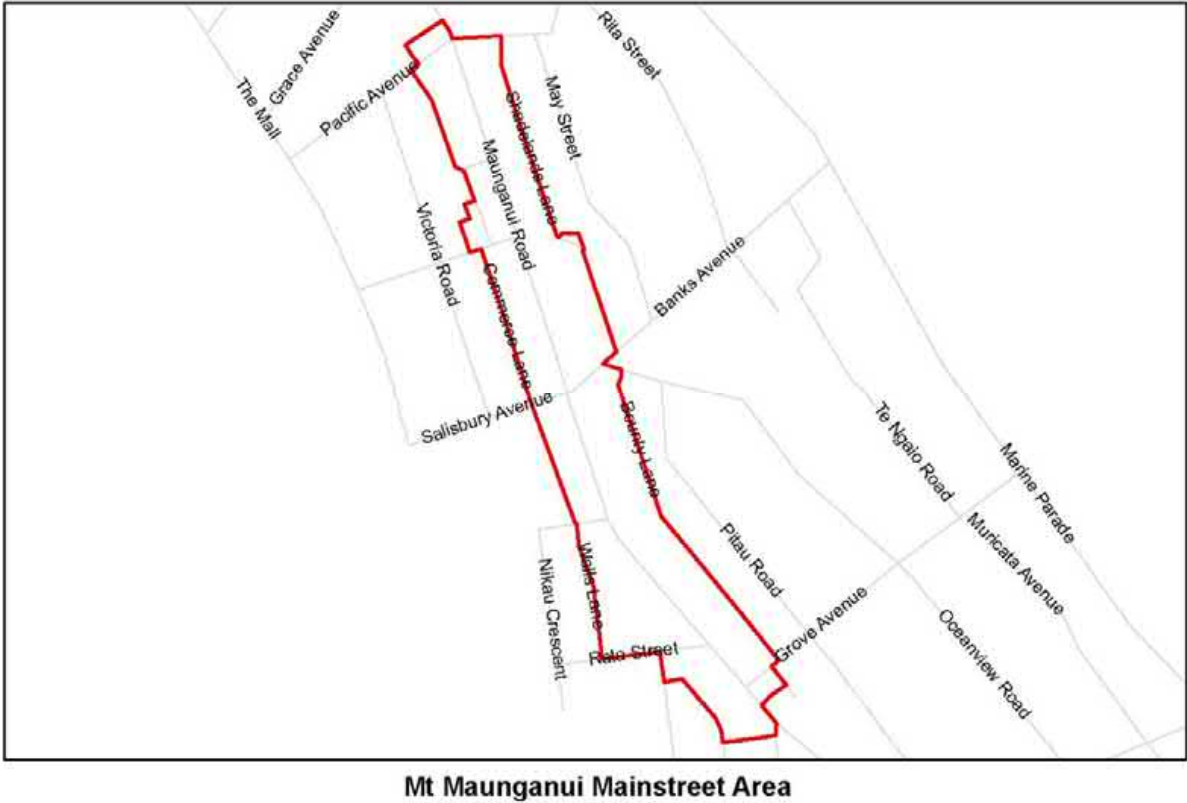
What this means for rates - Funding Impact Statement (Rating)



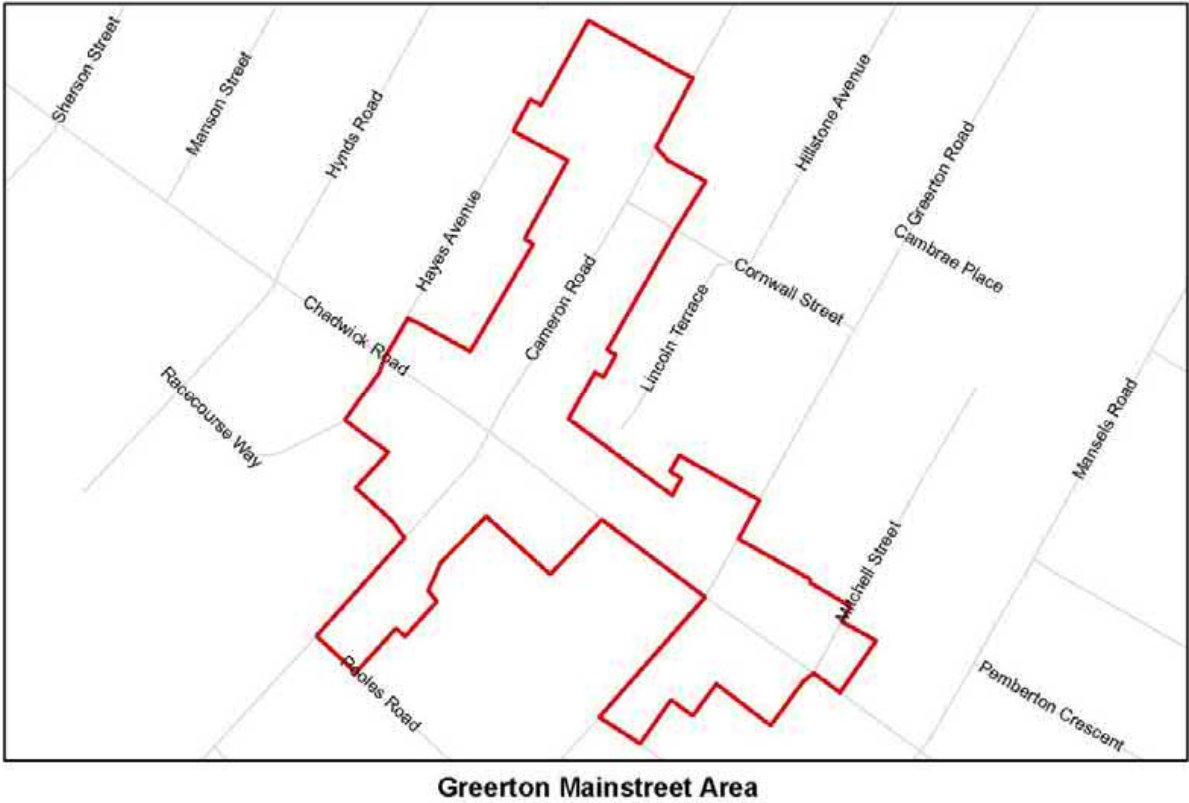
Tauranga Mainstreet Area

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What this means for rates - Funding Impact Statement (Rating)

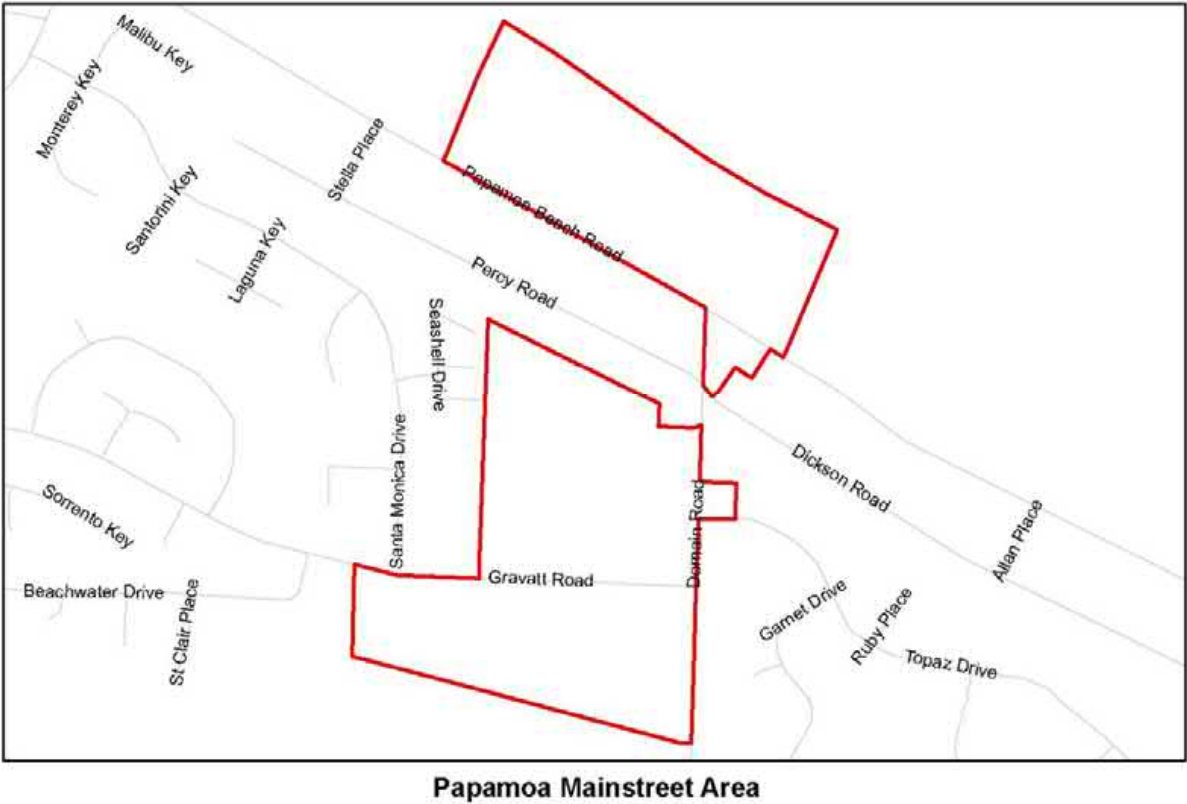


What this means for rates - Funding Impact Statement (Rating)



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What this means for rates - Funding Impact Statement (Rating)



Long-term Plan Amendment 2021-2031

What this means for rates - Funding Impact Statement (Rating)

11. SPECIAL SERVICES RATES

Three targeted rates set under section 16 of the Local Government (Rating) Act 2002 in The Lakes, Papamoa Coast and Excelsa subdivisions for purposes of providing costs of:

- Additional level of service provided in relation to maintenance and renewal of street gardens (Lakes, Excelsa), paths (Lakes, Coast), trees (Lakes, Coast, and Excelsa), lighting (Excelsa) and pond maintenance (Lakes).

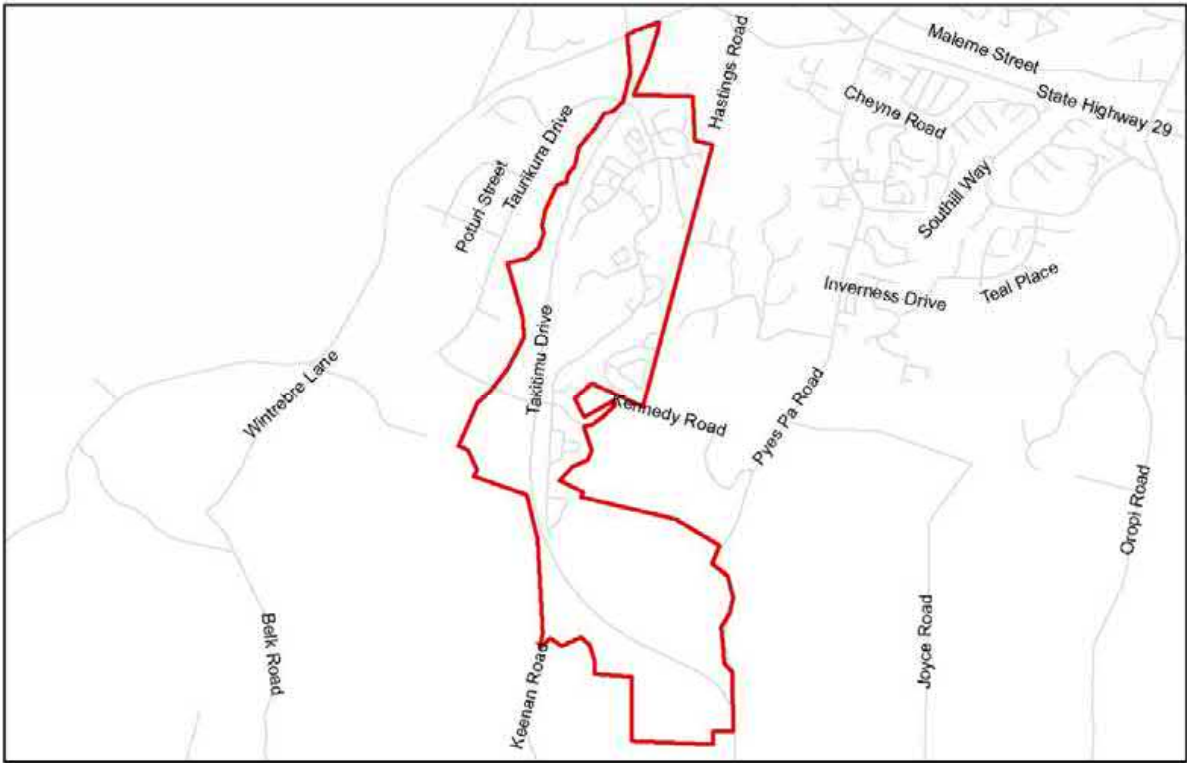
For the 2021/22 year these rates (to two decimal places) will be:

1. \$102.75 on every rateable rating unit within the Lakes Subdivision (see map).
2. \$35.01 on every rateable rating unit within the Papamoa Coast Subdivision (see map)
3. \$51.78 on every rateable rating unit within the Excelsa Subdivision (see map).

* within the area means rating units on the inside of the road defining the boundary on the map.

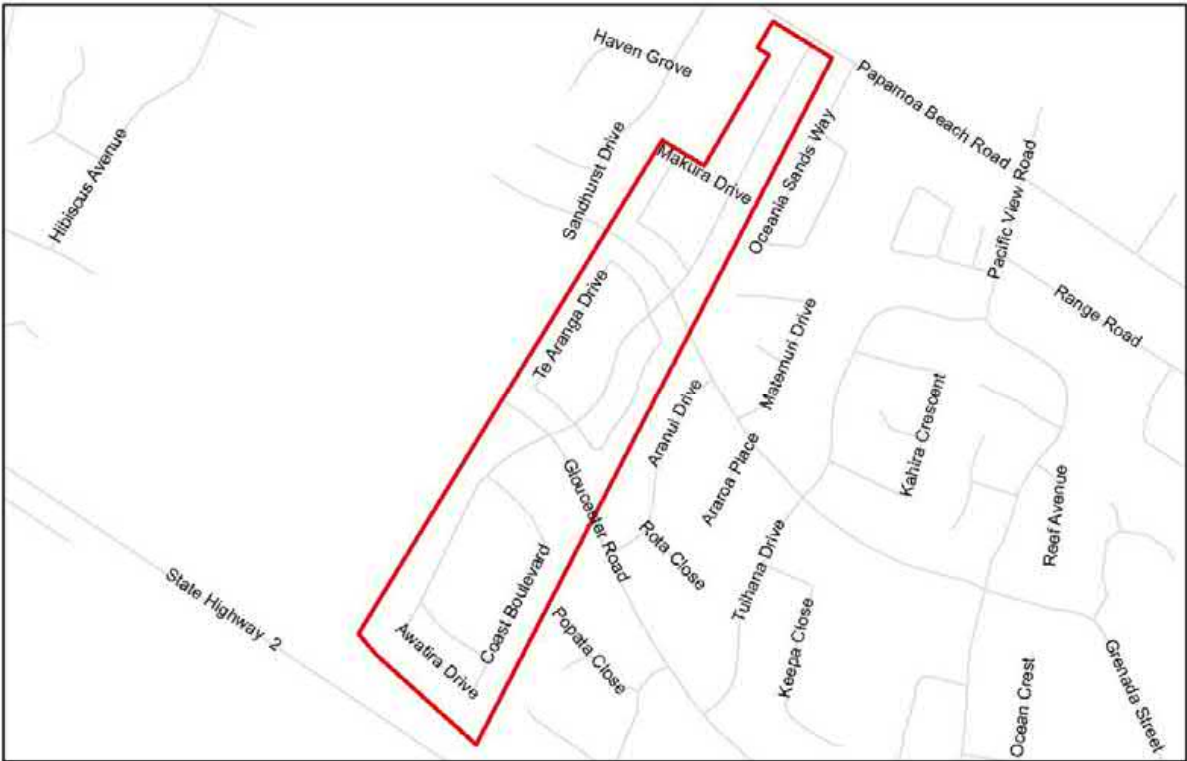
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What this means for rates - Funding Impact Statement (Rating)



The Lakes Subdivision Area

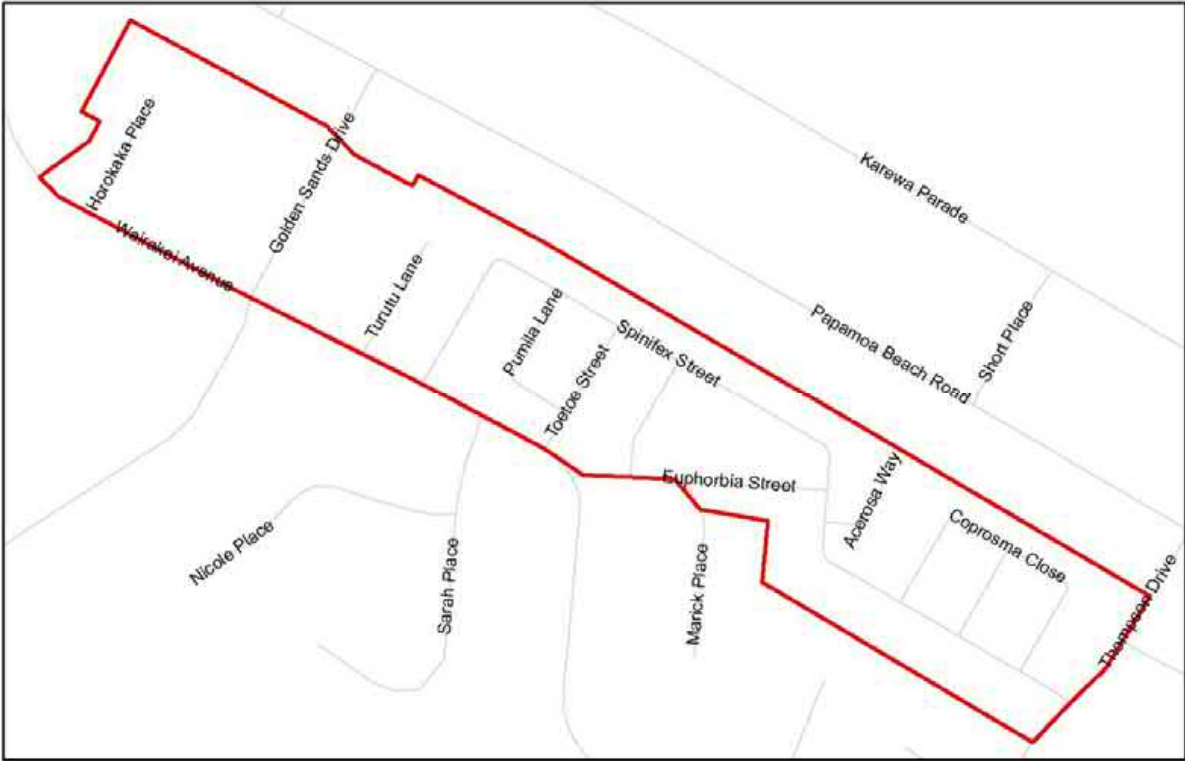
What this means for rates - Funding Impact Statement (Rating)



Papamoa Coast Subdivision Area

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What this means for rates - Funding Impact Statement (Rating)



Excelsa Subdivision Area

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What this means for rates - Funding Impact Statement (Rating)

12. RESILIENCE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of resilience infrastructure investments in the water, wastewater, stormwater, transportation and emergency management activities.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00001113
Commercial	1.6	0.00001781

13. TRANSPORTATION

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of transportation infrastructure investments.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00003951
Commercial	3.33	0.00013158

14. COMMUNITY

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, for the purposes of providing some of the costs of community amenity investments.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00013794
Commercial	1.6	0.00022070

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What this means for rates - Funding Impact Statement (Rating)

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY, ONE TOILET FOR RESIDENTIAL AND TWO TOILETS FOR COMMERCIAL)													
What your rates are made up of for 2021/2022 (Incl GST)													
	Capital Value 2021	Waste water	Waste Collections Standard	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2023 proposed	2021/2022 rates	Increase %	Increase \$/pw
Residential													
Low Residential (1%)	\$495,000	\$584	\$220	\$6	\$7	\$20	\$68	\$250	\$872	\$2,026	\$1,844	9.8%	\$3.49
Lower Quartile (25%)	\$790,000	\$584	\$220	\$9	\$10.52	\$31	\$109	\$250	\$1,391	\$2,605	\$2,388	9.1%	\$4.18
Median (50%)	\$980,000	\$584	\$220	\$11	\$13.05	\$39	\$135	\$250	\$1,725	\$2,978	\$2,727	9.2%	\$4.82
Upper Quartile (75%)	\$1,210,000	\$584	\$220	\$13	\$16.11	\$48	\$167	\$250	\$2,130	\$3,429	\$3,189	7.5%	\$4.62
High residential (99%)	\$3,510,000	\$584	\$220	\$39	\$46.73	\$139	\$484	\$250	\$6,180	\$7,943	\$7,521	5.6%	\$8.11
	Capital Value	Waste water	Economic Development	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2023 proposed	2021/2022 rates	Increase %	Increase \$/pw
Commercial													
Lower Quartile (25%)	\$865,000	\$1,169	\$326	\$15	\$18	\$114	\$191	\$250	\$2,894	\$4,977	\$4,013	24%	\$18.55
Median (50%)	\$1,630,000	\$1,169	\$615	\$29	\$35	\$214	\$360	\$250	\$5,453	\$8,124	\$6,553	24%	\$30.21
Upper Quartile (75%)	\$3,320,000	\$1,169	\$1,252	\$59	\$71	\$437	\$733	\$250	\$11,106	\$15,076	\$11,878	27%	\$61.50
High commercial (99%)	\$41,783,000	\$1,169	\$15,756	\$744	\$890	\$5,498	\$9,222	\$250	\$139,773	\$173,301	\$136,078	27%	\$715.82

Mainstreet rates, levels of service rates and water rates may be in addition to the rates above

Long-term Plan Amendment 2021-2031

What this means for rates - Funding Impact Statement (Rating)

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY) TO INDICATIVE LEVEL OF SERVICE RATES				
What your rates are made up of for 2022/2022 (Incl GST)				
Indicative Level of Service rates	2022/2023 proposed	2021/2022 rates	Increase	Increase \$/pw
The Lakes	\$102.75	\$99.90	2.9%	\$0.05
Coast (Papamoa)	\$35.01	\$34.02	2.9%	\$0.02
Excels (Papamoa)	\$51.78	\$50.32	2.9%	\$0.03

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY) TO INDICATIVE MAINSTREET RATES					
What your rates are made up of for 2021/2022 (Incl GST)					
Indicative Mainstreet rates	Average Capital Value	2022/2023	2020/2021 rates	Increase	Increase \$/pw
Tauranga	\$4,148,000	\$1,717	\$1,724	-0.4%	-\$0.12
Mount	\$4,365,000	\$2,115	\$2,114	0.0%	\$0.02
Greerton	\$2,060,000	\$2,835	\$2,821	0.5%	\$0.27
Papamoa	\$3,991,000	\$991	\$991	0.0%	-\$0.00

INDICATIVE WATER RATES				
What your rates are made up of for 2021/2022 (Incl GST)				
Indicative Water rates	2022/2023	2020/2021 rates	Increase	Increase /m3
Volumetric rate (m3)	\$3.33	\$2.90	14.8%	\$0.43
	2022/2023	2020/2021 rates	Increase	Increase \$/pw
Base charge (connection size)				
20	\$37	\$35	5.7%	\$0.04
25	\$70	\$66	6.1%	\$0.08
32	\$70	\$66	6.1%	\$0.08
40	\$289	\$273	5.9%	\$0.31
50	\$572	\$540	5.9%	\$0.62
80	\$1,143	\$1,079	5.9%	\$1.23
100	\$1,407	\$1,329	5.9%	\$1.50
150	\$1,407	\$1,329	5.9%	\$1.50
200	\$1,407	\$1,329	5.9%	\$1.50
250	\$1,407	\$1,329	5.9%	\$1.50

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Carruthers Capital			
Opening Balance 01 Jul 2021	Fund to provide & maintain homes & flats for elderly persons.	Support Services	(34)
Transfers In 2022/2031			0
Transfers Out 2022/2031			34
Closing Balance			(1)
Carruthers Income			
Opening Balance 01 Jul 2021	Revenue from the capital fund that can be distributed.	Support Services	(20)
Transfers In 2022/2031			
Transfers Out 2022/2031			19
Closing Balance			(0)
E.V Flower Family Trust			
Opening Balance 01 Jul 2021	For city museum maintenance of aviary.	Support Services	(22)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(22)
Endowment Land Fund			
Opening Balance 01 Jul 2021	Proceeds received from the sale of endowment land in Devonport Road.	Support Services	(67)
Transfers In 2022/2031			
Transfers Out 2022/2031			(1)
Closing Balance			(68)
Landscape Impact Fee			
Opening Balance 01 Jul 2021	To develop street planting - funds from impact fee in industrial areas.	Support Services	(126)
Transfers In 2022/2031			
Transfers Out 2022/2031			(3)
Closing Balance			(128)
Museum Collection Fund			
Opening Balance 01 Jul 2021	For the provision & development of the museum collection.	Support Services	(191)
Transfers In 2022/2031			
Transfers Out 2022/2031			(4)
Closing Balance			(194)

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Parking Fees Reserve (JOG)			
Opening Balance 01 Jul 2021	Funds for parking management and Joint Officials Group (JOG).	Support Services	(2)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(3)
Parking Impact Fee			
Opening Balance 01 Jul 2021	The City Plan imposes an impact fee on development that impacts on Parking.	Support Services	(755)
Transfers In 2022/2031			
Transfers Out 2022/2031			(15)
Closing Balance			(770)
Roading Land Purchase Fund			
Opening Balance 01 Jul 2021	For roading land purchases (funded by roading land sales).	Support Services	(1,659)
Transfers In 2022/2031			
Transfers Out 2022/2031			(33)
Closing Balance			(1,692)
Stewarts Trust Capital			
Opening Balance 01 Jul 2021	Fund to provide relief from poverty for aged & needy persons.	Support Services	(563)
Transfers In 2022/2031			
Transfers Out 2022/2031			552
Closing Balance			(11)
Stewarts Trust Income			
Opening Balance 01 Jul 2021	Revenue from the capital fund that can be distributed.	Support Services	(139)
Transfers In 2022/2031			
Transfers Out 2022/2031			237
Closing Balance			97
Strategic Fundraising Reserve			
Opening Balance 01 Jul 2021	Revenue from external parties for projects.	Community Services	
Transfers In 2022/2031			
Transfers Out 2022/2031			1,366
Closing Balance			1,366

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Strategic Fundraising Reserve			
Opening Balance 01 Jul 2021	Revenue from external parties for projects.	Support Services	(1,379)
Transfers In 2022/2031			
Transfers Out 2022/2031			(26)
Closing Balance			(1,405)
Strategic Roding Network			
Opening Balance 01 Jul 2021	Roding fund for strategic roding network and sub-regional transportation.	Support Services	(7)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(7)
TDC Eden Family Trust			
Opening Balance 01 Jul 2021	For city museum maintenance of the steam engine	Support Services	(16)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(16)
Water Future Land Purchase			
Opening Balance 01 Jul 2021	To purchase additional land in water catchment areas when it becomes available.	Support Services	(167)
Transfers In 2022/2031			
Transfers Out 2022/2031			(3)
Closing Balance			(171)
Total Closing Balance			(3,024)

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)														
	Description of Reserve*	2020/21 - 2030/31 Activity												Total Balance (\$000)
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)		
Bethlehem Roundabout														
Opening Balance 01 Jul 2021	Funding of slip lane for Parau Lane.	(89)												(89)
Transfers In 2022/2031														
Transfers Out 2022/2031		77												77
Closing Balance		(13)	0	0	0	0	0	0	0	0	0	0	0	(13)
Biosolids Reserve														
Opening Balance 01 Jul 2021	Reserve to provide for biosolids maintenance.	280												280
Transfers In 2022/2031		(15,000)												(15,000)
Transfers Out 2022/2031		15,006												15,006
Closing Balance		0	0	286	0	0	0	0	0	0	0	0	0	286
Boscabel Subdivision Water Supply														
Opening Balance 01 Jul 2021	Funding of upgrading the Water Supply for the subdivision	(17)												(17)
Transfers In 2022/2031														
Transfers Out 2022/2031		(12)												(12)
Closing Balance		0	(30)	0	0	0	0	0	0	0	0	0	0	(30)
Community Facilities Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated from capital investment in community amenities.													
Transfers In 2022/2031														(179,550)
Transfers Out 2022/2031		60,511112,661												5,671178,843
Closing Balance		0	0	0	0	0	60,511	0	0	112,661	0	(173,879)		(707)

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Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)													
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$000)
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)	
Elder Housing Sale Reserve													
Opening Balance 01 Jul 2021	Sale of Elder Housing Assets.	1,634											1,634
Transfers In 2022/2031													
Transfers Out 2022/2031		3,088 (23,070)											(19,982)
Closing Balance		0	0	0	0	0	3,088	0	0	0	(21,436)	0	(18,348)
General Contingency													
Opening Balance 01 Jul 2021	Miscellaneous expenditure for operational items not foreseen in annual plan.	(9)											(9)
Transfers In 2022/2031													
Transfers Out 2022/2031		0											0
Closing Balance		0	0	0	0	0	0	0	0	0	0	(9)	(9)
Risk Management Fund													
Opening Balance 01 Jul 2021	For the purpose of managing Council's financial risk and to fund unforeseen events or unknown amounts such as leaky homes.	28,039											28,039
Transfers In 2022/2031		(11,443)											(11,443)
Transfers Out 2022/2031		8,366											8,366
Closing Balance		0	0	0	0	0	0	0	24,963	0	0	0	24,963
Stormwater Reactive Reserve													
Opening Balance 01 Jul 2021	Levy collected for stormwater remedial works.	(11,649)											(11,649)
Transfers In 2022/2031		(11,386)											(11,386)
Transfers Out 2022/2031		22,378											22,378
Closing Balance		0	0	0	(657)	0	0	0	0	0	0	0	(657)

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)														
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$000)	
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)		
Kerbside Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected for kerbside collection.	3,153											3,153	
Transfers In 2022/2031		(155,002)											(155,002)	
Transfers Out 2022/2031		145,403											145,403	
Closing Balance		0	0	0	0	(6,446)	0	0	0	0	0	0	(6,446)	
Resilience Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated from capital investment in infrastructure resilience.													
Transfers In 2022/2031		(35,818)											(35,818)	
Transfers Out 2022/2031		6,621	13,415	7,471	4,218			4,093			0	35,818		
Closing Balance		6,621	13,415	7,471	4,218	0	0	0	4,093	0	0	(35,818)	0	
Tauranga Hockey Turf 1														
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(360)											(360)	
Transfers In 2022/2031		(107)											(107)	
Transfers Out 2022/2031		412											412	
Closing Balance		0	0	0	0	0	0	0	0	(55)	0	0	(55)	
Tauranga Hockey Turf 2														
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(360)											(360)	
Transfers In 2022/2031		(142)											(142)	
Transfers Out 2022/2031		342											342	
Closing Balance		0	0	0	0	0	0	0	0	(161)	0	0	(161)	

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Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)													
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$'000)
		Transportation (\$'000)	Water Supply (\$'000)	Wastewater (\$'000)	Stormwater (\$'000)	Sustainability and Waste (\$'000)	Community Services (\$'000)	Community, People and Relationships (\$'000)	Emergency Management (\$'000)	Spaces and Places (\$'000)	Elder Housing (\$'000)	Support Services (\$'000)	
Tauranga Hockey Turf 3													
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(55)											(55)
Transfers In 2022/2031		(540)											(540)
Transfers Out 2022/2031		818											818
Closing Balance		0	0	0	0	0	0	0	0	223	0	0	223
Transportation Targeted Rate Reserve													
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated by capital investment in transportation assets.												
Transfers In 2022/2031		(201,418)											(201,418)
Transfers Out 2022/2031		170,616											170,616
Closing Balance		(30,803)	0	0	0	0	0	0	0	0	0	0	(30,803)
Voluntary Rates Account													
Opening Balance 01 Jul 2021	To maintain voluntary rate payments.	(8)											(8)
Transfers In 2022/2031													
Transfers Out 2022/2031		(0)											(0)
Closing Balance		0	0	0	0	0	0	0	0	0	0	(8)	(8)
Waste Levy Reserve Account													
Opening Balance 01 Jul 2021	To receive funds from waste management levy for approved activity.	(1,370)											(1,370)
Transfers In 2022/2031		(5,921)											(5,921)
Transfers Out 2022/2031		5,918											5,918
Closing Balance		0	0	0	0	(1,373)	0	0	0	0	0	0	(1,373)

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)														
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$000)	
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Eldar Housing (\$000)	Support Services (\$000)		
Wastewater Enhancement Reserve														
Opening Balance 01 Jul 2021	For the purpose of mitigating the cultural and environmental affects of the wastewater scheme.	(693)											(693)	
Transfers In 2022/2031														
Transfers Out 2022/2031		(247)											(247)	
Closing Balance		0	0	(940)	0	0	0	0	0	0	0	0	(940)	
Weathertight Reserve														
Opening Balance 01 Jul 2021	For the purpose of managing Council's future exposure to leaky home payments.													
Transfers In 2022/2031														
Transfers Out 2022/2031													(34,196)	
													11,667	11,667
Closing Balance		0	0	0	0	0	0	0	0	0	0	0	(22,529)	(22,529)
Total Closing Balance													(56,606)	

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
City Wide Development Contributions							
Building Impact Fees							
Opening Balance 01 Jul 2021	(2,063)	(172)	(4)	1,119	4,050	139,844	142,774
Transfers In 2022/2031			(12,450)	(7,521)	(107,183)	(178,095)	(305,249)
Transfers Out 2022/2031	302	10,886	68,170	4,514	180,957	256,114	520,943
Closing Balance 30 Jun 2031	(1,761)	10,714	55,716	(1,888)	77,823	217,864	358,468
Local Development Contributions							
Bethlehem							
Opening Balance 01 Jul 2021	900		29	1,146	1,655	720	4,450
Transfers In 2022/2031	(606)			(738)	(1,685)	(131)	(3,159)
Transfers Out 2022/2031	1,068		588	2,510	310	260	4,737
Closing Balance 30 Jun 2031	1,363		617	2,918	281	849	6,028
Bethlehem West							
Opening Balance 01 Jul 2021	1,688		2,851	4,102	1,017	38	9,696
Transfers In 2022/2031	(961)		(621)	(1,069)	(933)	(104)	(3,687)
Transfers Out 2022/2031	8,268		991	(1,811)	1,350	1,007	9,804
Closing Balance 30 Jun 2031	8,994		3,222	1,221	1,435	941	15,813
Kaitemako South							
Opening Balance 01 Jul 2021					7		7
Transfers In 2022/2031							
Transfers Out 2022/2031					3		3
Closing Balance 30 Jun 2031	0		0	0	10	0	10
Mount Maunganui Infill							
Opening Balance 01 Jul 2021			(32)		2,187	(185)	1,970
Transfers In 2022/2031							
Transfers Out 2022/2031			92		875	(14)	953
Closing Balance 30 Jun 2031	0		60	0	3,061	(199)	2,922

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Neewood							
Opening Balance 01 Jul 2021					21		21
Transfers In 2022/2031							
Transfers Out 2022/2031					8		8
Closing Balance 30 Jun 2031	0		0	0	29	0	29
North West Bethlehem							
Opening Balance 01 Jul 2021							
Transfers In 2022/2031							
Transfers Out 2022/2031							
Closing Balance 30 Jun 2031	0		0	0	(0)	0	0
Ohauti/Hollister Lane							
Opening Balance 01 Jul 2021	325		744	(148)	311	2,222	3,454
Transfers In 2022/2031	(58)			(105)	(451)	(392)	(1,006)
Transfers Out 2022/2031	119		298	58	47	807	1,329
Closing Balance 30 Jun 2031	386		1,041	(195)	(93)	2,637	3,777
Papamoa East I (Wairakei)							
Opening Balance 01 Jul 2021	3,144		155	(5,685)	(3,978)	(3,064)	(9,428)
Transfers In 2022/2031	(18,052)			(15,502)	(8,604)	(6,136)	(48,293)
Transfers Out 2022/2031	11,828		4,502	25,579	40,737	19,942	102,588
Closing Balance 30 Jun 2031	(3,080)		4,657	4,393	28,155	10,742	44,866
Papamoa East II (Wairakei)							
Opening Balance 01 Jul 2021	1,421			10,077	2,391	(60)	13,829
Transfers In 2022/2031	(1,318)			(3,953)	(6,253)	(2,718)	(14,242)
Transfers Out 2022/2031	10,482		11,490	46,594	122,750	16,048	207,363
Closing Balance 30 Jun 2031	10,584		11,490	52,718	118,888	13,270	206,951

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Papamoa							
Opening Balance 01 Jul 2021	4,398		(2,131)	4,363	98	(201)	6,527
Transfers In 2022/2031	(3,603)			(3,176)	(769)	(210)	(7,757)
Transfers Out 2022/2031	(6,555)		3,450	(414)	(25)	46	(3,497)
Closing Balance 30 Jun 2031	(5,759)		1,319	774	(696)	(365)	(4,727)
Pukemapu							
Opening Balance 01 Jul 2021					35		35
Transfers In 2022/2031							
Transfers Out 2022/2031					14		14
Closing Balance 30 Jun 2031	0		0	0	49	0	49
Pyes Pa							
Opening Balance 01 Jul 2021	31		161	669	(412)	(69)	379
Transfers In 2022/2031	(181)			(302)	(727)	(65)	(1,275)
Transfers Out 2022/2031	(6)		1,795	435	(66)	(9)	2,149
Closing Balance 30 Jun 2031	(156)		1,956	802	(1,205)	(142)	1,254
Pyes Pa West							
Opening Balance 01 Jul 2021	7,322		(2,987)	7,944	(2,490)	1,833	11,622
Transfers In 2022/2031	(3,478)		(799)	(2,261)	(2,824)	(338)	(9,701)
Transfers Out 2022/2031	10,738		4,027	2,289	1,017	800	18,870
Closing Balance 30 Jun 2031	14,582		241	7,972	(4,298)	2,295	20,791
South Ohauti							
Opening Balance 01 Jul 2021					32		32
Transfers In 2022/2031							
Transfers Out 2022/2031				2,262	13		2,275
Closing Balance 30 Jun 2031	0		0	2,262	45	0	2,307

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
South Pyes Pa							
Opening Balance 01 Jul 2021				4,368	331	117	4,816
Transfers In 2022/2031	(638)			(1,912)	(3,024)	(1,314)	(6,888)
Transfers Out 2022/2031	(10)			1,616	64	19	1,689
Closing Balance 30 Jun 2031	(647)		0	4,073	(2,630)	(1,178)	(383)
Southern Pipeline Reserve							
Opening Balance 01 Jul 2021					65,832		65,832
Transfers In 2022/2031							
Transfers Out 2022/2031					26,333		26,333
Closing Balance 30 Jun 2031	0		0	0	92,165	0	92,165
Tauranga Infill							
Opening Balance 01 Jul 2021	22		69	1,660	(216)	(735)	800
Transfers In 2022/2031					(5,334)		(5,334)
Transfers Out 2022/2031	9		5,627	664	(243)	(55)	6,002
Closing Balance 30 Jun 2031	31		5,696	2,324	(5,792)	(790)	1,468
Tauriko Business Estate							
Opening Balance 01 Jul 2021	(1,710)			(6,143)	(2,353)	2,113	(8,092)
Transfers In 2022/2031	(3,938)			(15,845)	(11,791)	(1,831)	(33,405)
Transfers Out 2022/2031	4,253			11,040	5,745	4,428	25,465
Closing Balance 30 Jun 2031	(1,394)		0	(10,948)	(8,399)	4,709	(16,032)

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Tauriko West							
Opening Balance 01 Jul 2021				251	1,871	563	2,684
Transfers In 2022/2031							
Transfers Out 2022/2031	(33)		22,114	15,647	3,902	19,479	61,108
Closing Balance 30 Jun 2031	(33)		22,114	15,897	5,773	20,041	63,792
Waitaha/Waikite							
Opening Balance 01 Jul 2021	(142)		21	(764)	996	1,373	1,484
Transfers In 2022/2031	(157)			(263)	(776)	(279)	(1,475)
Transfers Out 2022/2031	260		1,822	1,612	224	489	4,407
Closing Balance 30 Jun 2031	(39)		1,843	585	444	1,583	4,416
Total Closing Balance							803,966

Financials - Reserves

PROSPECTIVE STATEMENT OF COUNCIL CREATED RESERVES (DEPRECIATION RESERVES) (INCLUDING INFLATION)											
	2020/21 – 2030/31 Activity										
	City & Infrastructure Planning (\$000)	Community Services (\$000)	Community, People & Relationships (\$000)	Economic Development (\$000)	Emergency Management (\$000)	Marine Precinct (\$000)	Regulatory & Compliance (\$000)	Spaces & Places (\$000)	Stormwater (\$000)	Support Services (\$000)	Sustainability & Waste (\$000)
Depreciation Reserve											
Opening Balance 01 Jul 2021	(48)	(10,808)	324	(6,217)	1,120	287	(1,418)	(36,056)	(24,014)	(2,163)	406
Transfers In 2022/2031	(291)	(52,942)	(306)	(21,111)	(1,591)	(8,468)	(4,829)	(226,325)	(115,494)	(207,521)	(13,052)
Transfers Out 2022/2031	(51)	49,624	27	7,194	2,152	5,011	(207)	196,951	56,102	124,145	664
Closing Balance	(390)	(14,126)	45	(20,135)	1,680	(3,171)	(6,454)	(65,429)	(83,407)	(85,539)	(11,982)

	2020/21 – 2030/31 Activity		
	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)
Depreciation Reserve			
Opening Balance 01 Jul 2021	(2,184)	(29,008)	(25,890)
Transfers In 2022/2031	(210,598)	(191,176)	(174,540)
Transfers Out 2022/2031	184,279	212,192	130,103
Closing Balance	(28,503)	(7,992)	(70,327)

Financial Prudence

Under the Local Government Act 2002 Financial Reporting and Prudence Regulations 2014. All Councils are required to report performance against standardised benchmarks.

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings. The council is required to include this statement in its long term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

RATES AFFORDABILITY BENCHMARKS

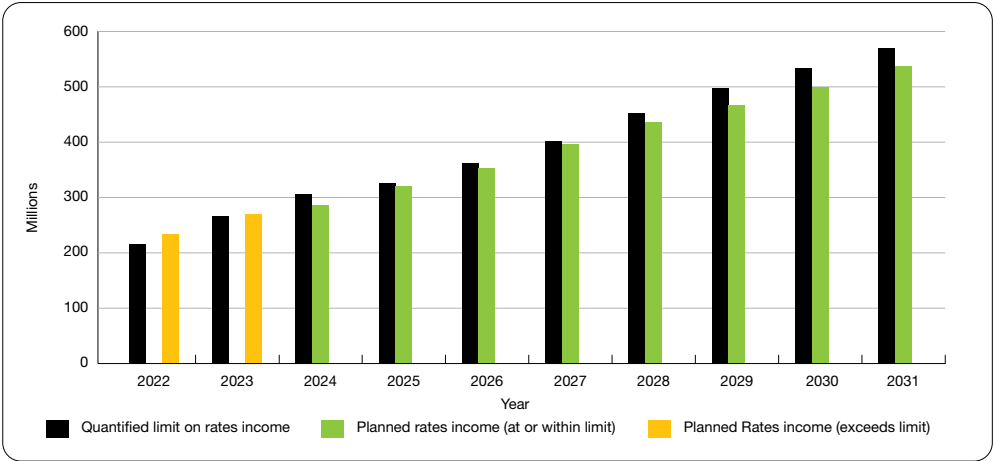
- Council meets this benchmark if:
- its planned rates income equals or is less than each quantified limit on rates; and
 - its planned rates increases equal, or are less than each quantified limit on rates increases

RATES (INCOME) AFFORDABILITY BENCHMARK

Quantified Limit on Rates

The total rates requirement for each year of the long term plan will be no more than the rates increase % limit applied to the previous years rates requirement as adopted in the Long-term Plan.

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long-term Plan. The quantified limit for each year of the Long-term Plan is the rates requirement for the previous year multiplied by the % limit on rates increase specified for that year.



The exceedance in year one is primarily due to new targeted rates including rates retirement, along with a significant increase in the water volumetric charge in 2022. The exceedance in year two is mainly due to increases in debt retirement charges and water by meter rates.

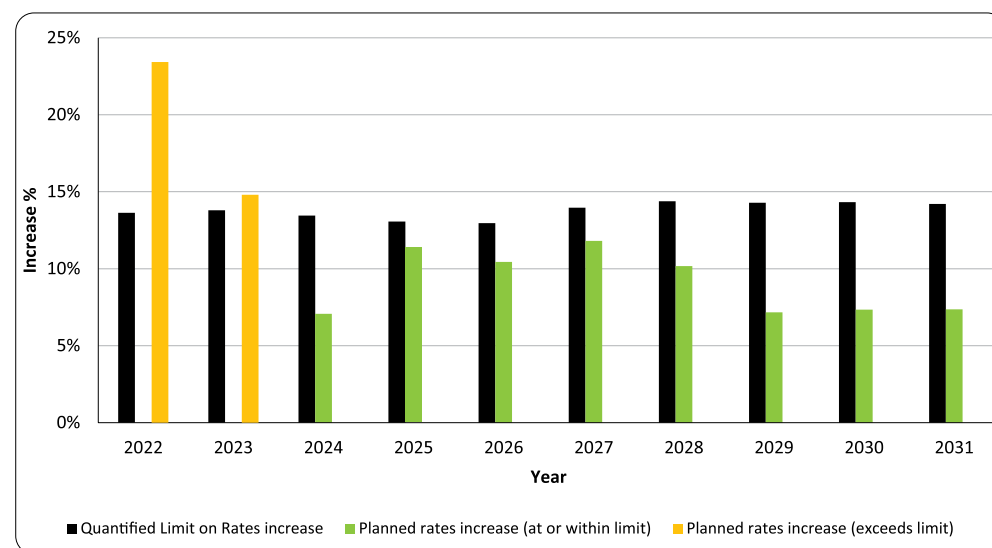
Financial Prudence - Rates Affordability Benchmark

RATES INCREASES AFFORDABILITY BENCHMARK

Quantified Limit on Rates Increases

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 varies for each year. It is equal to the sum of:

- The estimated percentage growth in the number of rateable properties in the city in the year to 30 June preceding the relevant rating year in question and
- Twelve percent



The rates increase limit in the financial strategy of 12% + growth is on the general rate. New targeted rates including rates retirement, along with a significant increase in the water volumetric charge in 2022 have generated increases above 12% + growth in 2 years of this LTP. The level of debt retirement required will be dependent on capital delivery and Waters Reform.

The large increase in year one is driven by significant increases in;

- new targeted rates for planning, stormwater, transport and community facilities.
- debt retirement to sustain the capital investment programme
- kerbside rates
- water by meter rates (introduction of debt retirement in water supply)

The exceedance in year two is mainly due to increases in debt retirement charges and water by meter rates.

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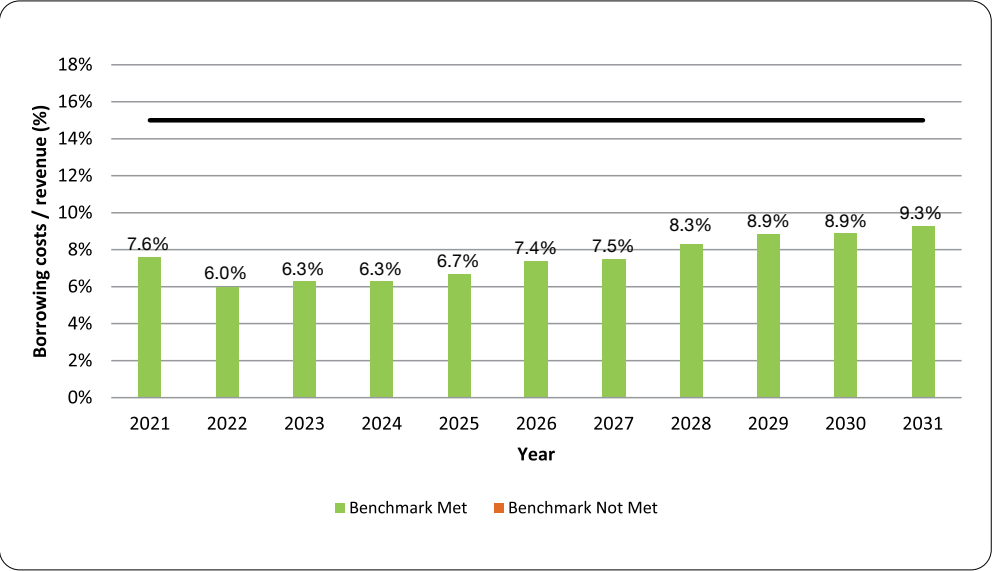
Financial Prudence - Debt Servicing Benchmark

DEBT SERVICING BENCHMARK

The following graph compares 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 and equipment).

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

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



*Interest expense is gross interest not net interest. Interest expense also includes CCO's interest expense.

Financial Prudence - Debt Affordability Benchmark

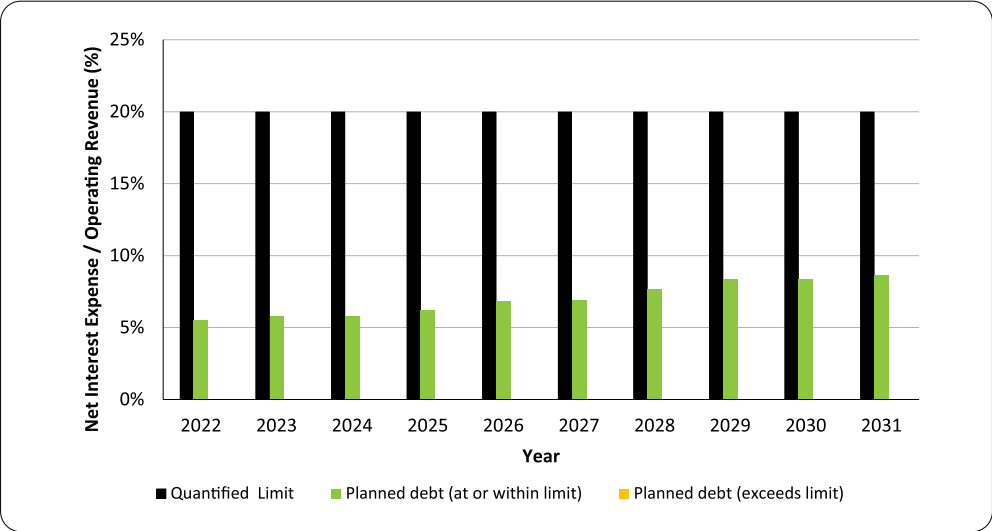
DEBT AFFORDABILITY BENCHMARK

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. Tauranga City Council has 3 quantified limits on borrowing.

Net Interest Expense on External Debt as a Percentage of Operating Revenue

The following graph compares the council's planned borrowing with the first quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net interest expense (after interest rate risk management costs/benefits) on external debt as a percentage of annual operating revenue (excluding development contributions) will not exceed 20%.

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



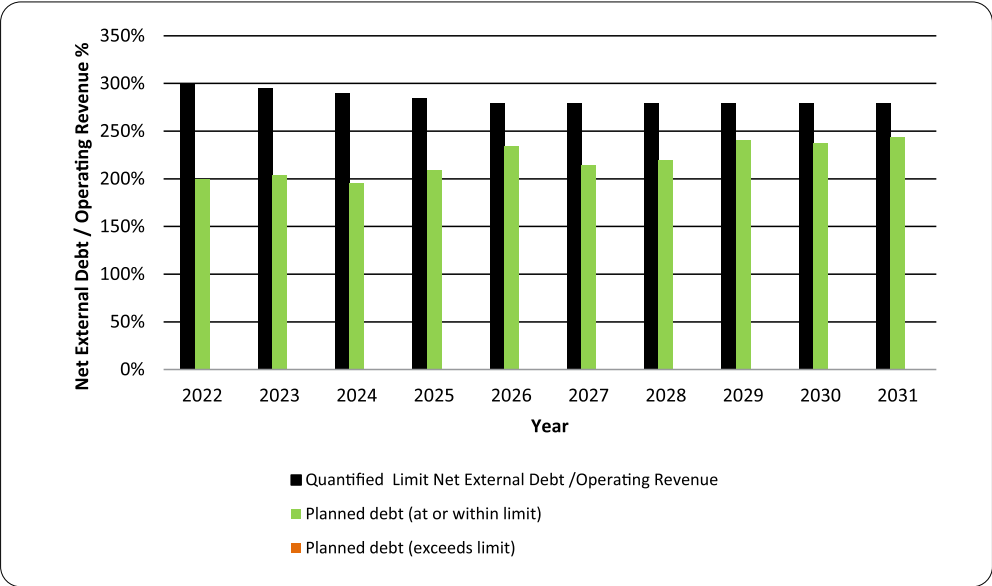
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Financial Prudence - Debt Affordability Benchmark

Net External Debt as a Percentage of Annual Operating Revenue

The following graph compares the council's planned borrowing with the second quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net External debt as a percentage of annual operating revenue (excluding development contributions) will not exceed 300% in year one, reducing progressively to 280% by year five and beyond.

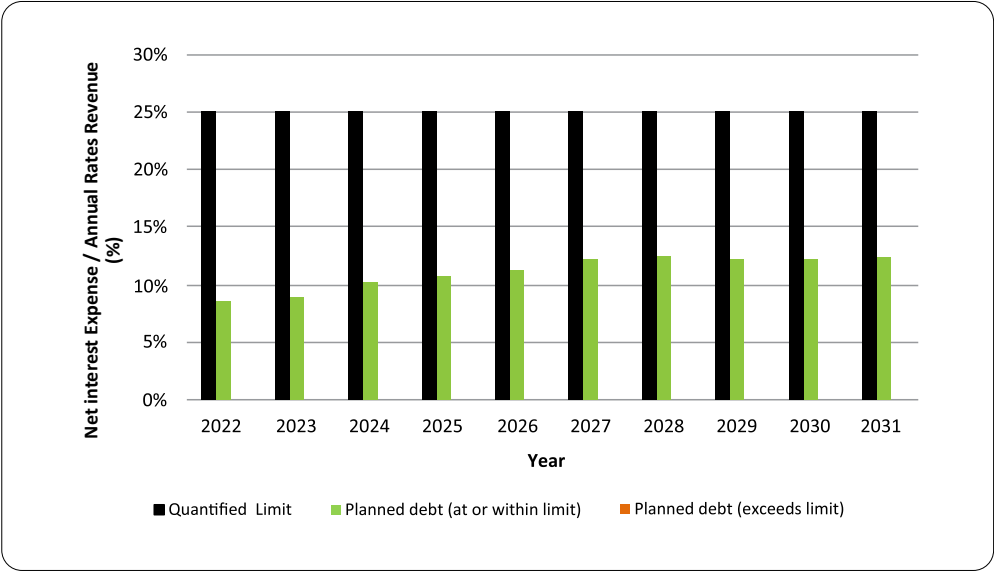
Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



Financial Prudence - Debt Affordability Benchmark

Net Interest Expense on External Debt as a Percentage of Annual Rates Revenue

The following graph compares the council's planned borrowing with the first quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net interest expense (after interest rate risk management costs/benefits) on external debt as a percentage of annual rates revenue will not exceed 25%.



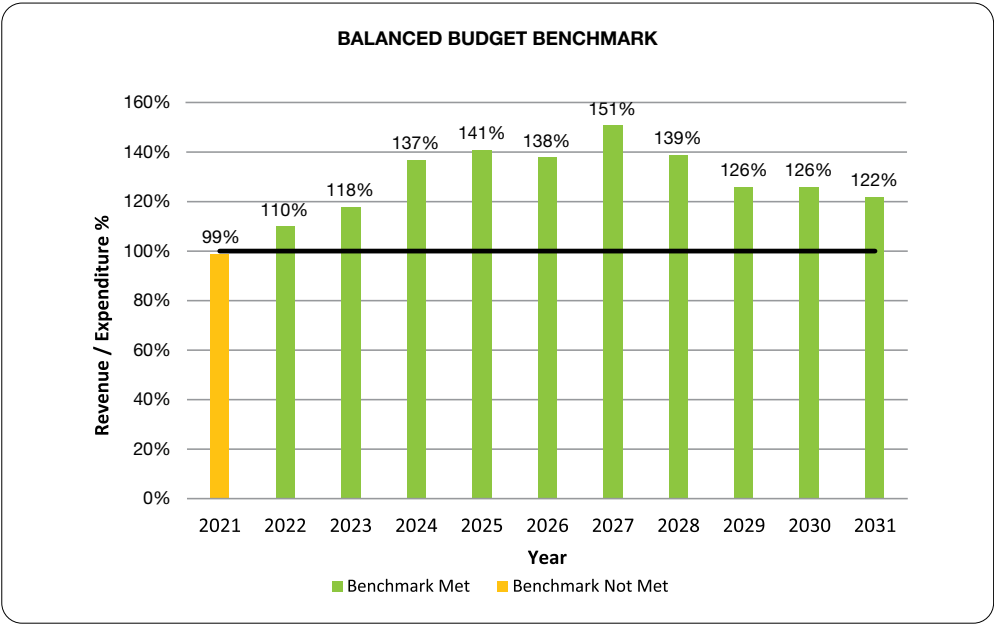
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Financial Prudence - Balanced Budget Benchmark

BALANCED BUDGET BENCHMARK

The following graph shows the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.

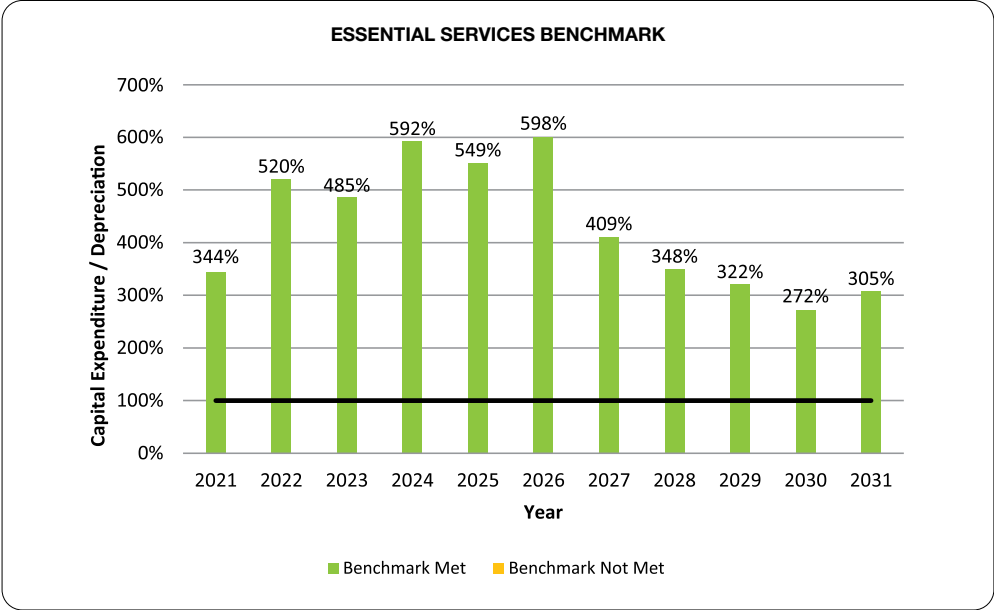


Long-term Plan Amendment 2021-2031

Financial Prudence - Essential Services Benchmark

ESSENTIAL SERVICES BENCHMARK

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



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Financial Prudence - Calculations

CALCULATIONS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current Long Term Plan Rates Budget	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Quantified Limit - Long Term Plan	207,378	216,194	266,608	305,221	325,775	362,204	403,072	452,673	498,348	534,060	572,548
Rates Increases Affordability											
Rates Revenue Budget	164,325	201,489	230,774	245,686	272,214	301,832	339,654	375,604	402,214	431,387	463,211
Water by Meter Revenue Budget	25,485	32,789	38,143	42,101	48,320	52,050	56,039	60,396	65,030	69,968	75,146
Rates Increase	5.7%	23.4%	14.8%	7.0%	11.4%	10.4%	11.8%	10.2%	7.2%	7.3%	7.4%
Rating limit/ CPI increase	4.7%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Growth	1.5%	1.9%	1.8%	1.5%	1.2%	1.0%	1.9%	2.4%	2.3%	2.3%	2.2%
Total Rates Increase Limit	6.2%	13.9%	13.8%	13.5%	13.2%	13.0%	13.9%	14.4%	14.3%	14.3%	14.2%
Balanced Budget											
Operating Revenue Budget	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
Plus: Capital subsidy revenue	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774
Plus: Investment property revaluation movements	0	0	0	0	0	0	0	0	0	0	0
Plus: Other gains or losses on non financial instruments	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0
Total Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Operating Expenditure Budget	276,722	326,354	348,924	368,549	392,520	432,980	463,284	512,769	549,147	588,080	627,071
Plus: Other gains or losses on non financial instruments	0	0	0	0	0	0	0	0	0	0	0
Plus: Investment property revaluation movements	0	0	0	0	0	0	0	0	0	0	0
Plus: Provisions Expense	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Operating Expenditure	277,922	327,554	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271
Revenue/Expenditure	98.6%	110.0%	117.7%	136.7%	141.0%	137.7%	150.7%	138.6%	125.9%	125.6%	122.2%
Essential Services Benchmark											
Capital Expenditure											
Stormwater	7,546	21,118	20,262	60,406	41,334	30,159	39,017	35,672	41,793	44,125	42,104
Wastewater	29,047	65,363	45,805	77,904	49,223	53,974	59,053	75,388	90,976	104,636	103,076
Water Supply	72,109	64,476	39,220	44,988	73,959	101,377	71,304	54,648	63,599	47,137	35,800
Transportation	43,531	95,934	157,848	179,647	207,459	319,447	262,407	245,865	228,428	200,866	238,937
Capital Expenditure on Essential Services	152,233	246,891	263,135	362,945	371,975	504,957	431,782	411,573	424,797	396,765	419,916

Long-term Plan Amendment 2021-2031

Financial Prudence - Calculations

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Depreciation											
Stormwater	6,260	7,032	9,164	10,430	11,573	12,605	13,546	14,356	15,504	16,792	15,839
Wastewater	13,248	13,010	12,623	14,883	17,352	17,982	19,993	21,440	24,960	27,306	24,654
Water Supply	9,147	10,137	10,065	11,046	12,231	13,897	14,686	15,569	16,984	19,906	15,713
Transportation	15,606	17,302	22,381	24,898	26,593	39,950	57,269	67,073	74,617	81,809	81,389
Depreciation on Essential Services	44,261	47,480	54,233	61,257	67,749	84,433	105,494	118,438	132,065	145,813	137,595
Capital Expenditure as a proportion of Depreciation	343.9%	520.0%	485.2%	592.5%	549.1%	598.1%	409.3%	347.5%	321.7%	272.1%	305.2%
Debt Servicing Benchmark											
Planned Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Expense/Operating Revenue	7.6%	6.0%	6.9%	6.9%	7.3%	7.9%	8.2%	8.7%	8.9%	8.9%	9.3%
Limit	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Debt Affordability Benchmark Limit 1											
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Revenue	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Net Interest Expense	19,619	19,994	23,944	29,385	34,323	40,923	48,661	54,694	57,522	61,506	66,506
Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Net Interest Expense/Operating Revenue	7.2%	5.6%	5.8%	5.8%	6.2%	6.8%	7.0%	7.7%	8.3%	8.3%	8.7%
Quantified Limit	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Debt Affordability Benchmark Limit 2											
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Revenue	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Net Interest Expense	19,619	19,994	23,944	29,385	34,323	40,923	48,661	54,694	57,522	61,506	66,506
Annual Rates Revenue	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Net Interest Expense/Planned Rates Revenue	10%	9%	9%	10%	11%	12%	12%	13%	12%	12%	12%
Quantified Limit	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

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Financial Prudence - Calculations

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Debt Affordability Benchmark Limit 3											
Planned Net External Debt											
Cash and Equivalents	-	22	22	22	22	22	22	22	22	22	22
Borrowing's Current	49,958	55,623	55,613	115,152	115,725	179,888	189,154	117,317	132,374	201,604	165,771
Borrowing's Non Current	637,012	708,250	834,628	923,697	1,105,502	1,287,803	1,374,786	1,513,214	1,605,505	1,633,129	1,778,783
Total Borrowings	686,970	763,873	890,241	1,038,849	1,221,227	1,467,691	1,563,940	1,630,531	1,737,879	1,834,733	1,944,554
Planned Net External Debt	686,970	763,851	890,219	1,038,827	1,221,205	1,467,669	1,563,918	1,630,509	1,737,857	1,834,711	1,944,532
Planned Net External Debt/Operating Revenue	237.8%	199.7%	204.0%	195.9%	210.3%	235.2%	215.2%	220.4%	240.9%	238.4%	243.8%
Quantified Limit	300.0%	300.0%	295.0%	290.0%	285.0%	280.0%	280.0%	280.0%	280.0%	280.0%	280.0%

Long-term Plan Amendment 2021-2031



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Policies - Revenue and Financing Policy 2021

REVENUE AND FINANCING POLICY 2021

1. PURPOSE

The Revenue and Financing Policy sets out the funding sources for Council's activities over the next 10 years and the rationale for these choices.

The policy also shows how Council has complied with section 101(3) of the Local Government Act 2002 (LGA). The comprehensive section 101(3) analysis that sits behind this policy is documented separately in the Funding Needs Analysis.

2. PRINCIPLES

The following key principles guide the determination of funding sources.

Accessibility – that Council facilities and services should be accessible to as many people as possible.

Affordability – both that Council facilities and services should, wherever possible, be affordable to users and that rates should, to the extent possible, be affordable to ratepayers.

Benefit – that those who benefit from a Council facility or service should contribute to the costs of that facility or service, during the period in which the benefits are expected to occur.

Exacerbators – that those who contribute to the need for a Council facility or service should contribute to the costs

of that facility or service.

Practicalities – the funding of operating and capital expenditure should take account of the practicalities and efficiencies of the available funding methods.

Council must apply judgment in assessing many options to determine the appropriateness in its development of budgets or acquisition of assets and the choice of funding sources to implement these.

3. OPERATING COSTS

Operating expenditure (OPEX) is the money spent on the on-going day-to-day activities and services of Council. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Operating expenditure will be funded each year in accordance with the adopted Annual Plan and Budget.

With regard to OPEX, the following information should be considered;

Balanced budget – In accordance with section 100 of the LGA, Council will set each year's projected operating revenues at a sufficient level to meet the year's projected OPEX, except in limited situations where Council considers it prudent not to do so.

Loans Funding OPEX – Loans will not be used to fund OPEX, unless it is otherwise resolved by Council. Council may resolve to use loans to fund OPEX where the expenditure provides benefits outside the year of operation, such as community grants for assets.

At financial year-end, any surplus, except surpluses in

targeted rates which are held in a reserve for the purpose of that activity, will be used for debt retirement or Council may choose to contribute to risk reserves or other use if resolved by Council. A deficit will be funded through loans.

The funding sources used for operating costs are:

- a. User charges;
- b. General rates;
- c. Targeted rates; and
- d. Grants, sponsorship, subsidies, interest revenue and other.

Council will use Targeted rates where it considers it is appropriate to rate one or more groups of property to reflect a specific benefit received or when it wants to ring fence funding collected. Note that due to borrowing covenant constraints, targeted rates may also be used to fund debt retirement to enable further capital expenditure, as discussed in section 4 Capital Costs.

Grants, sponsorship and other subsidies will be used where they are available. Some of this funding is regular and predictable and therefore can be budgeted. Other funding in this category will be unexpected and cannot be predicted. Subsidies, grants and sponsorship and other income options will be explored prior to rates being used.

Interest on depreciation reserves and interest on sinking reserves will not be used to fund operating expenditure.

Table 1 shows how Council will fund its operating expenditure by activity. This has been determined by the section 101(3) assessment (documented in the Funding Needs Analysis).

Policies - Revenue and Financing Policy 2021

The key opposite the table below explains the extent of each funding source used. Grants, subsidies and sponsorship have the potential to be used across all activities if available. These ranges are expressed as a percentage of the cost of the activity.

Council budgets will normally be set within these indicative ranges. As these ranges are expressed as a percentage of the cost of the activity, they may change over time because of changes in expenditure rather than changes in revenue. If budgets were marginally (less than 10%) outside these ranges, it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the Revenue and Financing Policy.

Name	% Range	Key
Less likely	0%	✗
Low	0-30%	✓
Medium	30-70%	✓
High	70-100%	✓
Potential to be used		✓

* If budgets were marginally (less than 10%) outside these ranges it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the Revenue and Financing Policy.

** Support Services and Community, People and Relationships activities are primarily recovered through the other activities listed above

Table 1: Summary of Operating Expenditure Funding Sources by Activity *

Activity Group	Activity	User charges	General rates	Targeted rates	Grants, subsidies, interest revenue & other
City and Infrastructure Planning	City and Infrastructure Planning	✓	✓	✓	✓
Community, People and Relationships	Includes: Democracy Services, Customer Service, Community Relations and Te Pou Takawaenga	✓	✓	✓	✓
Community Services	Arts and Culture	✗	✓	✗	✓
	Venues and Events	✓	✓	✓	✓
	Community Partnerships	✗	✓	✗	✓
	Elder Housing	✓	✗	✗	✓
	Libraries	✓	✓	✓	✓
Economic Development	Airport	✓	✗	✗	✓
	Economic Development	✗	✓	✓	✓
Emergency Management	Emergency Management	✗	✓	✓	✓
Marine Precinct	Marine Precinct	✓	✗	✗	✓
Regulatory and Compliance	Animal services	✓	✓	✗	✓
	Building services	✓	✓	✗	✓
	Environmental Planning	✓	✓	✗	✓
	Environmental Health and Licensing	✓	✓	✗	✓
	Regulation Monitoring	✓	✓	✗	✓

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Policies - Revenue and Financing Policy 2021

Table 1: Summary of Operating Expenditure Funding Sources by Activity - Continued

Activity Group	Activity	User charges	General rates	Targeted rates	Grants, subsidies, interest revenue & other
Spaces and Places	Cemeteries	✓	✗	✓	✓
	Beachside Holiday Park	✓	✗	✗	✓
	Marine Facilities	✓	✓	✗	✓
	Spaces and Places	✓	✓	✓	✓
Stormwater	Stormwater	✓	✓	✓	✓
Support Services **	Includes: Asset Services, Capital Programme Assurance Division, Digital Services, Finance, Legal, Risk and Procurement, Human Resources, Property Management, Strategy and Corporate Planning, Strategic Investment & Commercial Facilitation	✓	✓	✓	✓
Sustainability and Waste	Sustainability and Waste	✓	✓	✓	✓
Transportation	Transportation (includes local roading and parking)	✓	✓	✓	✓
Wastewater	Wastewater	✓	✗	✓	✓
Water Supply	Water Supply	✓	✗	✓	✓

4. CAPITAL COSTS

Capital expenditure is the money spent on property, plant and equipment (for example bridges, libraries and swimming pools). Council has three types of capital expenditure.

- **Level of service:** capital expenditure that is not growth related – shifts level of service
- **Growth:** growth related capital expenditure required to provide additional capacity
- **Renewals:** capital expenditure that increases the life of an existing asset with no increase in service level

Table 2 below sets out how the three types of capital expenditure will be funded.

Council does not fund its capital costs on an activity-by-activity basis.

Due to borrowing covenants constraints, rates and user fee funded debt retirement may be required to enable further capital expenditure

Policies - Revenue and Financing Policy 2021

Table 2: Funding Sources for Capital Expenditure

New capital expenditure (not growth related)	Renewals expenditure	Growth-related capital expenditure
Preference 1		
Other sources, where available for example NZTA grants, IFF or regional or subregional funding.	Other sources, where available for example NZTA grants.	Other sources, where available for example NZTA grants,
Preference 2		
Reserves Asset sales	Depreciation Reserves Asset sales	Development/ Financial Contribution Reserves Asset sales
Preference 3		
Loans Funded through general rates or targeted rates or other funding sources.	Loans	Loans Targeted rates or general rates may also be considered for the portion of capital that offers wider benefit.

Depreciation reserves are the accumulated funds retained by each activity from the depreciation on all Council's fixed assets (excluding land). Within each of Council's activities, revenue is raised to fund the depreciation expense, and the money is transferred to a depreciation reserve for that activity.

Development contributions fund growth related capital expenditure over the planning period for an urban growth area, or the capacity life of the project (e.g. the number of years until a pipe reaches capacity and a new pipe has to be built) or the period over which benefits are expected to be provided by the assets resulting from the capital expenditure (limited to a reasonable period in the case of perpetual assets such as land).

Situations in which Council will require a Financial contribution are set out within Council's operative Development Contributions Policy and are payable in accordance with the relevant provisions of Chapter 11 of the Tauranga City Plan.

5. OVERALL FUNDING CONSIDERATIONS

Council is required by section 101(3)(b) of the LGA to consider the overall impact of the allocation of liability for revenue needs on current and future social, economic, and cultural well-being of the community. It allows Council, as a final measure, to modify the overall mix of funding that would otherwise apply after the 101(3)(a) analysis.

In considering the overall impact Council is proposing to:

- increase the commercial differential to 1.6, to

apply to the general rate, resilience rate and the proposed new targeted rates in community, transportation and stormwater.

6. RATES

When determining a rate Council in the exercise of section 101(3)(a) and (b) of the LGA will seek to reflect the following:

- Fairness and equity; in that those who benefit contribute to costs and due consideration is given to the ability to pay.
- Transparency in that rating is clear and readily understandable.
- Simplicity and cost-effectiveness; in administration and implementation

6.1 VALUATION BASIS

The general rate will be set on the basis of capital value. Capital value better reflects the level of benefit a property is likely to receive from services rather than land or annual value.

6.2 UNIFORM ANNUAL GENERAL CHARGE

Council will set and assess a Uniform Annual General Charge for each separately used or inhabited part of a rating unit. Every rating unit will make a minimum contribution to councils' costs. Council sets the Uniform Annual General Charge, and other rates set on a uniform basis, excluding wastewater, at around 10% of the total rates requirement to assist with affordability for lower value properties.

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Policies - Revenue and Financing Policy 2021

6.3 RATES DIFFERENTIALS

It is the council's view that some land uses receive more benefit from, or place more demand on, council services and/or may have a differing ability to pay rates. The differentials will be determined based on location or land use on the activities that are permitted, controlled or discretionary for the area in which the land is situated.

After considering both the overall impact on the community and the benefits to the commercial sector from the stormwater, transportation, and community and resilience activities Council proposes to increase the commercial differential for these activities. Initially, the Commercial Differential will be a factor of 1.6 on the base rate. This is greater than the previous factor and could be subject to further review in years two and three of this Long-term Plan through the annual plan consultation.

6.4 TARGETED RATES

The council uses targeted rates where there is a clearly identifiable group benefiting from a specific council activity. Targeted rates will apply to properties that receive certain services, or which are located in specific areas. Targeted rates may also be used where council wishes to incentivise development in areas where infrastructure investments have been made and/or provide more certainty over the timing of payments for those investments. Targeted rates may also apply universally to fund a specific group of activities projects or outcomes where a greater degree of transparency, accountability, and/or and ring fencing of funding is desired.

7. RELEVANT DELEGATIONS

The implementation of this Policy is delegated to the Chief Executive and/or his/her sub-delegate.

8. REFERENCES AND RELEVANT LEGISLATION

The Funding Needs Analysis for the Revenue and Financing Policy 2021-2031, provides the background and analysis to explain the funding decisions made by Council.

The following legislation direct this policy:

- Local Government Act 2002: Section 101, 102, 103.

This policy is also supported by the following policies:

- Funding Depreciation and Use of Depreciation Reserves
- Development Contributions
- City Investment Partnerships
- Strategic Property
- Rates Remission
- Rates Postponement
- Rates Remission and Postponement on Māori Freehold Land

Policies - Funding Needs Analysis

FUNDING NEEDS ANALYSIS

1. PURPOSE AND SCOPE

1. The Funding Needs Analysis provides the background and analysis to explain the funding decisions made by Council. It is guided by the principles in the Revenue and Financing Policy.
2. Council must comply with section 101(3) of the Local Government Act 2002 (LGA). For each activity, Council must determine the appropriate sources of funding that will meet the funding needs of each activity (step one). In determining this Council must take into consideration the:
 - community outcomes to which the activity primarily contributes;
 - distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
 - period in or over which those benefits occur;
 - extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - costs and benefits, including the consequences for transparency and accountability, of funding the activity distinctly from other activities.
3. Having completed the above analysis Council

must then consider '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' (step two).

2. FUNDING SOURCES FOR OPERATING EXPENDITURE

4. Operating expenditure is the day to day spending that maintains the services delivered by Council. This includes contributions to the wear and tear on assets used (depreciation), interest charges on borrowing for capital projects and corporate overheads.
5. Section 103(2) sets out the funding sources that Council must consider in developing a Revenue and Financing Policy. The funding needs analysis considers all of these funding sources.
6. The available funding sources for operating expenditure under the Local Government Act 2002 include:
 - User Charges
 - Grants, sponsorship, subsidies and other income
 - Investment income
 - Financial contributions
 - Reserve funds
 - Borrowing

- Rates
 - o General rates
 - o Targeted rates
- 7. Tauranga City Council may use all of the above sources to fund operation costs, the most common are:
 - User charges
 - Grants, sponsorship, subsidies, interest revenue, borrowing and other
 - General rates; and
 - Targeted rates
- 8. Council must consider the funding for each activity after considering the 5 criteria of section 101(3)(a) step one (see **Table 1**).
- 9. **Table 4** documents Council's section 101(3)(a) consideration for each activity.

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Policies - Funding Needs Analysis

Table 1: Legal requirements for operating costs

Step one reference	Considerations
Community outcomes - s.101(3)(a)(i)	Determine which of its community outcomes an activity primarily contributes to. Need to consider how their funding choices will contribute to the community outcomes
Distribution of benefits -s.101(3)(a)(ii)	Consider how the benefit of an activity applies to households, businesses and the community as a whole. Determining this involves the exercise of judgement by Council. It is inherently subjective. Where Council considers there is a clearly identified relationship between users and the services provided then Council is will consider fees and charges or targeted rates. Where Council considers the services provide a benefit to the community as a whole; or where Council is not able to identify a strong or direct relationship between users and the service the Council will consider general rates.
Period of benefit – s.101(3)(a)(iii)	For most operational expenses the benefit is received in the year the expense is incurred. For most activities Council funds depreciation (an operating expense) from revenue sources and this is recorded in reserves for the future renewal of assets. Some operational expenses (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.

Step one reference	Considerations
Who creates the need - s.101(3)(a)(iv)	Some services Council must do because the actions or inactions of individuals or groups create the need to undertake the activity. Council may choose to target these people or organisations through fines, charges or rates
Separate funding - s.101(3)(a)(v)	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases, while it may be desirable to charge individuals there may be no practical way of doing so. For all activities Council must identify what proportion of operational expenses is recovered from each funding source.

3. FUNDING BANDS

10. After considering the section 101(3)(a) components, Council considers how much of each funding source is allocated to fund each activity.
11. This Funding Needs Analysis is intended to be in place for the next three years before it is reviewed and because things change over time, it is not possible to precisely determine the percentage allocated. Therefore, Council has decided to band the percentage into the categories listed in **table 2**.

Table 2: Funding Bands

Name	Range
Unlikely	0
Low	0-30%
Medium	30-70%
High	70-100%
Potential to be used	*

The assessment in **Table 4** identifies which of the funding sources Council plans to use in budgeting to fund the operating costs of each activity.

4. OVERALL IMPACT FUNDING CONSIDERATIONS

12. After completing the **Step 1** analysis for each activity Council must then determine the 101(3)(b) **Step 2**. Consideration of 'the overall impact of

Policies - Funding Needs Analysis

any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community'

13. This step 2 process allows Council to modify the impact of its funding choices in response to these considerations.

5. FUNDING SOURCES FOR CAPITAL COSTS

14. Capital costs are the money spent on creating assets such as property, plant and equipment that provide benefits and enable Council to deliver goods and services over a number of years.
15. There are three types of capital expenditure
- Level of Service:** capital expenditure that is not growth related – shifts level of service
 - Growth:** growth related capital expenditure required to provide additional capacity
 - Renewals:** capital expenditure that either replaces or continues the life of an existing asset with no increase in service level
16. A capital project is expected to contribute to community outcomes in the same way as the activity in which it is funded, unless Council resolves otherwise.
17. Capital expenditure benefits the same groups as the operating expenditures for each activity.

Council may choose to target specific groups through use of financial and development contributions, lump sum contributions or targeted rates. When financial and development contributions are used the distribution of benefits and rationale regarding funding sources is discussed within the Development Contributions policy.

18. For most capital projects the benefit is received over the life of the assets. Council will have regard to the equitable distribution of costs over time for the building and renewal of the assets.
19. Some capital costs are due to the actions or inactions of individuals or groups that create the need to undertake the activity. Council may decide to target these people or groups to help fund the capital expenditure.
20. Council will also consider the practicalities of separate funding along with transparency and accountability.
21. Council's preferences when considering the funding of capital projects are set out in table 3 to the right.

Table 3: Funding Sources for Capital Expenditure

New capital expenditure (not growth related)	Renewals expenditure	Growth-related capital expenditure
Preference 1		
Other sources, where available for example NZTA grants, IFF or regional/ sub regional funding.	Other sources, where available for example NZTA grants.	Other sources where available for example NZTA grants, IFF or regional/ sub regional funding.
Preference 2		
Reserves Asset sales	Depreciation Reserves Asset sales	Development/ Financial Contribution Reserves Asset sales
Preference 3		
Loans Funded through rates or targeted rates or other funding sources	Loans	Loans Targeted rates or general rates may also be considered for the portion of capital that offers wider benefit.

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Policies - Funding Needs Analysis

Table 4: Funding needs analysis by activity – operating expenditure

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
City and Infrastructure Planning											
City and Infrastructure Planning	Promotes sustainable management of Tauranga City's natural and physical resources for existing and future people and communities.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Council, the community and the development industry to facilitate planned and sustainable growth.	Benefit is expected to arise in the year funding is sourced. However, some benefits to future generations occur in the future.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user charges assists in the accountability and transparency of Council's expenditure on this activity	LOW	MED	LOW	MED	The use of the general rate to fund City & Infrastructure Planning recognises that the benefits are to the whole community and are property based. Targeted rates provide transparency and certainty for funding.

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community, People and Relationships											
Activities include: Democracy Services, Customer Service, Community Relations and Te Pou Takawaenga Māori Unit	Enables democratic, local decision-making and action by and on behalf of our communities	We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	All members of the community benefit from this activity	Benefit is expected to arise in the year funding is sourced	The actions of individuals and groups impact on this activity	Council considers that there is little benefit of separate funding for this activity	LOW	HIGH	LOW	HIGH	General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefits to the whole community.
Community Services											
Arts & Culture	Understanding of our heritage and experiencing art and the opportunity to share artwork.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Those people who access the Art Gallery, either as a visitor or an exhibitor. The community as a whole has a collective sense of history and art is celebrated.	Occurs in the year funding is sourced.	Those accessing the Art Gallery show a need for this activity. The actions of most individuals and groups have a minor impact on this activity.	Council considers that there is little benefit from separate funding for this activity.		HIGH		LOW	General rates are the appropriate funding source for the community as they are easy to administer, and it recognises the benefit from art and heritage promotion.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Community Partnerships	Empowers communities to actively participate, make decisions and work towards self-reliance to build strong, resilient sustainable communities.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity.	All members of the community benefit from this activity.	Benefit is expected to arise in the year funding is sourced. Benefits are on-going for the community.	The actions of most individuals and groups have a minor impact on this activity.	Council considers that there is little benefit of separate funding for most of this activity.		HIGH		LOW	General rates are the appropriate funding source for households and businesses as they are easy to administer and recognises the benefit from community development.
Elder Housing	The provision of long term affordable accommodation for low income residents over the age of 65.	We are inclusive, and value our culture and diversity.	Tenants primarily benefit from elder housing. The community also indirectly benefits as this activity supports the community outcome of inclusive safe and healthy.	Benefits to individual tenants last for as long as the accommodation is used. Benefits are ongoing for the community	The actions of most individuals and groups have a minor impact on this activity. Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.		HIGH		LOW	The use of fees and charges in the form of rent, represent the benefit to the individual tenants.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Events and Venues	Economic and social benefits including encouraging visitors to Tauranga, contributing to community pride, and belonging.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Individuals, visitors, businesses and the community.	Benefit is expected to arise in the year funding is sourced.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user charges assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	POTENTIAL	LOW	The use of the general rate to fund Events and venues recognises the benefits to the whole community. Where it is reasonable and practical, direct customers will be charged to generate revenue from external users.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Libraries	<p>Provides a hub for community connection.</p> <p>Provides accessible educational opportunities, supports literacy and encourages lifelong learning, research and innovation.</p> <p>Preservation and sharing of Tauranga history and taonga.</p> <p>Programmes, events and learning opportunities engage the community</p>	<p>We have a well planned city.</p> <p>We support business and education.</p> <p>We are inclusive, and value our culture and diversity.</p>	<p>The primary benefit is to those that borrow and use library material and resources.</p> <p>Benefits also accrue to the wider community through the availability of library resources.</p>	<p>Benefit is expected to arise in the year funding is sourced.</p>	<p>The actions of individuals and groups have a minor impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	LOW	HIGH	LOW	POTENTIAL	<p>The private good component of the library activity is recovered through user charges and fines.</p> <p>High levels of user charging will in many cases, restrict accessibility to those who currently benefit the most for the activity.</p> <p>General rates are the appropriate funding source for households as they are easy to administer and recognise the benefits of the libraries.</p>

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Economic Development											
Airport	Provides a facility for air transport services to connect Tauranga with the rest of the country and the world.	We support business and education. We can move around our city easily. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Individuals users of the airport Those who lease Airport land to operate their businesses Business and community as it brings visitors to the city.	Occurs in the year funding is sourced.	Individuals using the airport as passengers, to transport goods and for aviation education. Those who lease Airport land to operate their businesses.	Appropriate to separate out funding required by direct airport users to assist accountability and transparency.	HIGH			LOW	User fees and charges recognise that the benefits of the airport activity occur to individual users of the airport. These are well established methods for charging airport users.
Economic Development	Facilitates value creation and employment opportunities to enable our economy to become more competitive, resilient and sustainable.	We support business and education. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Benefits from this activity are considered to be received by businesses in Tauranga. Indirect benefits accrue to the city as a whole from the efforts to grow the economy.	Economic incentives could accrue over a number of years as a result of some costs. However, the benefit of most operating expenditure is expected to arise in the year funding was sourced.	The actions of individuals and groups impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW		A targeted rate acknowledges that the benefit of this activity goes to commercial ratepayers. The contribution from general rates recognises the community benefit from this activity.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Emergency Management											
Emergency Management	Reduces the risk from hazards by ensuring a coordinated effective response during civil emergencies and business continuity incidents.	We value and protect our environment. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	The whole community benefits from the emergency management activity.	The benefit comes from having plans in the event of an emergency at some time in the future. The annual operating costs ensures that there are up to date plans and staff and volunteers are trained. This benefit occurs in the year that funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Council considers that there is little benefit from separate funding for this activity.		HIGH	LOW	POTENTIAL	The whole community benefits from planning for an emergency so this activity is fully rates funded. A targeted rate for resilience provides transparency and certainty for funding emergency preparedness. It also acknowledges the benefit received from emergency preparedness.
Marine Precinct											
Marine Precinct	Delivers a purpose built marine servicing facility.	We value and protect our environment. We support business and education.	Those using the marine precinct – predominately the marine and fishing industries.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.		HIGH		POTENTIAL	User charges recognise the benefits for people who use marine precinct.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Animal Services	Maintains animal control. People feel safe. Dog registration benefits dog owners by allowing legal ownership and enabling impounded dogs to be traced.	We value and protect our environment We are inclusive, and value our culture and diversity.	Dog owners Wider community -benefit from the city being safer from dangerous dogs and other animals the public nuisance is reduced.	Occurs in the year funding is sourced.	Actions or inactions of animal owners create costs for this activity and negatively impact on the community. The negative impacts affect the whole community.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on the dog control part of this activity. It is not practical to separate out the funding for the control of stock and other animals.	HIGH	LOW	LOW	User charges recognise that the benefit of registration activities are to dog owners. General rates are the appropriate funding source for the wider community as they are easy to administer, and it recognises the benefit from animal control.	

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Building Services	Implements processes to ensure buildings are safe and legally compliant.	We value and protect our environment. We have a well planned city. We are inclusive, and value our culture and diversity.	Individuals that apply for consents and use the other services in this area. Also provides safety benefits to the public entering buildings and future owners and occupiers of the buildings. Information is supplied to public through inquiries. Wider community benefits from enhancing the safety of the buildings.	Occurs in the year funding is sourced.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH	LOW	LOW	Users charges recognise the benefits from building owners having their building certified legally compliant. General rates are the appropriate funding source for the community as they are easy to administer, and it recognises the safety benefit to the community.	

NOTE: Subsidies for building consents relating to the installation of solar panels are completely funded by general rates.

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Environmental Planning	Enables sustainable growth and development throughout the city. Delivers assets associated with the subdivision and land development processes that are fit for purpose.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily.	Individuals who apply for resource consents and use the other services of this activity such as accessing information relating to planning issues. This activity also provides benefits to those other than the applicant such as occupiers of the building and future owners. The whole community benefit as this activity seeks to protect Tauranga's unique environment and quality of life.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups drive the costs of this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED		MED	POTENTIAL	User charges recognise the benefits for people who apply for resource consents. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit of a safer community.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Environmental Health and Licensing	Creates a safe and healthy environment through the effective regulation of key legislation.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity.	The benefit of inspection and licensing of premises occurs mostly to business owners. The benefit of public health by ensuring those premises meet requirements is a benefit to the community	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity. However, those who breach or complain about alleged breaches of regulations contribute to the need for this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED	MED		POTENTIAL	User charges recognise the benefits for people who apply for resource consents. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit of a safer community.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Regulation Monitoring	Ensures and encourages compliance with the city's bylaws and various Land Transport legislation. Contributes to community well-being by responding to social issues and promoting road safety.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily.	The whole community benefits from the efficient monitoring of bylaws.	Benefit is expected to arise in the year funding is sourced.	The actions of some individuals and groups have an impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	POTENTIAL	User charges and fines recover costs from those using the services and breaching the bylaws. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit to the community.	

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Cemeteries	The provision of supportive cemetery and cremation services.	We value and protect our environment. We are inclusive, and value our culture and diversity.	Those using the services of the cemetery and crematorium. The Community also benefit through the protection of public health and the maintenance of cemeteries and cemetery records for future generations to locate their ancestor's burial plot/site.	Expected to arise in the year funding is sourced. However, some benefits to future generations occur in the future.	The actions of some individuals or groups have some impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH		POTENTIAL	LOW	Individuals pay user charges for the initial acquisition and use of burial site or the crematorium.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Beachside Holiday Park	Provides accommodation and on onsite visitor information centre at the base of Mauao. Encourages tourism and a social atmosphere in the Mount North area. Generates revenue for Council.	We support business and education.	Those using the accommodation. The business community also benefits from visitor spending. The wider community also indirectly benefit from the revenue generated by the activity.	Occurs in the year funding is sourced.	Those using accommodation indicate the need for this. The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH			LOW	User charges recognise the benefits from the Beachside activity are to those using the accommodation.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Marine Facilities	Provides both recreational and commercial marine facilities. Leases land and commercial premises in marine areas.	We value and protect our environment. We have a well planned city. We support business and education.	Benefits accrue to commercial and recreational users of marine facilities and leaseholders of land and premises held by the Marine activity. Benefits also accrue to the wider community through the provision of safe marine structures.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED	MED	LOW	User charges recognise the benefits for people who use marine facilities. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefits of marine facilities to the community.	

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Spaces and Places	Protects and enhances a network of quality reserves and community facilities, that enable a range of experiences and services to the community. Protects the environmental, cultural, heritage, ecological and biodiversity values of the varied open spaces.	We value and protect our environment.	Benefits accrue to the users of facilities and spaces and to the whole community for the maintenance of quality natural environments. Users of facilities and areas of the environment also come from outside the community from the wider region and through national and international visitors.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW	LOW	User charges set at an appropriate level to promote the sustainable use of these facilities. Targeted rates acknowledge the higher level of service for some areas and can also ring fence revenue for investment on particular amenities over time General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit to the community.
		We have a well-planned city.									
		We support business and education.									
		We are inclusive, and value our culture and diversity.									
		We can move around our city easily.									

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Stormwater											
Stormwater	Management of stormwater to reduce flooding and prevent water contamination for all residential, commercial properties.	<p>We value and protect our environment</p> <p>We have a well planned city.</p> <p>We support business and education.</p> <p>We are inclusive, and value our culture and diversity.</p>	<p>Both households and businesses receive benefits as their properties are protected from flooding. Areas with less permeable surfaces benefit from stormwater infrastructure</p> <p>This extends to the wider community as storm water is also removed from public places such as the roading and public health and safety is protected.</p>	<p>Benefit of most operating costs is expected to arise in the year funding is sourced.</p> <p>Some benefits - from the stormwater reserve fund are likely to arise in the future.</p>	<p>The actions of some individuals and groups impact on this activity. For example, some stormwater runoff is a direct result of land works and individual actions.</p> <p>Properties with less permeable surfaces also create more need.</p> <p>The Freshwater NPS will put more pressure on treating stormwater.</p>	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW	LOW	<p>Funding from a from a mix of general and targeted rates reflect the benefit to property owners and the wider community benefit of stormwater management.</p> <p>Increased funding from targeted rates allows for the ability to better reflect the impact from different sectors on stormwater infrastructure in the future. Properties with less permeable surfaces have a greater stormwater requirement.</p> <p>A targeted rate for resilience also acknowledges the benefit received by households and businesses from emergency preparedness.</p>

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Activity: Support Services											
Activities include: Asset Services, Strategic Investment & Commercial Facilitation, Digital Services, Finance, Infrastructure Delivery, Legal, Risk and Procurement, Human Resources, Property Management and Strategy and Corporate Planning	Contribute to the other activities by enabling them so indirectly contribute to all of the outcomes.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily.	The wider community benefits as corporate services enable all other Council activities to provide services to the community.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals.	Council considers that there is little benefit of separate funding for this activity.	LOW	LOW	LOW	HIGH	Corporate services are primarily recovered through the other activities listed above.

* Support Services work collaboratively with other activities so indirectly contribute to all of the outcomes.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Sustainability & Waste											
Sustainability & Waste	Improves sustainability and ensures the protection of public health and the environment via managing the collection and disposal of the community's waste.	We value and protect our environment We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Individuals benefit directly from waste collection and waste facilities. Businesses benefit from waste facilities The whole community including business benefits from waste minimisation, education, improved sustainability performance and waste collection. Benefits primarily to individual users and partly to the whole community.	Benefit of most operating costs is expected to arise in the year funding is sourced. Some benefits from the sustainability initiatives are likely to arise in the future.	The actions of individuals and groups impact on this activity. This activity is required because waste is created. Individuals and business create waste.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	LOW	HIGH	LOW	The actions of individuals or groups create the need to have this activity. Targeted rates and user fees and charges appropriately recognise this. The new kerbside waste collection and recycling service provides benefits that households have access to. A targeted rate appropriately recognises this benefit. Funding from the general rate reflects benefit of waste collection in public spaces and the benefits to the whole community of having waste disposed of safely. The fees and charges at landfill and transfer stations reflect the benefits.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Transport											
Transport (includes local roading and parking)	Management of the transport network, road safety and access to different modes of transport.	<p>We support business and education.</p> <p>We are inclusive, and value our culture and diversity.</p> <p>We can move around our city easily.</p> <p>We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.</p>	<p>Everyone in the community benefits from their personal use of the transport network and parking management. The business sector relies on the transport network for the movement of goods, including employees and customers. Users of transportation include people and businesses from outside the city.</p> <p>The benefits are expected to accrue primarily to businesses, both within the city and in the wider region or nationally (e.g., due to access to the port) along with local road users for personal use.</p>	<p>Benefit is expected to arise in the year funding is sourced.</p>	<p>There is an impact of action or inaction of others.</p> <p>Costs are driven by traffic volumes and size. Large vehicles have a greater impact on roads than cars and other forms of transport.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	LOW	HIGH	LOW	LOW	<p>There are limited practical options for charging for the individual benefits received from using the transport network. Tolling is one practical way however it requires an Order in Council to be made*.</p> <p>Grants from other organisations, particularly NZTA, that are funded from licensing revenue represent some element of user pays.</p> <p>General and targeted rates are the appropriate funding source for households and businesses as they are easy to administer and reflect the benefit to residents and businesses from the transport network.</p> <p>Parking management is fully funded by user fees (parking fees and fines) to reflect the benefit received from those using parking spaces.</p> <p>Targeted rates may be used to fund operations, maintenance and renewal where a project benefits a group or sector ratepayers.</p> <p>A targeted rate for resilience also acknowledges the benefit received from emergency preparedness.</p>

* An Order in Council is a type of legislative instrument that is made by the Executive Council lead by the Governor-General

* An Order in Council is a type of legislative instrument that is made by the Executive Council lead by the Governor-General.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Wastewater											
Wastewater	Provides a network of infrastructure to manage sewage, protecting public health and the natural environment.	We value and protect our environment We have a well planned city. We are inclusive, and value our culture and diversity.	All households, organisations and businesses that are connected to Council's wastewater system benefit from safe, sanitary removal of wastewater from their homes and businesses. The whole community benefits by protecting public health and the environment. Households and businesses who use more water are likely to benefit more from Council's wastewater system.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals. Heavy commercial producers have an adverse impact greater than most users.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW		HIGH	LOW	In most cases, it is not practical to measure the quantity of each individual's contribution to the wastewater system. In the case of heavy commercial users of the waste system it is practical to measure the volume and quality of waste and charge appropriately for this through user fees and charges. Targeted rates are the appropriate funding source for households and businesses as they access the benefit from the wastewater activity. A targeted rate for resilience also acknowledges the benefit received from emergency preparedness.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Water Supply											
Water Supply	Provides residents and businesses with drinking water.	We value and protect our environment. We have a well-planned city. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	All those connected to Tauranga's water supply system. There are also some benefits to the community from the provision of drinkable water. This includes public health benefits and water for firefighting and the benefits of reliable water supply to the economy.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals. Large water users create a greater need.	Identifying separate funding – in the form of a targeted rate based on water use - assists in the accountability and transparency of Council's expenditure on this activity.	LOW		HIGH	LOW	Metered water rates (targeted rates) are appropriate for charging those that benefit from the supply of drinkable water. A targeted rate for resilience also acknowledges the benefit received from emergency preparedness to those using water from the water supply.

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Policies - Rates Postponement

1. POLICY OBJECTIVES

- To provide rating relief to ratepayers experiencing financial hardship
- To provide rating relief to ratepayers whose farmland has increased in value due to the potential residential, commercial or other non-rural use.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing Policy apply.

3. DEFINITIONS

Farmland means land which is used principally or exclusively for agricultural, horticultural, or pastoral purposes, or for the keeping of bees or poultry or other livestock.

Ratepayer means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rate postponement means the payment of rates is not remitted but delayed until a certain time, or until certain events occur.

4. POLICY STATEMENT

4.1 GENERAL

Postponements will be considered under this policy on receipt of a postponement application.

When considering any postponement Council will take into account the circumstances at the time payment was due.

Postponed rates will be registered as a statutory land charge on the rating unit title.

A postponement fee will be added to the postponed rates reflecting the administrative and financial costs of postponement.

When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council, and will:

- State the amount of postponement; and
- State that a postponement fee will be charged; and
- State the timeframe or conditions upon which the postponed rates will become due and payable; and
- Acknowledge that the postponed rates will be registered as a charge against the land.
- Be signed by both parties.

4.2 FINANCIAL HARDSHIP

Ratepayers with at least 25% equity in their property, who are unable to access financial assistance from private sector financial institutions, and have applied for a rates rebate, may be able to postpone part of the rates. The ratepayer will be required to pay the first \$1,000 of the rates.

Ratepayers applying for a rates postponement on the grounds of extreme financial hardship must provide evidence of their financial circumstance.

Any postponed rates will be postponed until the:

- death of the ratepayer(s); or
- the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- the ratepayer(s) ceases to use the property as his/her residence; or
- the date specified by the Council in the postponement agreement.

The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

4.3 FARMLAND

Council will postpone rates on farmland where the value of the rateable unit is influenced by the potential residential, commercial or other non-rural use.

The level of postponement granted will be based on the difference between the rateable value of the rateable unit and the valuation of a comparable farmland rating unit elsewhere in the district or surrounding district, as determined by Council's valuation service provider. Council's valuation service provider's decision is final.

If the rating unit is subdivided, changes use, or sold all rates postponed and unpaid for six years or less will become payable on the issue of a resource or building consent that is not principally for agriculture, horticulture or pastoral purposes, or the issue of a separate Record of Title for the sub-divided land.

Policies - Rates Postponement

5 RELEVANT DELEGATIONS

The following officers, and all officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Team Leader: Revenue Services

Any officer who performs or exercises the same or substantially similar role or function as to the officer above, whatever the name or his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (in particular section 87)

Local Government Act 2002

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Policies - Remission and Postponement of Rates on Māori Freehold Land

1. POLICY OBJECTIVES

- To enable Council to acknowledge the special circumstances where there is no occupier or person gaining an economic or financial benefit from the land.
- To provide relief for land that is appropriately set aside for non-use due to its natural features.
- To provide relief where the land may be physically inaccessible.
- To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
- To grant remission for the portion of unoccupied land where a block of land is partially occupied.
- To facilitate the development and use of the land for economic use where Council considers utilisation would be uneconomic if full rates are required during the years of development.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing policy apply.

Under Section 91 of the Local Government (Rating) Act 2002, Māori freehold land is liable for rates in the same manner as if it were general land.

Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non collectible.

3. DEFINITIONS

General Rate is the rate that the local authority sets for the general purposes of the local authority.

Māori Freehold Land is land which has beneficial ownership that has been determined by a Freehold Order issued by the Māori Land Court.

Occupied land is land used as a place of residence, or occupied for a period of time exceeding six months in a calendar year.

Ratepayer means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rating Unit is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criteria is the existence of a separate Record of Title.

Remission is the requirement to pay the rate for a particular financial year is forgiven.

Residential means the use of land and buildings for domestic or related purposes.

Services Charges are a targeted rate specifically relating to the provision of water and wastewater services to a rating unit.

Unutilised Land is land that has not been developed from its natural state and not generating revenue and not used in any way, other than for the purposes of vegetation control.

Waahi Tapu means the place sacred to Māori in the traditional, spiritual, religious, historical, or mythological

sense. Those places defined as 'waahi tapu' vary from hapu to hapu.

4. POLICY STATEMENT

In determining this policy, Council has considered the matters set out in Schedule 11 of the Local Government Act 2002.

4.1 RATES REMISSION

Tauranga City Council will assess all Māori freehold land on an annual basis to determine the eligibility of rates remission using the below criteria.

Remissions will also be considered on receipt of a remission application, to ensure an opportunity for specific properties to be considered on a case-by-case basis exists.

Applications for remission must be in respect of Māori freehold land.

Applications for remission are to specify:

- the number of owners on the land; and
- the physical location of the land; and
- the nature and extent of any Waahi Tapu and the impact of that Waahi Tapu on land development and usage; and
- the amount of income being derived from the block; and
- whether the land is occupied and to what extent it is occupied; and
- whether the block of land is connected to Council services e.g. water and sewerage; and

Policies - Remission and Postponement of Rates on Māori Freehold Land

- whether there are any potential development options for the block of land.

Consideration of the above will determine whether a remission will apply.

4.2 LEVEL OF REMISSION

Occupied Properties

The level of remission will be negotiated with an owner or occupier according to the benefits of occupation, having regard to equity with charges made to other ratepayers. No remission will be applied to Uniform Annual General Charges on occupied land.

Unoccupied Properties with Multiple Owners

Where the land is unoccupied, unutilised, not suitable for occupation and ownership is fragmented so that any form of collection action is impractical, then full or partial remission may be granted to both General rates and Uniform Annual General Charges.

Partitions for Building Sites Subject to Te Ture Whenua Māori Act 1993

Rates may be remitted on vacant Māori freehold land which has been partitioned under Te Ture Whenua Māori Act 1993 and the land has two or less owners.

4.3 POSTPONEMENT OF RATES

A postponement of rates will be considered on receipt of an application and where land is:

- unoccupied; and
- has no service connection; and
- has the potential for development

When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council and will:

- state the amount of postponement; and
- state the timeframe or conditions upon which the postponed rates will become due and payable; and
- acknowledge that the postponed rates will be registered as a charge against the land; and
- be signed by both parties.

The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

5. RELEVANT DELEGATIONS

The following officer, and all of the officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed or remitted), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Manager: Transaction Services

Revenue Collections and Māori Land Specialist

Any officer who performs or exercises the same or substantially similar role or function as to the officers above, whatever the name or his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (Section 87).

Local Government Act 2002 (Section 108, Schedule 11).

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Policies - Rates Remission

1. POLICY OBJECTIVES

- To enable Council to acknowledge the special circumstances of particular ratepayers.
- To provide targeted financial relief to community organisations.
- Provide relief to ratepayers who have excessive water rates due to a leak.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing Policy apply.

3. DEFINITIONS

General rate is a rate that the local authority sets for the general purposes of the local authority.

Uniform Annual General Charge (UAGC) is a fixed dollar rate set on each separately used or inhabited part of a rating unit for the general purposes of the local authority.

Wastewater rate is a fixed dollar targeted rate set on the number of water closets and urinals within the rating unit.

Ratepayer is the person or persons identified in Council's rating information database as the person liable for rates – generally that person is the owner of the rating unit.

Rates penalty is an additional rates charge made when payment is not received by the due date specified.

Rating unit is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates.

The main criterion is the existence of a separate Record of Title.

Remission means the requirement to pay the rate for a particular financial year is forgiven in whole or in part.

Residential means a rating unit whose primary use is residential, rural, education, recreation, leisure or conservation.

Commercial means a rating unit whose primary use is commercial, industrial, port, transportation or utilities network, and includes any land not in the residential category.

4. POLICY STATEMENT

4.1 GENERAL CONSIDERATION

When considering any remission Council will take into account the circumstances at the time the rates are set.

4.2 REMISSION OF UNIFORM ANNUAL GENERAL CHARGE (UAGC)

Council may remit on application the additional UAGC for a separately used or inhabited part of a rating unit where a person is unable to fully utilise the unit's facilities e.g. due to disability and/or age.

Utilities owned by Tauranga City Council will receive 100% remission of Uniform Annual General Charges (as such rates would otherwise be indirectly recovered from ratepayers).

4.3 REMISSION OF GENERAL RATES

Utilities owned by Tauranga City Council will receive 100% remission of General rates (as such rates would

otherwise be indirectly recovered from ratepayers).

4.4 RATES PENALTY

In order to provide relief of penalties incurred on unpaid rates where specific events or circumstances have occurred, Council will remit penalties on rates where any of the following apply and a remission application has been received:

- An agreement has been reached for the ratepayer to make payment within two weeks of the penalty being issued or make regular automatic payments to settle all arrears and current rates within the current rating year, and the ratepayer has a good payment history (being three clear years' history without penalty).
- A bereavement, serious illness or relationship breakdown in the ratepayer's family occurred around the time the instalment was due.
- The penalty is less than \$10.00 for any rates excluding water rates or \$2.00 for water rates.
- An administrative error.

The Team Leader: Revenue Services or the Team leader: Water Revenue and Metering Operations may remit rates penalties for reasons other than those specified up to \$1,000 on any one rating unit. Applications to remit penalties on any one rating unit over \$1,000 for reasons other than those specified above are to be decided upon by the Manager: Transaction Services.

4.5 COMMUNITY AND NOT-FOR-PROFIT ORGANISATIONS

In order to provide relief to applicable community and not-for-profit organisations, who deliver social benefits to

Policies - Rates Remission

the community where neither government nor business is best or appropriately placed to do so Council will allow the following:

Land used for a place of religious worship, Marae or not-for-profit early childhood centres with a non-rateable status under the Local Government (Rating) Act 2002 may be remitted 66.66% of the Wastewater rate.

Land used for a place of religious worship or Marae with a non-rateable status under the Local Government (Rating) Act 2002 may receive full remission of the water base rate over the minimum base rate where there is a water meter connection greater than 20 millimetres.

Land used primarily for the promotion of sport, art, health, recreation or education and not used for private pecuniary profit may receive a 100% remission on General rates. These organisations must provide evidence of a significant portion of local community voluntary contribution to operations and funding (other than from Government Agencies).

This remission will not apply to land used for organisations who are affiliated or who could be affiliated to Clubs New Zealand Incorporated or used for horse racing.

Land designated a Māori Reservation under the Te Ture Whenua Māori Act 1993, excluding land used for permanent housing, will be granted a 100% remission on General rates.

4.6 WATER RATES ATTRIBUTABLE TO WATER LEAKS

In order to provide relief to people in situations where water usage is high due to a water leak, Council may remit water consumption rates where all of the following apply:

- A remission application has been received; and
- Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
- The leak has been repaired within 14 days of being identified (an extension of 14 days may be granted if written evidence is provided that the services of an appropriate repairer could not be obtained within this period); and
- Proof of the leak being repaired has been provided to Council within 14 days after repair of the leak.

The amount of the remission will be the difference between the average consumption of the property prior to the leak, as deemed reasonable by Council, and the consumption over and above that average.

Remission is limited to the period where the leak was identified and fixed and the last invoice. Remission for any particular property will generally be granted only once every year. Where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Manager: Transaction Services.

4.7 REMISSION FOR WASTEWATER RATES COMMERCIAL PROPERTIES

In order to provide relief to commercial ratepayers that choose to install more toilets than required by the building code, Council may partially remit the wastewater rate for commercial ratepayers where the number of toilet pans installed exceeds the number of pans required under the building code.

4.8 REMISSION FOR WASTEWATER RATES SCHOOLS

Land used for an educational establishment which has a non-rateable status under Schedule 1 Part 1 section 6 (a) and (b)(i) & (ii) of the Local Government (Rating) Act 2002 may be remitted 50% of the Wastewater rate for the 2016/2017 rating year.

This remission will reduce as follows:

- 50% of the Wastewater rate in the 2016/2017 rating year
- 40% of the Wastewater rate in the 2017/2018 rating year
- 30% of the Wastewater rate in the 2018/2019 rating year
- 20% of the Wastewater rate in the 2019/2020 rating year
- 10% of the Wastewater rate in the 2020/2021 rating year
- 0% of the Wastewater rate in the 2021/2022 rating year

4.9 REMISSION FOR NATURAL DISASTERS AND EMERGENCIES

In order to provide relief to ratepayers where a natural disaster or other type of emergency affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit all or part of any rate or charge where it considers it fair to do so.

Individual events causing a disaster or emergency are to be identified by Council resolution. Council will determine the criteria for the remission at that time and those criteria

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Policies - Rates Remission

may change depending on the nature and severity of the event and available funding at the time.

Remissions approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

4.10 REMISSION FOR BUILDINGS UNDERGOING EARTHQUAKE STRENGTHENING

In order to provide relief to ratepayers of commercial properties in Tauranga City that are undergoing earthquake strengthening, including rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit all or part of the general rate where it considers it fair to do so.

Applications must be received before 1 July prior to the year when the remission is to apply. If the earthquake strengthening work is over multiple rating year's applicants must reapply before 1 July to be eligible for remission for the next year.

4.11 REMISSION FOR UNLIVEABLE RESIDENTIAL BUILDINGS UNDERGOING REMEDIAL REBUILDING

In order to provide relief to ratepayers of residential properties in Tauranga City, that are undergoing rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit rates to the extent that rates would be assessed on that land, as if it was a vacant rating unit.

Applications must be received before 1 July prior to the year when the remission is to apply. If the rebuilding work is over multiple rating year's applicants must reapply

before 1 July to be eligible for remission for the next year.

Applications must meet the relevant criteria as approved by the Chief Financial Officer.

4.12 EXCEPTIONS

Rates may be fully or partially remitted where the Manager: Transaction Services considers that the characteristics of land use, location or special circumstances warrant a remission.

5. RELEVANT DELEGATIONS

With the exceptions of decisions required to be specifically made by Council (section 4.9)) or that which is specifically delegated to the Manager: Transaction Services (sections 4.6 and 4.12), the Team Leader: Revenue Services, and all officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies, including the exercise of any Council discretion provided for in the policy, and to sign on behalf of the General Manager.

Team Leader: Revenue Services

Any officer who performs or exercise the same or substantially similar role or function as to the officer above, whatever the name of his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (in particular sections 85 and 86)

Local Government Act 2002

Te Ture Whenua Māori Act 1993,

Lead Policy: Rating Policy

Policies - Significance and Engagement

1. PURPOSE

- 1.1. To enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
- 1.2. To provide clarity about how and when communities can expect to be engaged in decisions made by Council.
- 1.3. To inform Council from the beginning of a decision-making process about the extent, form and type of engagement required.

2. SCOPE

- 2.1. This policy guides when and how the Council will engage, which will be in line with the level of significance of the proposal.
- 2.2. This policy will be applied to all proposals enacted under the Local Government Act 2002; it does not affect other local government legislation that has specific consultation requirements (e.g. the Resource Management Act 1991).
- 2.3. Guidelines for engaging with Tangata Whenua are identified in the specific iwi/hapu protocols, which are agreements entered into between Council and iwi / hapu and are not specifically set out in this policy. See clause 5.5 of this policy and the Consultation with Tangata Whenua Procedure included in the protocols for further information on engagement with Māori.

3. DEFINITIONS

Term	Definition
Community	includes people or groups of people who have a connection with Tauranga City, or are affected by the issue, proposal, decision or matter subject to community engagement or consultation.
Community Engagement	is the process of working collaboratively with the community to develop ideas, concepts and/or proposals in order to inform and assist Council decision-making.
Council	means Tauranga City Council or any Committee, Sub Committee or elected member of Council or officer or other person authorised to exercise the authority of Council
Consultation	involves Council providing information relevant to a proposal, seeking information and perspectives that may otherwise not have been taken into account, listening to what the community has to say, considering their responses and then making a decision. Consultation is one of the tools used in community engagement.

Term	Definition
Significance	in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,— <ol style="list-style-type: none"> a. the current and future social, economic, environmental, or cultural well-being of the district or region; b. any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter; c. the capacity of the local authority to perform its role, and the financial and other costs of doing so.
Significant	in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.
Special consultative procedure	means the procedure set out in section 83 of the Local Government Act 2002.
Strategic asset	means an asset or group of assets as set out in section 5(1) of the Local Government Act 2002.
Sub-groups	means an assortment of people commonly recognised as a relatively large group/ collection within the city's community, i.e. residents of a recognised suburb (e.g.; Greerton, Papamoa, etc), ward or area (e.g.; CBD), households/businesses along the length of a major road, dog owners, users of a city reserve/facility/service, etc.

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Policies - Significance and Engagement

4. PRINCIPLES

- 4.1. Council acknowledges its responsibility as a decision-making authority on behalf of the community and recognises its role in encouraging people to become involved in community issues that may affect them through educating, informing and inspiring people.
- 4.2. Council acknowledges that public input into decision making is an essential part of ensuring they reflect the aspirations of the communities of Tauranga.
- 4.3. Council will encourage and enable community input and involvement in the decision-making process and has a flexible approach to this depending on the level of significance of an issue, proposal, decision, or matter. Council will aim to achieve balanced and representative views.
- 4.4. Council recognises that the more significant an issue, proposal, decision, or matter, the more likely Council will need to engage with the community on their views, and the more time and resources will need to be put towards those engagement processes.
- 4.5. Council will adapt how it engages with communities depending on the target audience.
- 4.6. Any engagement Council has with the community will be conducted in good faith and in an open, honest and transparent manner. Council will be clear about the scope and purpose of the engagement.

- 4.7. Council will take into account the views presented, respect and value input, and make decisions with an open mind.

5. POLICY STATEMENT

In applying this policy, the Council will establish the level of significance of each issue, proposal, decision or other matter on a case by case basis using the steps outlined in Schedules 1 and 2, and will engage accordingly, using the guidelines set out in Schedule 3 of this policy.

In general terms, the more significant the issue is, the more time and resources Council will spend in relation to community engagement.

5.1. Significance

The key considerations used to determine the degree of significance are outlined in Schedule 3. A ranking of high, medium or low is used to help guide the scale of community engagement.

The key considerations are derived from the definition of Significance set out in section 5(1) of the Local Government Act.

5.2. Strategic Assets

The council's strategic assets are those vital for delivery of its services to the community. The council considers a strategic asset to be an asset class (i.e. a network) that delivers the service. A network is deemed to include those components which are integral to the functioning of the network as a whole.

Not all trading decisions made regarding these assets are regarded as significant as they do not

affect the asset's strategic nature.

Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as listed in this policy is considered to be a matter of high significance.

Council considers the following assets to be strategic assets:

- Airport
- Aquatic network
- Trustpower Arena
- Baycourt
- Baypark
- Community Housing
- Library network
- Open space networks, parks, walkways, sports fields and indoor facilities
- Reservoirs and water network
- Roding network
- Stormwater network
- Wastewater network

5.3. Special Consultative Procedure (SCP)

In certain circumstances Council is required to undertake a SCP as set out in Section 83 of the Local Government Act 2002 regardless of whether they are considered significant as part of this policy. Schedule 2 outlines when a SCP process must be used under this Act.

The SCP process may be considered in other

Policies - Significance and Engagement

circumstances, but it will not be a requirement to use this process unless stated by the Local Government Act (as set out in Schedule 2) or any other Act.

5.4. Principles of Consultation (Section 82)

Under section 82, Council is required to:

- Provide access to information
- Encourage those affected to present their views
- Give clear information about purpose and scope of consultation
- Provide opportunity to present views in an appropriate manner and format
- Hear views with open mind
- Provide access to clear record of decisions and explanatory material
- Have processes in place for consulting with Māori

Council is required to carry out consultation in accordance with or giving effect to section 82 of the Local Government Act 2002 on certain matters, issues, proposals or decisions (regardless of whether they are considered significant as part of this policy).

For any other issues, proposals, or matters requiring a decision, the council will determine the appropriate level of engagement on a case by case basis using the principles of section 82.

5.5. Engagement with Māori

Māori as Tangata Whenua have a unique relationship with Councils through the Treaty of

Waitangi and supporting legislation.

The Local Government Act 2002 seeks to increase Māori contributions to Council's decision-making processes.

In summary, the Act requires local authorities to:

- Take into account Māori interests where any significant decisions are to be made affecting 'land or a body of water'
- Establish and maintain processes to provide opportunities for Māori to contribute to decision-making processes
- Consider ways to foster the development of Māori capacity to contribute to decision-making processes
- Put in place processes to consult with Māori
- Assist Māori to better participate generally in decision-making

Tauranga City Council has a number of Iwi / Hapu protocol agreements which focus on facilitating Tangata Whenua engagement at all levels of Council's activities. Operational issues may be addressed directly with relevant staff and input to processes such as policy development provided for at an early stage. Protocols are reviewed regularly and amended, where necessary, by mutual agreement.

The protocol agreements set out:

- The basis of the relationship between Council and the Hapu / Iwi
- Representation and mandates

- Communication and consultation process
- Specific issues relating to each Hapu / Iwi
- Boundary map areas

The Consultation with Tangata Whenua Procedure included in the protocols outlines procedures to be followed when consulting with Tangata Whenua on an issue that is, or will be, subject to formal consultation.

The Resource Management Act 1991 (recognises the relationship Māori have with land, water, Taonga). Council refers to Iwi / Hapu Management Plans for matters decided under this Act.

5.6 Informal Engagement

Council may seek to develop ongoing relationships with the community on general matters, rather than purely on issues that require a decision. This will also allow the community to raise matters that are not currently under consultation. This could include having a presence at markets, events and in public spaces for the purposes of hearing community views and preferences.

5.7 When will Council not engage?

There are times when it will not be appropriate to engage with the community on certain issues, proposals, decisions, or matters. Examples of this include where the Council:

- Is protecting the privacy and safety of individuals (as provided for in the Privacy Act 1993)

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Policies - Significance and Engagement

- Is maintaining confidentiality and/or commercial sensitivity to enable Council to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987)
- Is acting with urgency in a crisis (for example under the Civil Defence Emergency Management Act 2002)
- Already has clear direction on a strategy or plan and has already made up its mind about an issue and therefore does not have a sufficiently open mind to carry out meaningful engagement.

5.8 Significant and Significance in Other Contexts

The Local Government Act 2002 uses the term significant and significance in a number of contexts. Unless it is inappropriate in the context, the considerations set out in this policy and in the statutory definitions will apply.

6. RELEVANT DELEGATIONS

Elected Members will retain all decision-making authority relating to the determination of the significance of issues, proposal and decisions and how we engage on those issues.

7. REFERENCES AND RELEVANT LEGISLATION

Iwi / Hapu Protocols

Consultation with Tangata Whenua Procedure

Civil Defence Emergency Management Act 2002

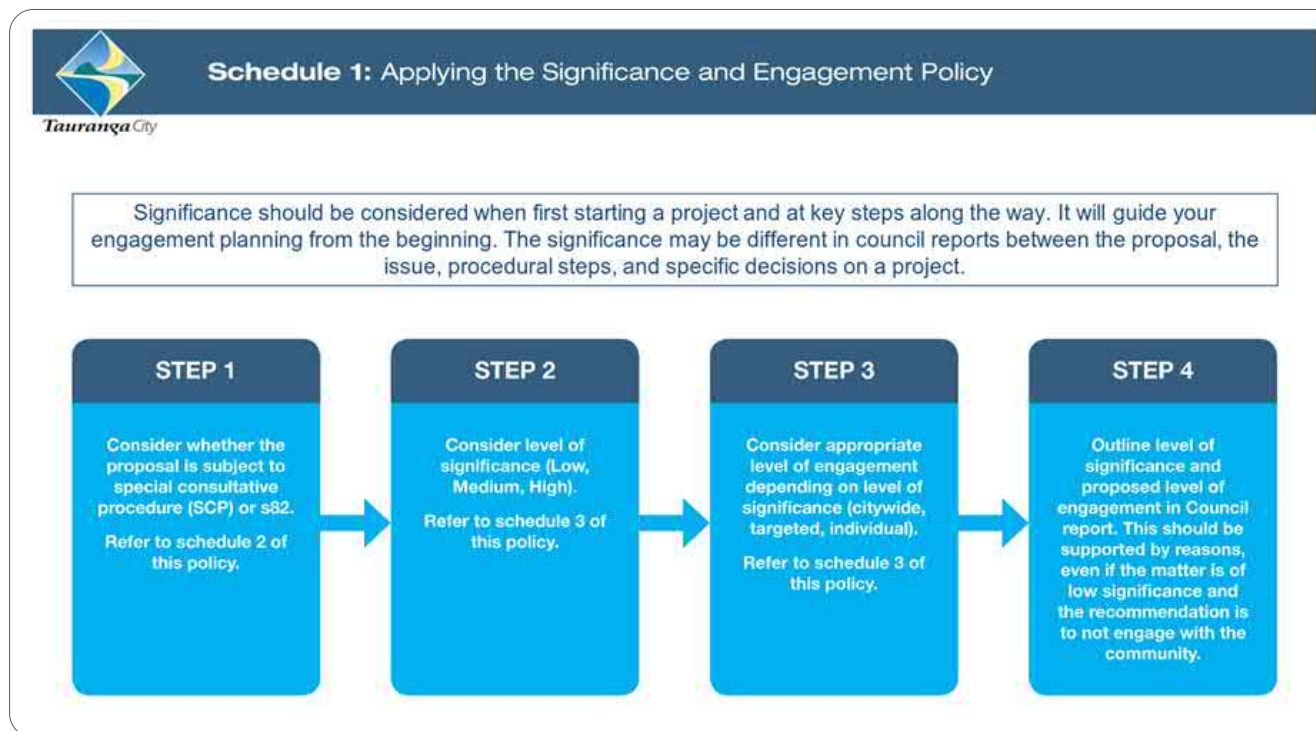
Local Government Act 2002

Local Government Official Information and Meetings Act 1987

Privacy Act 1993

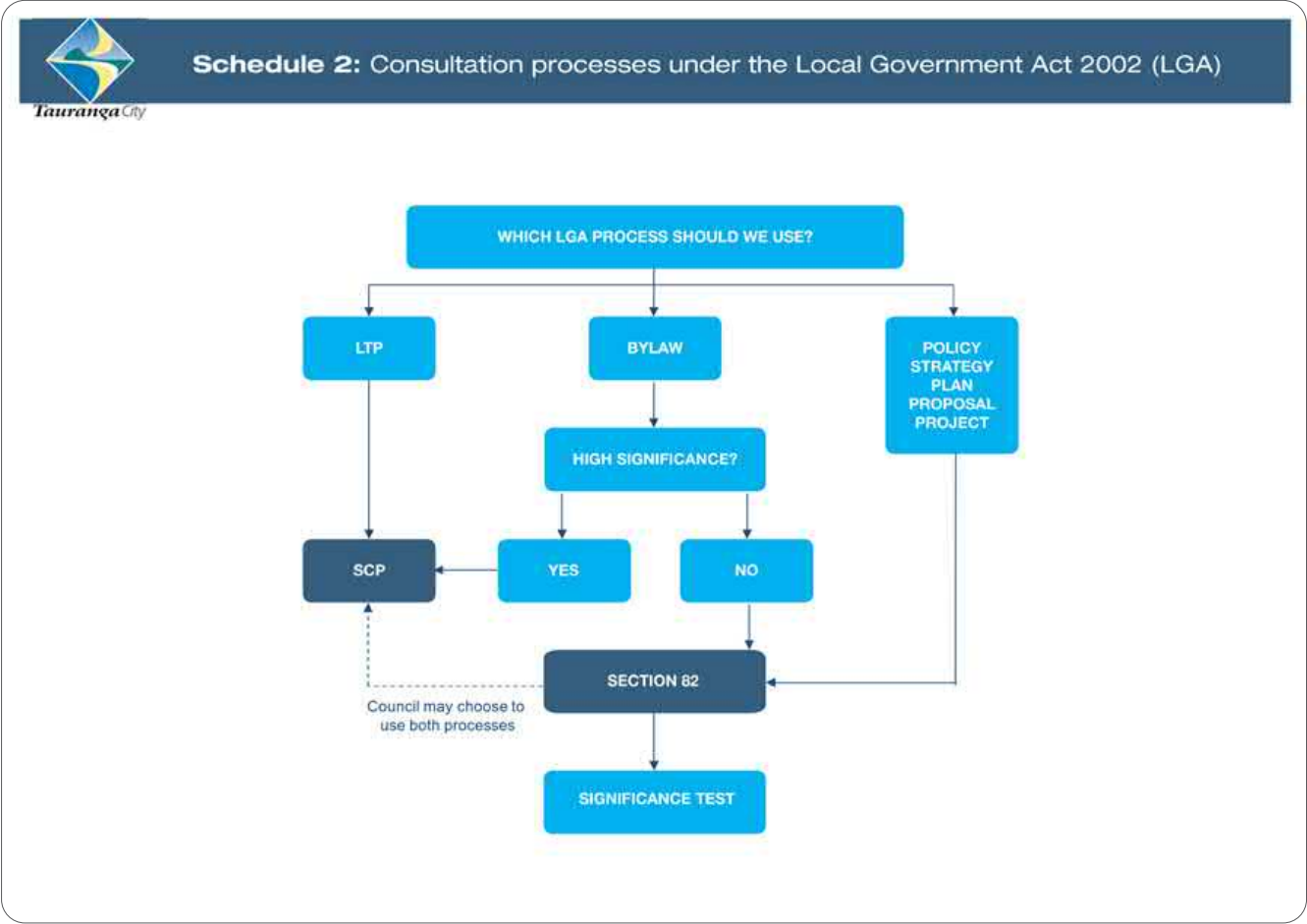
8. SCHEDULES

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Policies - Significance and Engagement



Long-term Plan Amendment 2021-2031


Policies - Significance and Engagement

 Schedule 3: Guide to Significance and Engagement			
Rating	Key Considerations	Examples	Engagement
High	<ul style="list-style-type: none"> Affects wide range of people Has high public interest Large consequences for the city or region Large impact on Council being able to perform its role Unbudgeted capex of more than \$4 million Unbudgeted opex of more than \$1.7 million Highly difficult to reverse Does not have a strong and logical flow from a prior decision 	<ul style="list-style-type: none"> Adopting a significant bylaw (e.g. Street Use & Public Places Bylaw) Adopting a policy that has wide community interest (e.g. Local Alcohol Policy) A large investment (e.g. building a new wastewater treatment plant) A change to Council user fees and charges that affects a wide range of people (e.g. increase in water rates) Ceasing a Council activity Transfer of strategic asset Adopting a Long-term Plan 	<p>If a matter is of high significance, Council must engage with the community under this policy.</p> <p>This will likely involve large scale publicity and promotion. There could be an informal engagement / discussion phase plus a formal phase of consultation. There is likely to need to be a consideration of different cultural styles and needs for engagement. Likely to include a range of events and a focus on online activities.</p>
Medium	<ul style="list-style-type: none"> Affects subgroup Has moderate public interest Moderate consequences for the city or region Moderate impact on Council being able to perform its role Unbudgeted capex \$1 - \$4m Unbudgeted opex \$500k - \$1.7m Moderately difficult to reverse Flows from a prior decision, but with some notable variations 	<ul style="list-style-type: none"> An amendment or adoption of a bylaw that will affect a subgroup or have a moderate public interest (e.g. Freedom Camping Bylaw) Adoption of a policy that has medium community interest (e.g. Public Art Policy) A moderate investment (e.g. investment in Greerton Library) A change to Council user fees and charges that affects a subgroup (e.g. increase in dog registration fees) A moderate change in the way an activity operates (e.g. the length of grass in reserves) Adoption of Annual Plan 	<p>If a matter is of medium significance Council may decide it is not appropriate or necessary to engage.</p> <p>If Council does engage, it may involve targeted engagement with the affected audience, online engagement which may include a survey and social media. Information available through libraries and service centres. Promotion through e-newsletters, the local media or through Our City News.</p>
Low	<ul style="list-style-type: none"> Affects individuals Has very little public interest Low consequences for the city or region Low impact on Council being able to perform its role Less than \$1m capex Less than \$500k opex Able to be reversed Has a strong and logical flow from a prior decision 	<ul style="list-style-type: none"> A minor amendment to a bylaw Adoption of a policy that has low public interest and does not affect the wider community or a subgroup (e.g. Significance and Engagement Policy) A minor investment (e.g. to fund an increase in a maintenance contract) A minor change to user fees and charges (e.g. adjusted for CPI) A minor change in the way the activity operates (e.g. undertakes a tender with a different contractor) 	<p>If a matter is of low significance the Council can choose to not engage unless required by legislation, otherwise may choose to adopt some of the methods above.</p>

More Time
More Resources

Less Time
Less Resources

Long-term Plan Amendment 2021-2031



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**Significant
forecasting
assumptions**

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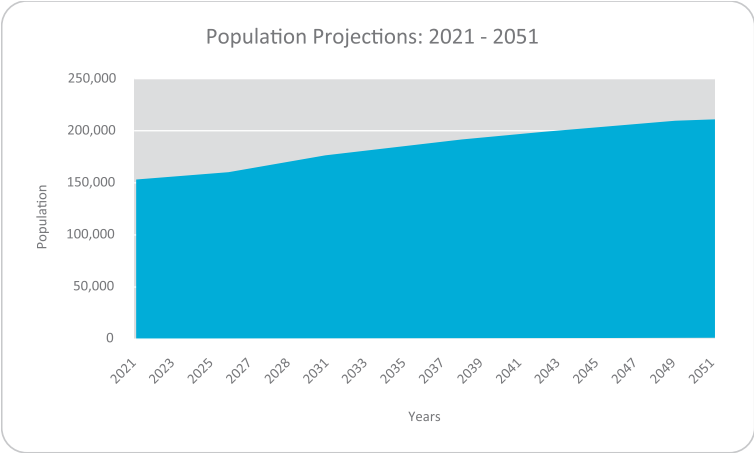
Introduction

Forecasting assumptions identify important trends and projections and assess the risk and potential impact that are expected to affect the Council and community. These assumptions are essential in providing the basis for the Long-term Plan (LTP).

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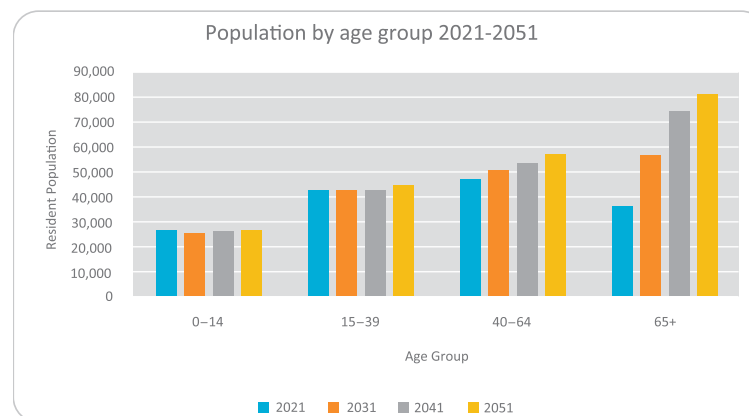
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1. Population and household projections and locations				
Detail	Risks	Level of uncertainty	Effect	Mitigation
Population and household growth, and location of growth, align with SmartGrowth projections	Population and household growth will occur faster or slower than predicted, and/ or in different locations than assumed	Overall level of uncertainty is medium. As with all long term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth is experienced through a projection period	High - the potential financial impact of over or under investing in infrastructure based on modelling of the growth allocations, could be significant	Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change. The timing of projects will then be amended, as necessary.



2. Demographic changes - Age

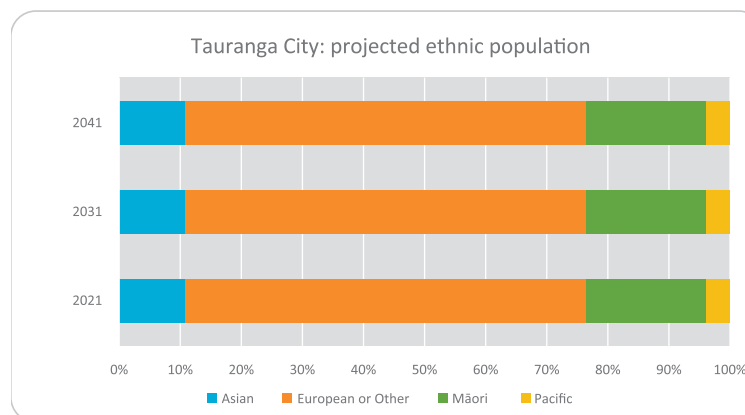
Detail	Risks	Level of uncertainty	Effect	Mitigation
That the proportion of the city population over 65 will continue to rise inline with projections from the National Institute of Demographic and Economic Analysis.	A different population demographic profile is realised than the rapidly aging one that is currently projected.	The level of uncertainty is considered low - medium. At a national level the population is aging as is projected for Tauranga City. However, factors such as high house prices in Auckland, growth of the University, and change in immigration policy could potentially lead to more families and younger people moving to the area than currently assumed.	A different age demographic may have a different impact on housing, recreation, health and service provision in particular. This may require alterations to our work programmes	Continually monitor age composition of the population at each Census to see how this aligns with projections.



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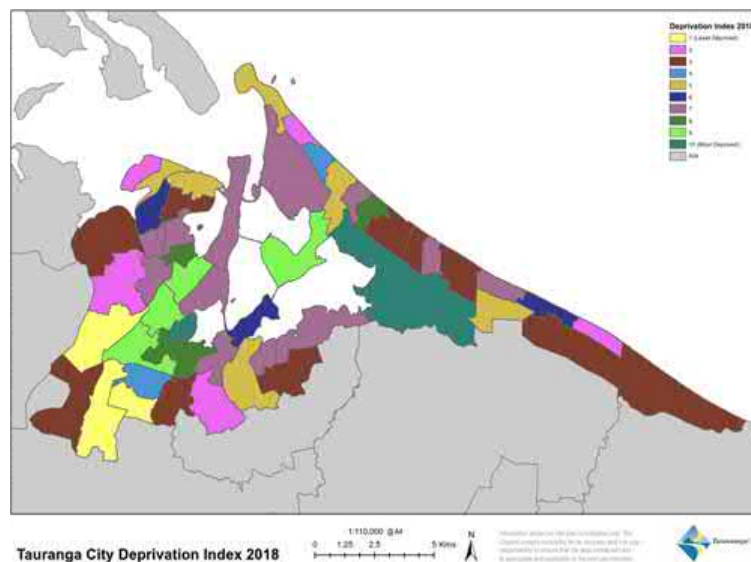
3. Demographic changes - Ethnicity

Detail	Risks	Level of uncertainty	Effect	Mitigation
That the city's ethnic profile will continue to change, following the pattern in Stats NZ projections, which will see an increase in the Maori, Pacific and Asian proportion of the city population, and a decline in European or Other.	The city's ethnic profile may deviate from the projections.	The level of uncertainty is considered low - medium. Migration policy and job opportunity may have impacts on ethnic composition	Growth in different ethnic groups may bring different demands on service provision, and different opportunities.	Continually monitor ethnic composition of the population at each Census to see how this aligns with projections.



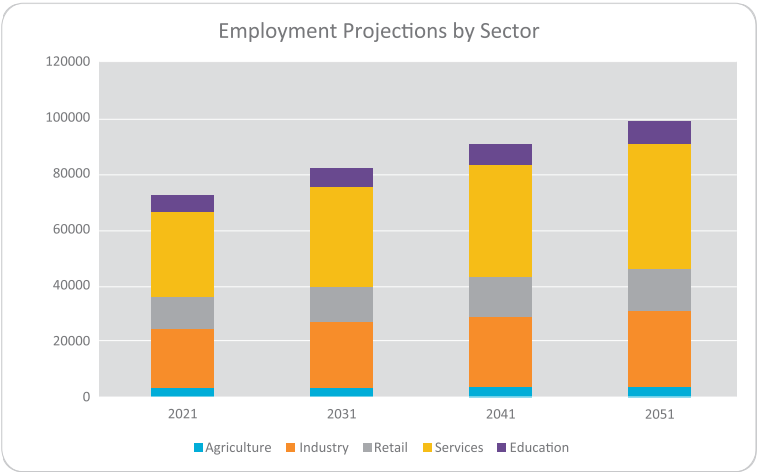
4. Demographic changes - Socioeconomic

Detail	Risks	Level of uncertainty	Effect	Mitigation
The pattern of socioeconomic deprivation will continue along the same lines as the 2018 results. The Deprivation Index provides an indication of deprivation at suburb level, based on the 2018 Census data.	The city's pattern of socioeconomic deprivation may deviate from the current pattern	The level of uncertainty is considered low - medium. Housing affordability and job opportunity may have impacts on the socioeconomic profile of some communities.	Changes in socioeconomic deprivation in neighbourhoods may place increased or reduced demands on some services.	Continually monitor research in this area to see how this aligns with projections.



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5. Employment projections and sector projections				
Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>More than three quarters of the employment growth in the Western Bay Sub Region is expected to be located in Tauranga and this is dominated by shifts in service related employment.</p> <p>The Tauranga CBD is expected to experience significant growth in the services and retail sectors, whilst Tauriko (and Te Maunga after 2050) are expected to see a large growth in industry sectors.</p>	<p>Employment growth will occur faster or slower than predicted, and/or in different locations than assumed.</p>	<p>As with all long term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth are experienced through a projection period.</p>	<p>Medium - the potential impact of over or under investing in infrastructure based on these projections.</p>	<p>Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change.</p>



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6. Climate change - Natural hazards / events

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Tauranga is subject to a range of natural hazard events. We have mapped the majority of the areas that suffer from these hazards. Varying management approaches are in place for the hazards, which are governed through the New Zealand's laws. The upcoming City Plan review (in this Long-term Plan) will bring a new regulatory approach to natural hazard risk, and risk reduction.</p> <p>As low likelihood, high consequence natural disasters are difficult to predict, we have not assumed any will occur in the course of this Long-term Plan. Instead we have invested in susceptibility mapping, infrastructure resilience planning and risk reduction through regulatory control.</p>	<p>A high consequence natural disaster occurs.</p>	<p>The probability of a large natural hazard event causing widespread damage to the City, or parts of the City is low however, the consequences will be significant. The most common hazard event will be flooding from intense rainfall events which feature in over 90% of our resilience projections.</p>	<p>Should an event occur, and depending on the scale of that event, there will be a need for Council to be prepared and respond accordingly to that need.</p> <p>Significant financial costs may be incurred due to a significant natural hazard event occurring.</p>	<p>Council is focusing on new tsunami planning and continues its hazard modelling and delivery of evacuation areas, alongside wider work programmes with Civil Defence.</p> <p>Council has insurance cover in relation to natural disasters, both for buildings and for underground assets.</p> <p>TCC initiated a Citywide Infrastructure Resilience project in 2018 which has now identified hazard exposed assets and areas. Mitigation projects to reduce the risks have been proposed and implementation of these will reduce city risk to natural hazards.</p> <p>TCC is progressing with the development of Plan Change 27 (flooding from intense rainfall events) to include a regulatory approach into the City Plan, reducing the risk of flooding to buildings (through redevelopment).</p> <p>The review of the City Plan will also include a wider natural hazards risk reduction approach to all identified 'high' risk areas across the City, based upon natural hazards risk identification.</p>

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7. Climate change - Stormwater events

Detail	Risks	Level of uncertainty	Effect	Mitigation
The consequences of flood events are consistent with Council's modelling programme.	Flooding events occur to a greater extent than predicted or in areas we have not predicted.	Moderate. Modelling is underway to better understand the risk of 1 in 500 year flooding.	Should flooding events occur, affected communities will want Council to amend its approach to flood risk management and invest in infrastructure delivery; resulting in high capital costs to Council.	<p>Complete projects identified by the Resilience Management of Reactive Reserve Fund, and progression of site specific projects to reduce risk.</p> <p>Project Management of flood risk approach and implementation during flood events.</p> <p>Complete Plan Change 27 (flooding from intense rainfall events) o include a regulatory approach into the City Plan, reducing the risk of flooding to buildings (through redevelopment).</p>

8. Climate change - Sea-level rise

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Sea-level rise will affect Tauranga harbour margins and open coastal areas; directly through sea level rise, and indirectly by exacerbating coastal hazards of storm surge and erosion, as well as land based liquefaction.</p> <p>Sea-level rise consideration of 1.25m by 2130 is directed through New Zealand and Bay of Plenty coastal policies for intensification and 1.6m for greenfield development. Hazard modelling has assumed high greenhouse gas emissions for projections over the next 100 years.</p>	<p>Current projected rise indicates a number of low lying zones may be forced to consider withdrawal from those areas.</p> <p>Should sea level rise occur faster than predicted, then the effects of that rising sea will be felt sooner.</p> <p>That a proactive approach to sea-level rise planning is not put in place.</p>	<p>High - while a range of modelling and verification has been undertaken, there is no clear confirmation of which modelling assumption will best represent our future.</p>	<p>High - the effects can result in loss of land that has been developed, or has further development potential affecting land supply, infrastructure and wider transport connections.</p> <p>Loss of developed or developable land will reduce TCC ability to provide for housing demand.</p>	<p>The effects of a changing climate need to be advanced as part of wider urban form discussions and long term planning. Strategies developed so policy decisions and funding can be progressed.</p>

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9. Land use changes (intensification)

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Land use changes are inevitable in a growing city. This is doubly so, given the National Policy Statement on Urban Development, which requires high growth councils (including Tauranga City Council) to plan, deliver and monitor development capacity in their city within both brownfield and greenfield areas. Recent strategies, including SmartGrowth, Urban Form and Transport Initiative, Tauranga Urban Strategy, and the NPS-UD all require a focus on intensification; in addition, Council has endorsed the Te Papa Indicative Business Case and is currently making changes to the city plan to enable intensification within suburban areas and Te Papa.</p> <p>Given this policy and city plan structure, we assume infill housing in existing residential areas and existing consented greenfield sites will meet 50% of the supply otherwise provided by Te Tumu and Tauriko West.</p>	<p>Land use change may occur at a faster or slower rate than anticipated. It may occur in areas other than those we have planned for.</p>	<p>Medium - land use change is certain. The proportion of this change that equates to intensification is less certain. It relies on community responses, political willingness, costs of additional infrastructure, market forces, and government agency partnerships. Significant commitment is being made to enable and support intensification.</p>	<p>Intensification has both significant costs (in dollars) and benefits (in dollars, wider economic benefits, and four well-beings). Intensification will significant supporting infrastructure (including social infrastructure) investment over time; economic evaluation shows that there will be significant wider economic benefits.</p>	<p>Land use changes need to be advanced as a comprehensive package of greenfield and brownfield development. Partnership with other government agencies will play a key role; as will staged development and investment.</p> <p>Provision is made for growth and bulk funds established to provide for citywide infrastructure and investment for intensification. (This is discussed further in the Infrastructure Strategy).</p> <p>Strong input and collaboration with Western Bay of Plenty District Council and Bay of Plenty Regional Council will significantly aid the advancement of future land use changes.</p>

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10. Local government reorganisation

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the business and structure of Local Government in Tauranga will not alter within the lifetime of the LTP.</p> <p>We recognise the future is highly uncertain in this space and we could have reasonably assumed that the local government sector will undergo significant change over the next ten years. We are keeping a close watch on how regulation develops to ensure we are prepared for whatever happens.</p>	<p>Local government amalgamation processes have been undertaken in other regions. Within ten years there may be significant changes to the boundaries of local government in our region.</p>	High.	<p>The effect may be high, depending on the level of change. There could be significant restructuring, reorganisation or establishment costs incurred. There would be associated financial and rating changes as a consequence.</p>	<p>A reorganisation process would take place over a sizeable period of time, this would allow the Council to fully prepare. The Council will proactively monitor and engage in discussions of this nature.</p>

11. Service delivery method

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the existing services and methods of delivery will continue, except where this has been clearly stated in the LTP.</p>	<p>That future investigations reveal more cost-efficient methods of delivering services which may be preferred.</p>	High.	<p>Low to high, depending on the level of change.</p> <p>Changes in the delivery of services may have substantial impacts on budgets and financial forecasts and may require an amendment to the LTP.</p>	<p>We will continue to seek collaboration opportunities with other councils.</p> <p>Council will pursue shared service options through BOPLASS Ltd (a company owned by us and other local councils to assist in the acquisition of services) and other methods, such as public/private partnerships. The Council will carry out periodic service delivery reviews to assess options.</p>

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12. Inflation - Our costs

Detail	Risks	Level of uncertainty	Effect	Mitigation
That our costs will rise in line with the Local Government Cost Index (LGCI) for operational and capital expenditure, as forecast by our economic advisor, BERL, as a faster rebuild scenario.	The actual price of our inputs and outputs will not increase at the rate assumed.	Medium.	Low to high, depending on the level of variation. Changes could have a significant financial impact on our costs.	BERL price change projections have been used to prepare the prospective financial statements. These are an industry recognised measure. Council will monitor annual updates and may respond if there are significant changes.

13. Inflation - Your costs

Detail	Risks	Level of uncertainty	Effect	Mitigation
The general cost of living across all types of expenditure for people living in Tauranga will rise in line with the national Consumer Price Index forecast prepared by our economics advisor, BERL.	The actual rate of CPI inflation does not increase at the rate assumed.	Medium.	Low to high, depending on the level of variation. Changes could have a significant financial impact on rates affordability.	BERL CPI projections have been used. These are an industry recognised measure and are chosen to align with our LGCI projections.

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14. Interest rates - Borrowing and interest rates

Detail	Risks	Level of uncertainty	Effect	Mitigation
Average borrowing interest rates range from 3.00% to 4.00% for the period 1 July 2021 to 30 June 2031.	Significant market interest rate rises.	Medium.	Medium. Impact relatively small in the first three years. Inflation is likely to be higher during times of increasing interest rates and therefore revenue will increase at a higher rate to offset higher interest costs.	Maintaining around 70% of fixed interest rates for debt and interest costs are managed on a net basis.

15. Interest rates - Investment interest rates

Detail	Risks	Level of uncertainty	Effect	Mitigation
Average investment interest rates range from 0.5% to 3.25% for the period 1 July 2021 to 30 June 2031.	Significant market interest rate reductions.	Medium.	Low – relatively small impact due to low existing rates and deposit levels.	Maintain detailed cashflows to manage the investment portfolio and interest is managed on a net basis.

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16. Development Contributions

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The growth related component of infrastructure required for new developments – stormwater, wastewater, water supply, roading and facilities and reserves – will be funded by development contributions.</p> <p>Significant assumptions in relation to development contributions are included within the Development Contributions Policy.</p>	<p>That development contributions received do not cover the growth component of capital works planned.</p>	<p>Medium.</p>	<p>High - delays in receiving development contributions will lead to increased interest costs. Under collection may require general rates funding however this will be brought to Council for a decision should this occur.</p>	<p>The growth assumptions within the Development Contributions Policy are considered robust as they are based on SmartGrowth modelling used across the LTP. The policy is adopted by Council after a robust process including the Special Consultative Procedure and external audit. The Policy is updated annually to address any potential issues.</p>

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17. Waka Kotahi NZ Transport Agency Funding

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Financial assistance rate (FAR) from Waka Kotahi NZ Transport Agency (NZTA) will continue on the same basis and at the rates set by them in the October 2014 Funding Assistance Rate Review.</p> <p>The overall average for FARs is 51%.</p> <p>NZTA funds specific programmes of work and agrees 3-year funding envelopes across such items as maintenance operations and renewals and low cost/low risk programme, as well as funding for specific roading projects.</p> <p>Some funding decisions have been made with lower funding levels provided than had been requested, while other funding decisions are outstanding.</p>	<p>Changes to NZTA road prioritisation may impact on future funding.</p> <p>Total funding levels may be less than assumed in the LTP.</p>	<p>High - central government policy may change with change of Government.</p> <p>Funding decisions for large projects are dependent on business cases and will not be confirmed for several years.</p> <p>Funding decisions for regular programmes of work have not all been finalised and may affect programmes in the first three years.</p>	<p>High. Changes to the level of funding received may lead to increased costs for Council to complete its roading programme and may limit the viability of some projects. If the projects are unable to secure funds from NZTA then Council may be approached to meet any shortfall. If this is the case, this request will be considered through the annual budget process. If the project does not proceed, Council will remove the funding contribution (if applicable) from the budget. This may have impacts on the level of service of lower risk roads.</p>	<p>Maintenance of a positive relationship with NZTA allows frequent communication and the awareness of issues in advance. Our working partnership with Western Bay of Plenty District Council and Bay of Plenty Regional Council, through SmartGrowth, provides the basis of long term investment decisions. Our planning has been done in partnership with NZTA (including Transport System Plan) and is well aligned with the Government Policy Statement.</p> <p>TCC has managed the uncertainty relating to NZTA funding in the first three years of the LTP by making a capital delivery adjustment, reducing the level of expenditure in those years and redistributing it over later years of the LTP.</p>

18. Sale of assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The Te Tumu block sale will occur in the final years of this LTP period once the infrastructure to the boundary is in place, the plan change is completed, and there is an available infrastructure corridor through to the block.</p>	<p>Delay in rezoning of the Te Tumu Urban Growth Area.</p>	<p>Medium.</p>	<p>Any delay in settlement will impact on Council's debt ratios.</p>	<p>TCC has worked, and will continue to work, closely with the owners of land at Te Tumu to ensure this land is ready for development.</p>

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19. Ownership of water infrastructure assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>TCC will retain ownership of water supply and wastewater infrastructure assets.</p> <p>Note: central government is currently undertaking a reform of the way that three waters (wastewater, water supply and stormwater) is managed in New Zealand.</p> <p>In 2020 TCC signed a Memorandum of Understanding, to collaborate with central government on the reform programme, which proposes significant changes to the future provision of these services in New Zealand.</p> <p>If the changes are implemented, these would materially impact some of the information in this document.</p> <p>No changes have yet been confirmed and this consultation document has been prepared on the basis that Council's management of these services will continue.</p>	<p>There may be unanticipated material changes to the legislative landscape that cause significant changes to what we do and how we pay for it.</p> <p>Failing to account for legislative reform in the LTP could lead to unnecessary underinvestment in infrastructure due to TCC's current balance sheet constraints.</p> <p>As the timing and implications for the three waters reform is currently not yet confirmed by central government, TCC may need to review this LTP once further information is available.</p>	High.	<p>High - changes could have a significant financial impact on the way we operate.</p> <p>Because the three waters capital programme is a significant contributor to TCC debt currently and over the next ten years, this reform would materially assist the financial sustainability of TCC and the extent to which debt would need to be reduced through debt retirement charges.</p>	<p>The projects contained in the LTP have been based on the current legislative regime.</p> <p>Legislative change is often progressed with a long lead time, allowing Council to respond accordingly.</p> <p>The capital programme proposed aims to meet the required investment outcomes to enable housing supply, build communities and meet environmental standards particularly within three waters. The LTP therefore presents the increased revenue requirements across three waters funding and transportation to meet these infrastructure requirements.</p>

20. COVID-19 Recovery

Detail	Risks	Level of uncertainty	Effect	Mitigation
New Zealand (i) does not see a widespread resurgence of community transmission of COVID-19 (or a variation thereof) requiring regional or national lockdowns at Level 3 or Level 4; and (ii) New Zealand's borders have begun to open in a staged manner to certain other countries by 2023.	COVID-19 (or a variation thereof) re-enters the community requiring a lockdown of the Bay of Plenty region or more broadly.	High.	Until such time as a vaccine is available and widely applied, a resurgence of COVID-19 may temporarily close or substantially reduce the functionality of some TCC activities until the lockdown ends with consequential negative impacts on revenue.	The primary mitigation for this risk is the development and widespread uptake of an effective vaccine in New Zealand. It is anticipated this will occur in the medium term over the course of 2021 and through into 2022. In the meantime, the secondary mitigation is utilising operational resilience practices developed during 2020 to ensure TCC's essential activities continue to function in the event of a lockdown and non-essential services have the capacity to operate as fully as is safely possible.

21. Legislative/Regulatory environment

Detail	Risks	Level of uncertainty	Effect	Mitigation
That current national and regional policies, strategies and legislation will not change significantly during the period of the LTP. We recognise the future is highly uncertain in this space and we could have reasonably assumed that legislation and regulation will undergo significant change over the next ten years. We are keeping a close watch on how regulation develops to ensure we are prepared for whatever happens.	That there will be major unexpected changes to the legislation that may cause significant changes to how we operate, what we do, and/or who pays for things.	High.	High - changes could have a significant financial impact on the way we operate.	The projects contained in the LTP have been based on the current legislative regime. Legislative change is often progressed with a long lead time, allowing council to respond accordingly.

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22. Funds available for new assets and replacement and upgrade of significant existing assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Sources of funds for operating and capital expenditure are as per the Revenue and Financing Policy.</p> <p>This policy will consider:</p> <ul style="list-style-type: none"> - increasing debt retirement through rates and user fees to improve TCC's borrowing capacity - off balance sheet options where borrowing capacity is not available through TCC. - the role of regional partners in contributing to infrastructure capital costs and operations of services used by people outside TCC boundaries. 	<p>That sources of funds are not achieved.</p> <p>That the cost of alternative funds is high to certain ratepayer groups leading to constraints on these options.</p> <p>The community does not support use of these options.</p>	Low.	High - Council may have to utilise alternative sources of funding with potential impacts to rates and debt.	<p>User charges have been set at previously achieved levels. Depreciation is funded through either rates or user fees depending on the funding of the activity where the assets are utilised. The Council is able to access borrowings at levels forecast within the LTP.</p> <p>Council can reduce capex levels and opex (levels of service) to meet funding constraints.</p>

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23. Asset lifecycles and depreciation methods

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Asset lifecycles will align with those forecast and be used as the basis of depreciation.</p> <p>It is assumed that assets will be replaced at the end of their useful life (based on condition and/or performance).</p>	<p>That assets wear out earlier or later than estimated or are replaced prior to reaching the end of their useful lives.</p> <p>That asset condition is not correctly assessed.</p>	<p>Low – asset lives are based on estimates made by engineers and registered valuers.</p>	<p>Low - depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>Levels of service could be diminished if condition not appropriately assessed.</p>	<p>Capital projects could be reprioritised in the event of early expiration of assets.</p> <p>Council has an extensive asset management planning process which includes regular condition monitoring and assessment. Where a decision is made not to replace an asset, this will be factored into capital projections.</p>

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24. Revaluation of assets				
Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>For the purposes of the financial model, all assets are revalued annually in order to reduce the distraction of year on year peaks and troughs in revenues and expenditure that are generated by these revaluations.</p> <p>Council's policy is to value assets triennially, and each year a different category is valued by an independent valuer. The valuation timetable is as follows: Transportation and Marine Infrastructure (1 July 2021, 2024, 2027 and 2030), Airport and Parks Infrastructure (1 July 2022, 2025, 2028 and 2031) and 3 Waters (1 July 2023, 2026 and 2029). For the purpose of the Long-term plan financial model only, revaluation is calculated and applied annually to smooth the uneven impact on revenues (including rates) and expenditure that would otherwise be generated by triennial revaluation.</p>	<p>Asset values are under/overstated and therefore the balance sheet does not reflect accurately the value of TCC owned assets.</p>	<p>Low – our regular valuation cycle ensures valuations are regularly brought up to date.</p>	<p>Low.</p>	<p>Depreciation rates based on incorrect valuations will impact the LTP process if valuations are not conducted in their cycles.</p> <p>Assessment of risk of higher cost of waters assets replacement has meant we are revaluing that asset class in 2021 out of cycle to ensure asset values are relevant for the LTP.</p>

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25. Environmental Standards - Resource consent requirements

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That resource consents required for capital works are granted and that this process does not significantly impact timing of projects.</p> <p>That all existing resource consents will be renewed where appropriate.</p> <p>It is expected that the environmental standards expected to be met will increase, with corresponding requirements imposed through resource consents.</p>	<p>That significant delays to capital works projects are experienced due to the resource consent process.</p> <p>That existing consents are not renewed or require us to meet significantly changed conditions.</p> <p>Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.</p>	Medium.	<p>High - delays to capital works projects may have material cost implications. Failure to renew existing consents, or the requirement to meet significantly higher consent conditions may require significant expenditure.</p>	<p>Budget revisions will take place where there are anticipated changes to consent requirements.</p> <p>Early communication with affected parties and resource consent issuing bodies may enable early identification of issues.</p>

26. Leaky Home Settlements

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>We have provided for all leaky home claims that have been made.</p>	<p>That further claims are made against Council.</p>	High.	<p>Low to high, depending on the level of claims received.</p>	<p>We monitor the development of legal cases regarding leaky homes claims across the country. This provides an indication of likely future claims. Changes may be anticipated and planned for through the Annual Planning process.</p>

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27. Level of Service changes

Detail	Risks	Level of uncertainty	Effect	Mitigation
That levels of service change will be limited to that indicated in the LTP only.	There may be significant changes in customer expectations regarding demand for services or levels of service from those planned in the LTP.	Low.	High - a significant change in customer expectations of a level of service may require substantial investment, may result in investment in an area being unwarranted, or may lead to a significant reduction in customer satisfaction.	The Council has well defined service levels for its planned activities which have been reviewed as part of the LTP process. Customer satisfaction surveys and other engagement strategies generally support the key assumptions made within the LTP and therefore there are currently no known additional areas of the Council's service that require significant modification.

28. Project costings

Detail	Risks	Level of uncertainty	Effect	Mitigation
That project costs will not exceed those set out in the LTP.	Costs for some projects listed in the LTP are estimates only. Project costs may exceed those planned for through the LTP.	Medium.	Low - High, depending on the level of variation. Significant changes to the cost of the project may make it unviable or lead to increased costs to Council.	Project underway to provide guidance to the organisation on developing budgets for LTP. This will include guidance on setting contingencies and risk funding allowances. Many capital expenditure budgets will involve a contingency whether they are at outline design stage or detailed design stage. Cost estimates are updated annually and when detailed design is undertaken.

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29. Housing Infrastructure Fund (HIF)

Detail	Risks	Level of uncertainty	Effect	Mitigation
Council has signed agreements for interest free HIF loans in relation to Te Maunga Wastewater Treatment Plant upgrades (\$51.8M) Waiari Water Treatment Plant (\$105.9M) to aid in delivering growth infrastructure to support housing development. There is a third bid in relation to Te Tumu (\$58.9M) that has been approved in principle, but the loan agreement is not signed pending the completion of a third party case through the Court of Appeal (TCC not a party). A total of \$15.8M has been received in relation to HIF loans by 30 June 2020.	The Te Tumu bid is at risk pending the outcome of a third party legal claim (not involving TCC).	Low for the two projects with signed loan agreements. High for the Te Tumu agreement due to legal delays not able to be controlled by TCC.	High (for Te Tumu) – to progress the infrastructure items put forward in the Te Tumu HIF Application, Council may have to fund growth outside of using the HIF which will have an impact on our balance sheet and financing costs or result in limiting growth (as infrastructure is required to enable growth to proceed within the new growth areas and across the city).	Monitor progress on legal case.

30. Vested assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
That vested assets will be received by Council in accordance with the assumed growth of the city based on overall growth expectations and the average value of vested assets per lot. There is also an estimation made for large infrastructure projects that have, in the past, been constructed by Council where these are now to be provided for by the developer.	That Council will have significantly more assets vested thereby increasing the depreciation expense in subsequent years.	Moderate.	Low.	Growth forecasts are updated regularly in order to ensure vesting predictions are kept up to date.

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31. Civil Defence / Emergency Preparedness / Business Continuity				
Detail	Risks	Level of uncertainty	Effect	Mitigation
That we are able to continue operating to deliver essential services to the community in the event of disruption or a disaster.	<p>That Council's ability to function is severely disrupted in the event of a disaster, we will be unable to:</p> <ul style="list-style-type: none"> a. protect the community, from hazards or events which compromise their physical and emotional wellbeing b. provide essential services to the fullest extent possible within appropriate timeframes. 	Medium.	<p>High - Tauranga could incur moderate to severe levels of community illness, loss of life, assets and infrastructure, financial impact on the community and reduction in local/ sub-regional economy requiring significant investment in recovery.</p> <p>Council may be required to make considerable resourcing and financial investment to return essential services to pre-impact capacity.</p>	<p>The Council has:</p> <ul style="list-style-type: none"> a. business continuity plans and business continuity enhancement programme b. civil defence response plans and enhancement programme c. community resilience programme d. public alerting and warning systems and protocols e. lifelines plans f. partnership structures with emergency service and social sector partners. <p>Council is also undertaking risk profile assessments of the integrated human, natural and technologically induced hazards on communities over the period of the next LTP to understand community risk tolerance and appetite to inform on going mitigation efforts.</p>

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32. Credit rating

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the Council maintains its A+ credit rating.</p> <p>All interest rates used to determine projected borrowing costs have been based on this assumption.</p>	<p>That the council's credit rating differs from forecasted in this plan.</p>	Moderate.	Moderate - high - credit rating downgrade will increase long term cost of funds.	Manage debt levels to maintain credit rating.

33. Disruptive technologies

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That there will be no technological changes that render some projects unnecessary, or that radically alters people's interactions with the city.</p> <p>Disruptive technologies that we are aware of are incorporated into our planning.</p>	<p>Technological changes are rapid and unpredictable, and can have significant impacts on our lives, the way we work and the way we use our city.</p> <p>Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.</p>	<p>High - the rate and impact of technological developments is uncertain. The exact timing of developments cannot be assumed. Of particular note are the potential impacts of transportation changes and driverless cars, increasing automation affecting business and employment and opportunities of increased data analytics through 'big data'.</p>	<p>Medium - project scopes may be altered to reflect changes in available technology, with corresponding implications for costs.</p>	<p>Council will monitor and keep informed of developments in this area and will amend projects as suitable.</p>

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34. Resourcing (staff)

Detail	Risks	Level of uncertainty	Effect	Mitigation
That we are able to employ and retain staff that are suitably qualified and able.	The availability of staff limits the ability of Council to deliver its agreed work programme.	Medium.	Medium - costs may be negatively affected by the availability of resources. Projects may not be fully resourced leading to delays.	Council attracts and retains people through offering employment arrangements that are valued by employees and ensure productivity and engagement. These include flexible work options that address changing demographics/ needs of employees, utilising relevant technologies as well as other drivers of employee engagement i.e. development opportunities/ career options, competitive remuneration/benefits etc. In the event of unavailability of employees; contractors and consultants may be used.

35. Resourcing (suppliers)

Detail	Risks	Level of uncertainty	Effect	Mitigation
In order to deliver on the Long-term Plan, suppliers are required to deliver a significant portion of works. It is assumed that suppliers are available, suitably qualified and will be able to deliver projects on time and to cost.	The availability of suppliers limits the ability of Council to deliver its agreed work programme, particularly if there are wider national demands on a specific sector.	Medium.	Medium - costs may be negatively affected by the availability of suppliers. Projects may not be able to be resourced leading to delays.	Council has comprehensive procurement procedures in place to guide the procurement process. Council works to develop a healthy marketplace based on our procurement policy. It is intended that we will develop better partnerships with key suppliers to drive better outcomes. Annual supplier information meetings are held to provide our key infrastructure providers with an indication of Council's forward works programme.

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36. Deliverability of the capital programme

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The capital programme in this plan is much larger than previous programmes.</p> <p>Adjustments have been made to reduce expenditure in the early years and move it into later years. This reflects possible delays that are common in the early stages of projects while they are designed, community feedback is sought, and consents are obtained. The main purpose of the adjustments is to ensure budgets for interest, debt and depreciation are realistic.</p>	<p>The capital programme is larger than we have delivered in the past. Significant changes are being made to our organisation and procurement and delivery processes to achieve this.</p> <p>There are risks of delays in the early stages of consent and design, and in procuring delivery from contractors. If this happens work will be deferred to later years of the Long-term Plan and affected programmes of work will be rephased accordingly.</p> <p>The financial implications of such delays include lower borrowings and a reduction in the need for rates-funded debt retirement in early years, although it is expected that most of this would be undertaken in later years of the Long-term Plan.</p> <p>Some government funding from Crown Infrastructure Partners and NZTA depends on delivery within prescribed timeframes. Consequently, this work is being prioritised to be delivered on time.</p> <p>If delivery of the capital programme is delayed, then proposed outcomes will not be achieved in the timeframes originally intended.</p> <p>Renewals projects will be prioritised to ensure existing levels of service are maintained.</p>	High.	<p>While there is a high chance that the full programme will not be delivered in the timeframes budgeted, it is likely that the delays for individual projects will not be significant. Costs of the total project and a delay in achievement of desired community outcomes may occur.</p> <p>Delays to projects where suppliers cannot be sourced, or prices are too high requiring longer negotiations or change in scope of projects. Leading to suboptimal community outcomes.</p>	<p>Investment in staffing to form the Capital Programme Assurance Division to prioritise, monitor and iterate the capital programme to ensure key performance requirements around capital delivery are met.</p> <p>Adjustments to the capital programme have been made to ensure debt servicing budgets are set at realistic levels.</p>

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37. Revenue from user fees received by Bay Venues Limited

Detail	Risks	Level of uncertainty	Effect	Mitigation
Bay Venues Limited (BVL) is a wholly-owned Council-Controlled Organisation. TCC borrows externally on behalf of BVL to fund its capital investments, so in recognition that a portion of debt in TCC is on behalf of BVL, its external operating revenue from user fees is included in the financial ratios relating to debt (debt to revenue and interest ratio.)	This approach is considered low risk as the amount of BVL borrowing is approved by Council based on business cases for the investments proposed.	Low.	Our lender, the Local Government Funding Agency, and Standard and Poor's have endorsed this change.	Total borrowing limits are maintained at financially prudent levels.

SIGNIFICANT FORECASTING ASSUMPTIONS 405

38. Memorial Park - Recreation hub and aquatics facility

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Capital costs projects as part of the Community Facilities investment Plan for Memorial park including recreation hub and aquatics facility will be incurred by Council.</p> <p>These projects are being treated differently from the rest of the BVL capital programme.</p> <p>While preparing the LTP, there has been no final decision made at this stage to transfer the ownership of the memorial recreation hub and aquatics facility to Bay Venues Limited (BVL) after the completion of these projects.</p> <p>The assumption used in the LTP is that the proposed assets will remain as TCC's assets for the 10-year period of this LTP.</p>	<p>A future decision is made to transfer the ownership from these assets to BVL after the completion of these projects</p>	High.	<p>If assets are transferred to BVL, depreciation will be lower and grants may be higher depending on the treatment of operation and depreciation of these assets under BVL ownership.</p>	

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39. Funding for Civic Precinct Capital Programme

Detail	Risks	Level of uncertainty	Effect	Mitigation
Funding for this programme assumes \$152m of external funding from a variety of sources including various government agencies, philanthropists and other groups. The amount of grant funding is uncertain as we will not be in a position to seek funding support until we have approved plans in place.	That sufficient grant income is not obtained.	Medium.	If there is a significant shortfall in grant income across the programme, further consultation would be undertaken. Ultimately, either the programme would be reduced to fit within the funding available, or alternative funding, likely rates-funded debt, would be agreed.	Gateways have been built into the programme where funding of the individual projects can be assessed and adjustments made against the programme as a whole.



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Audit Opinion

**To the reader:****Independent auditor's report on Tauranga City Council's 2021-31 long-term plan**

I am the Auditor-General's appointed auditor for Tauranga City Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (the 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 26 July 2021.

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 310 to 317 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.

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

Emphasis of Matters

Without modifying our opinion, we draw attention to the following matters:

Uncertainty over three waters reforms

Page 11 outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because final decisions have not yet been made. The plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the plan has been based.

Uncertainty over the delivery of the capital programme

Page 14 outlines that the Council is proposing to spend \$4.6 billion on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, as outlined on page 397, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

Breach of statutory deadline

Page 8 states the Council failed to adopt the plan before the commencement of the first year to which it relates. This is a breach of section 93(3) of the Local Government Act 2002.

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 control

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Clarence Susan, Audit New Zealand
On behalf of the Auditor-General, Tauranga, New Zealand



Tauranga City

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TAURANGA CITY COUNCIL

Long-term Plan Amendment 2021-2031

Putting the community
at the heart of
everything we do



Tauranga City

TAURANGA CITY COUNCIL

Long-term Plan Amendment 2021-2031

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**Long-term plan
Amendment –
Audit Opinion**



01

Introduction and key decisions

Introduction

It is our pleasure to present this, Tauranga City Council's 2021-31 Long-term Plan.

Every three years the Council is required to create a Long-term Plan that outlines planned investments and activities over the next decade.

For this Long-term Plan we, the commissioners, were appointed to consider the needs of Tauranga City, listen to the community and to make decisions for the social, cultural, environmental and economic needs of Tauranga – now and for the future.

In the six months since we were appointed, we have had to very quickly get up to speed with the issues and concerns of the people of Tauranga, to understand what your ambitions for the city are, and to navigate the complexities, challenges and opportunities that the city and the council faces.

We want to acknowledge and thank the many individuals, residents, community leaders, businesses and organisations who spoke openly and frankly with us during this time and who assisted us to gain insight into the direction that you wanted us to take.

In a nutshell, we discovered that the challenges the city faces are significant, expensive and many have been decades in the making.

However, we also discovered that the community were ready to bring innovative and bold solutions to these challenges and that people wanted greater investment in a broader range of aspirations than roads and pipes. We discovered that the community wanted to be more empowered and involved in the council decision-making processes and were up for developing genuine partnerships.

An overwhelming sentiment we heard, was that people wanted us to support investment in the community and to deliver on what we commit to do. Also, they asked us to engage with them more, involve them early, and have the right conversations about their needs. And even though this takes additional time and resources – the investment would be worth it as the decisions will be stronger and more durable.

In saying that, there were also submitters that asked us not to make any of the investments proposed in the Consultation Document and for the Council to keep the rates requirement much lower – or non-existent. While not a viable option when faced with the City's current and future challenges, we believe we have made the best choices possible to ensure the right investments are made for Tauranga and that everyone is contributing their fair share. That includes a better balance between users of council services, the development community, the Government and commercial and residential ratepayers.

Over these past months, and specifically through this Long-term Plan process, we have listened to hundreds of people and organisations and we are sure that this Long-term Plan does represent a significant step forward for the people of Tauranga.

We are confident that this Plan will helpfully guide the city's future for the next decade and is based on the needs of the Tauranga community both now and for the future.

Putting the community at the heart of what we do.



Commissioners: Bill Wasley, Shadrach Rolleston, Anne Tolley (Chair) and Stephen Selwood.

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This is Tauranga City Council's Long-term Plan for 2021-2031

The Long-term Plan provides clarity for residents and communities on the direction we are headed in the next 10 years, and more specifically, the deliverables we have committed to for the next three.

In developing this Plan, the Commission built on some of the work of the former elected Council as well as undertaking extensive community engagement and consultation from February to May 2021. This included 34 meetings specifically on the draft Long-term Plan and meeting with more than 2,200 people through hui, public forums, the Home Show and joint engagements organised by a wide range of local organisations.

Nearly 1800 submissions were received and the Commission listened to 50 hours of verbal submissions from 220 of the submitters.

The Commission are confident that they have heard and considered the views of the Tauranga community – and made the best decisions possible – now and for the future.

What follows is:

1. Our community outcomes
2. A summary of the key challenges for Tauranga
3. Our Long-Term Plan decisions – and what they mean for the next 10 years

This Long Term Plan was adopted on 26 July 2021. Please note that this is a Breach of the statutory deadline of 30 June 2021. Commissioners made the decision to delay the adoption of the LTP soon after their appointment recognising how critical the LTP is for the community and allowing sufficient time to engage with the community on the plan to make the right decisions. (The impact of COVID-19 pandemic also impacted on the timeframe for adopting the plan.)

Long-term Plan Amendment - Civic Precinct masterplan

In December 2021, we adopted the Civic Precinct masterplan – Te Manawataki o Te Papa – the heartbeat of Te Papa. The masterplan provides a blueprint for the transformation of the city centre into a place where people will want to live, work, play and visit – a place where we can tell the amazing stories of our city's heritage and culture.

How we implement the masterplan is a key focus of the amendment to this Long-term Plan.

Also considered as part of the amendment was an opportunity to introduce a new funding and financing approach, using the Infrastructure Funding and Financing Act (IFF) for some key infrastructure projects.

The 2021-2031 Long-term Plan has been updated to recognise the additional capital expenditure and operational costs, debt and revenue effects of implementing the Civic Precinct masterplan and IFF proposals.

1. Our community outcomes

Community outcomes are a starting point for our Long-term Plan. They guide our decision-making to provide you with the city you want.



We have a well-planned city

Tauranga is a city that is well planned with a variety of successful and thriving compact centres, resilient infrastructure, and community amenities.



We support business and education

Tauranga is a city that attracts and supports a range of business and education opportunities, creating jobs and a skilled workforce.



We are inclusive

Tauranga is a city that recognises and promotes partnership with tangata whenua, and values culture and diversity, and where people of all ages and backgrounds are included, feel safe, connected and healthy.



We value and protect our environment

Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it.



We can move around our city easily

Tauranga is a well-connected city, easy to move around in and with a range of sustainable transport choices.



We recognise we are an integral part of the wider Bay of Plenty region and upper North Island

Tauranga is a well-connected city having a key role in making a significant contribution to the social, economic, cultural and environmental well-being of the region.

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2. Our challenges

Places, spaces and community facilities

Tauranga is one of the most attractive cities in New Zealand with abundant potential to be the most liveable.

However, with accelerated growth and development in the last 30 years, and a focus on keeping rates as low as possible, the supply and upkeep of community places, spaces and facilities no longer meets our city's needs and expectations.

In Tauranga we don't have enough community centres, pools, parks, halls, and facilities for arts and cultural activities to provide for the people who live here now – let alone for those who will move here in the future. And many of our existing places, spaces and facilities are worn out or nearing the end of their lives.

This Long-term Plan needed to front up and address the historic underinvestment in things that support our recreational, social and cultural activity and find ways to fund upgrades and new places, spaces and facilities.

More people coming to live here

In three decades (the same time it has taken our current population to double) there will be another 60,000 people living here.

To cater for these increasing numbers of people, Tauranga must plan and deliver infrastructure that enables homes and businesses to be developed in the right places – as well as ensuring that those who already live here also gain the benefits of this investment.

A key challenge here is that much of our existing infrastructure is old and worn out or under increasing pressure – let alone what is required for new housing areas. Roads, water and wastewater pipes and services are stretched to their limits.

So, as well as investing in infrastructure to support new housing areas, this Long-term Plan needed to invest in infrastructure for existing areas

The other challenge is enabling the right areas to be developed so homes can be built to meet a wider range of residential, economic and social outcomes – ensuring that appropriate and long term servicing needs are met. To meet this challenge we needed to look at new ideas and take opportunities for partnering and working with others.

This Long-term Plan needed to find ways to make more housing availability a reality over the next decade and ensure there is balance between increasing housing options in established suburbs – creating more compact housing – and providing housing options in new growth areas.

Our city centre

As one of New Zealand's biggest cities, and as one-third of the golden triangle, the city centre of Tauranga does not look or feel like the thriving and vibrant hub it should be. This is partly due to years of ad hoc development, lack of commitment to a vision for the city centre, accelerated growth in outer suburbs and delayed investments.

However, with the recent development and addition of new areas and facilities such as the waterfront upgrade, the University campus and Durham St overhaul, the Farmers development, new apartments and student accommodation, and Wharf St Eats, the potential to have a modern and exciting city centre is clear to see.

By enabling more people, life and activity to come into the city centre, this potential will soon be realised.

This Long-term Plan needed to identify ways that the city centre could be revitalised through catalysing investment and working in partnerships instead of silos. By applying fresh ways of thinking and bringing benefits to all of Tauranga and the Bay of Plenty and not just the city centre.

Council has amended the 2021-31 Long-term Plan to implement the Civic Precinct masterplan - Te Manawataki o Te Papa – the heartbeat of Te Papa. The total cost of this proposal is \$303m and facilities would include a library and community hub, civic whare (a venue for council and community meetings), and museum and exhibition/ events space. It also includes landscaping of open spaces between Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

Details of the Long-term Plan Amendment are included on pg 31 of this section.

Resilience

Our city is exposed to a wide range of global and localised threats that challenge us in both expected and unexpected ways with effects occurring over time or very suddenly. We need to be prepared for both.

Climate change will intensify our experiences of intense rainfall events leading to flooding, landslides and erosion. We also need to be aware of, and prepare for, the potential threat of tsunami, earthquakes and volcanic eruptions.

Sea-level rise will lead to inundation of some areas so we need to reduce the likelihood of this happening by planning ahead and providing appropriate infrastructure that will reduce the risks. All this costs money.

Having resilient infrastructure that can withstand anticipated threats is a key focus for this Long-term Plan - to ensure we keep our city and people safe.

Getting around the city

Moving around and through the city is getting increasingly challenging and, at peak times, the main routes are heavily congested. This contributes not just to frustration and delays but also adds increased freight, time and carbon emission costs.

While a lot of residents want more roads, and for existing roads to be widened so they can carry more cars, we know that continuing to build in this way is not sustainable. We need to be smarter about how we go about this and ensure that while we do build new and better connecting roads, we also provide alternatives that allow people to get around by walking, cycling and on public transport. This is a win-win as the fewer people who drive, the more space there is for those people who need to drive.

Funding for roading is always a challenge and so working closely with our partners – Waka Kotahi (who manage the State Highways in our city) and neighbouring councils (such as the Bay of Plenty Regional Council who are in charge of public transport) – will be critical to our success.

This Long-term Plan needed to face up to the fact that with the combination of accelerated growth, economic necessities and our unique geography, our city's transport challenges will never entirely be fixed. Instead we have needed to find a balance between prioritising the needs of current road and transport users, and planning for a future city where these needs will be different.

Affordability

Affordability for people who live here and for those who want to live and work here needs to be both fair and sustainable.

For decades, Tauranga has under-invested in community facilities and key infrastructure like roads and pipes – largely due to limited funding sources and a desire to keep rates down. And while keeping rates low can be attractive,

this has meant that the community pays in other ways – through not having the facilities or amenities that make this a great place to live.

While there is Government support for some initiatives that the council undertakes, such as 51% subsidy for a range of transport and roading activity, Tauranga and its communities are now playing catch up on a wide range of growing needs.

The council has limited ways it can get income to support these needs.

Therefore, this Long-term Plan needed to focus on exploring new ways of funding – including sharing the load more fairly – and addressing the levers of income.

This Long-term Plan includes \$358 million of rates charged to stay within the debt to revenue ratio so that the necessary infrastructure investments can be made. That places a significant financial burden on the community, particularly over years four to 10 of the Long-term Plan with the benefit being received by ratepayer for many years.

Local government reforms

There are three reforms currently underway that will impact local government – and we have no certainty about how they will affect us over the next 10 years.

They are:

- the three waters reform
- the Resource Management Act changes
- future for local government

At this stage this Long-term Plan is taking account of them but is unable to determine what the impacts on our financial and activities will be.

THE THREE WATERS REFORM UPDATE

Just prior to this Long-term Plan being adopted, the Minister of Local Government announced an overview of the three waters reform which included:

- Water services will be amalgamated into four publicly-owned entities to take responsibility of drinking water, wastewater and stormwater infrastructure across New Zealand.
- The release included proposed boundaries (based on scale and population size) of the four water providers, further details on the proposed water services entities, including governance arrangements, the role of iwi, and how they would be regulated.
- However, the Government remains interested in continuing discussion with local government and iwi/Māori most affected by the proposed boundaries for feedback on these before progressing them in legislation.
- It was signalled that further announcements would be made in the coming months.

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3. Long-term Plan decisions

Tauranga City went to the community with a draft Long-term Plan that proposed a range of options. The specific decisions on those options are contained in the table below.

Consultation topics	Options	Option chosen
Building a great city now, for the future	Option 1: Invest in our city now and for the future Option 2: Invest some now and a little for the future	Option 1
Funding the investment priority areas - Targeted rates	Option 1: Introduce new targeted rates for stormwater, transportation and community facilities, and to extend the resilience targeted rate to include capital expenditure Option 2: No new targeted rates but continue to collect through general rates	Option 1
Funding the investment priority areas – Commercial Differential	Option 1: Increase the commercial differential to 1.6 in 2021/22 Option 2: Increase the commercial differential to 1.4 in 2021/22 and then to 1.6 in 2022/23 and onwards	Option 1
Sale of Pitau Road village and Hinau Street village	Option 1 - Proposal: Pitau Road Village and/or Hinau Street Village are separated from the elder housing portfolio and sold for private development Option 2 - Alternate option: Pitau Road village and/or Hinau Street village are sold as part of the elder housing portfolio	Option 1
Supporting community-led initiatives	Option 1: Set up a community grants fund of \$1.8m per year Option 2: Retain the current approaches to community funding and support	Option 1
Our civic administration building (Council building)	Option 1: Proposed 2021-31 LTP - Lease purpose build office 90 Devonport Road - 8000m2 over 15 years completed July 2023 Option 2: Updated 2018-28 LTP - Lease purpose build office located on Willow or Durham Street sites over 15 years - 8000m2 completed July 2025	Option 1

Long-term Plan Amendment 2021-2031

Long-Term Plan Amendment

Tauranga City went to the community with a draft Long-term Plan that proposed a range of options. The specific decisions on those options are contained in the table below.

Consultation topics	Options	Option chosen
Civic Precinct Development	<p>Option 1: Te Manawataki o Te Papa (Civic Precinct) Masterplan (Refreshed 2021) at an estimated capital cost of about \$303 million, subject to achieving 50% of the required funding from sources other than rates-funded debt. Estimated net cost to ratepayers of \$151.5 million.</p> <p>Option 2: Civic precinct projects and services currently included in the Long-term Plan 2021-31 (modified status quo option with updated costings) at an estimated capital cost of just under \$127 million.</p>	Option 1
Funding the TSP	<p>Option 1: Apply for IFF funding to contribute \$200 million to the delivery of Western Bay of Plenty Transport System Plan projects (subject to a competitive finance rate and Government approval), funded by an annual levy on all eligible properties.</p> <p>Option 2: Status quo: Do not proceed with an IFF arrangement and retain the higher transport targeted rate and other rating for debt repayment, as presented in the 2021-31 Long-term Plan.</p>	Option 1
Funding Tauriko West	<p>Option 1: Apply for IFF funding to contribute to the delivery of Tauriko West infrastructure (subject to a competitive finance rate and government approval), funded by an annual levy on the properties which benefit from that investment.</p> <p>Option 2: Status quo: do not proceed with an IFF arrangement and fund the development, when possible, via the council's usual funding methods (development contributions).</p>	Option 1

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What these decisions mean...

The following page describes the impact of the Long-term Plan decisions and how these will be implemented across 12 areas.

1. Funding
2. Places and spaces
3. Arts and culture
4. Homes
5. Transport and roading
6. City centre/economic development
7. Communities
8. Resilience
9. Sustainability
10. Delivery
11. Long-term Plan Amendment - Civic Precinct masterplan - Te Manawataki o Te Papa
12. Partnerships

1. Funding

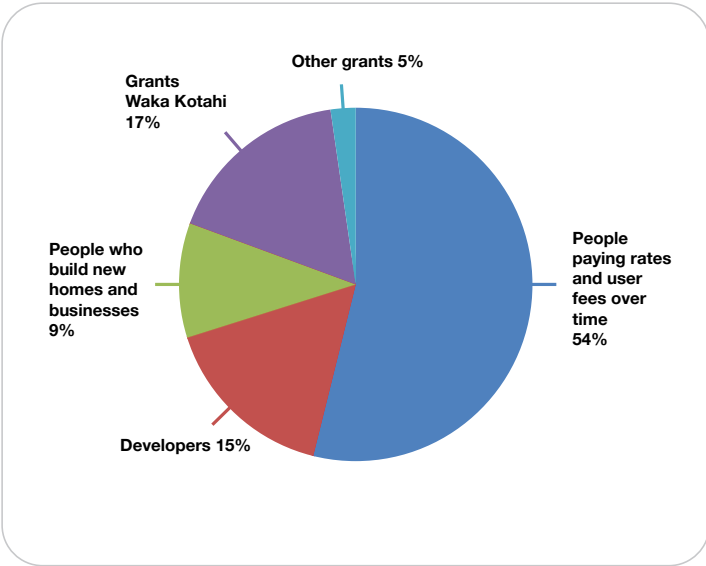
Tauranga City is planning to invest \$5.0 billion in its capital programme over the next ten years to deliver on this Long-term Plan.

There are two ways the council funds what it does:

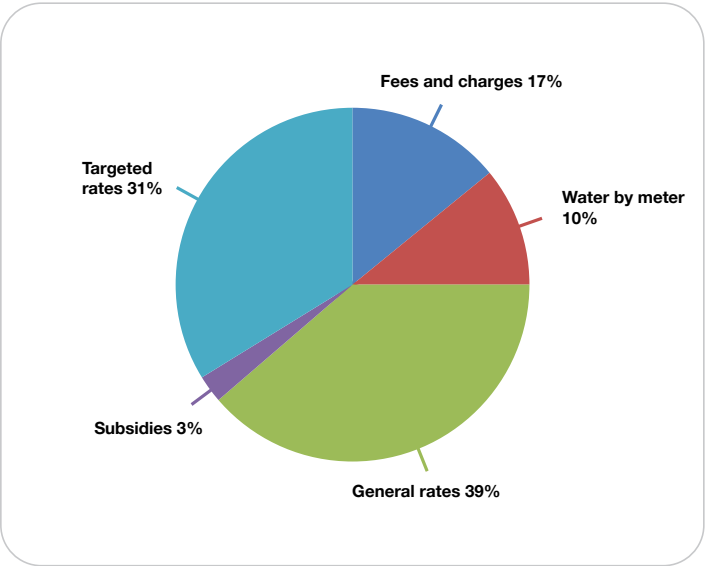
- operational expenditure (the things we do to keep the city ticking over)
- capital expenditure (the things we build to make the city liveable).

The following graphs show where this money comes from for each of these types of expenditure:

Who is paying for the investment in the capital programme over 10 years (\$5,004 million)



Revenue funding operational expenditure over 10 years (\$4,658 million)



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RATING

The Council agreed that to deliver on its work programme, anticipated rates increases over the next 10 years are as follows:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total rates (\$m)	234	269	287	320	355	395	435	467	503	539
Total rates increase (net growth)	21%	13%	5%	10%	10%	9%	8%	5%	5%	5%
Total rates increase (net growth) excluding kerbside	16%	14%	6%	11%	11%	10%	8%	5%	6%	5%

The Council has also agreed to undertake further work on the rates postponement policy and development of a new national scheme to assist rates affordability for people on low or fixed incomes.

Residential

The impact of this on residential rates is as follows:

What your rates are made up of for 2021/2022 (incl gst)													
	Capital Value	Waste water	Kerbside Recycling	New Waste service	Resilience	Storm water	Transport	Community	UAGC	General rates	2021/2022 (without waste)	2021/2022 (with waste)	2020/2021 rates
residential													
low residential (1%)	\$330,000	\$539	\$37	\$173	\$4	\$15	\$14	\$39	\$199	\$824	\$1,671	\$1,844	\$1,605
lower quartile (25%)	\$530,000	\$539	\$37	\$173	\$6	\$24	\$22	\$63	\$199	\$1,324	\$2,215	\$2,388	\$2,069
median (50%)	\$655,000	\$539	\$37	\$173	\$8	\$30	\$28	\$78	\$199	\$1,636	\$2,554	\$2,727	\$2,359
upper quartile (75%)	\$820,000	\$539	\$37	\$173	\$10	\$37	\$34	\$98	\$199	\$2,048	\$3,002	\$3,175	\$2,742
high residential (99%)	\$2,490,000	\$539	\$37	\$173	\$29	\$114	\$105	\$298	\$199	\$6,218	\$7,538	\$7,711	\$6,617

What your rates are made up of for 2021/2022 (incl gst)					
	Capital Value	Increase in total rates without waste	Increase in total rates with waste	Increase in total rates \$/pw without waste	Increase in total rates \$/pw with waste
residential					
low residential (1%)	\$330,000	4%	15%	\$1.28	\$4.60
lower quartile (25%)	\$530,000	7%	15%	\$2.80	\$6.13
median (50%)	\$655,000	8%	16%	\$3.75	\$7.08
upper quartile (75%)	\$820,000	9%	16%	\$5.01	\$8.33
high residential (99%)	\$2,490,000	14%	17%	\$17.72	\$21.04

The Council is also initiating work to identify new commercial rating categories (such as CBD and port and related industries groupings) which would better reflect affordability and benefit profiles.

Commercial differential

The Council is increasing the commercial rating differential from 1:1.2 to 1:1.6.

This brings it more in line with other major urban centres.

What your rates are made up of for 2021/2022 (incl gst)											
	Capital Value	Waste water	Econ Dev	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2021	2020/2021 rates
commercial											
lower quartile (25%)	\$550,000	\$1,078	\$297	\$10	\$40	\$37	\$105	\$199	\$2,198	\$3,964	\$3,120
median (50%)	\$1,070,000	\$1,078	\$577	\$20	\$78	\$72	\$205	\$199	\$4,275	\$6,504	\$4,833
upper quartile (75%)	\$2,140,000	\$1,078	\$1,154	\$40	\$156	\$144	\$409	\$199	\$8,551	\$11,732	\$8,358
high commercial (99%)	\$25,626,000	\$1,078	\$13,824	\$482	\$1,870	\$1,722	\$4,903	\$199	\$102,396	\$126,474	\$85,739

What your rates are made up of for 2021/2022 (incl gst)			
	Capital Value	Increase in total rates	Increase in total rates \$/pw
commercial			
lower quartile (25%)	\$550,000	27%	\$16.23
median (50%)	\$1,070,000	35%	\$32.14
upper quartile (75%)	\$2,140,000	40%	\$64.87
high commercial (99%)	\$25,626,000	48%	\$783.36

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Targeted rates

We are introducing four new targeted rates as follows.

Stormwater

Currently, we use the general rate to fund investments in stormwater. We will be making this a targeted rate so people can see what they are paying for.

Transportation

There is currently no significant targeted rate for transport investments. We will establish a targeted rate from 2022 to fund transport projects and pay off some debt.

Community facilities

There is currently no significant targeted rate for community spaces and places such as libraries and parks. We will establish a targeted rate from 2022 to fund building projects and pay off some debt.

Resilience

A targeted rate for making our city more resilient to disaster and climate change was established in the previous Long-term Plan. This rate initially funded the costs of resilience planning. We are now going to invest heavily in building projects for resilience (which requires capital expenditure). We are increasing the resilience rate to cover the costs of this investment.

DEVELOPMENT CONTRIBUTIONS

Citywide development contributions are increasing by approximately 130% . However Council has agreed to a reduced citywide contribution charge applicable from 1 August 2021 to 31 January 2022. For example, the citywide development contributions for a 3 bedroom dwelling will be:

- \$19,708 (inclusive GST) from 1 August 2021
- \$28,556 (inclusive GST) from 1 February 2022

Most of this increase relates to costs for the Waiari Water Supply scheme and associated trunk mains being introduced into the life of this Long-term Plan.

There may be further increases to the city-wide or local development contributions from 1 July 2022 as determined by the growth share for new community facilities, transport projects and Te Papa peninsula investment.

2. Investment in places and spaces

This Long-term Plan has taken a fresh look at how we can create a more liveable city that has amenities and environments that contribute to a sense of wellbeing and enjoyment.

While catering for new residents and businesses will always be important for New Zealand's fastest growing city, some of this focus had been at the expense of existing and non-infrastructure needs. The Commission have redressed this balance in this Long-term Plan.

Over the next 10 years we will be investing \$689 million in spaces and places including aquatics, sports halls, sportsfields and libraries. Also, through the accessible recreation programme, we are also investing in boardwalks, park furniture, shade, sports facilities and accessibility solutions to enable our varied and growing community to connect, explore and engage in valued experiences across the city.

This expenditure will enable us to:

- catch up on under-investment over recent years
- provide facilities on both sides of the harbour
- replace old facilities that no longer meet the needs of our community
- secure land for future community spaces and places (beyond the timeframe of this Long-term Plan).

Investment decisions included:

- constructing a new Memorial Park aquatic centre and considering bringing forward the indoor sports facility project, if possible, as the aquatic project progresses
- landscaping of open spaces between Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

- a capital grant of \$1.72 million to the Bay Oval Trust, with debt to be retired over the next 11 years, as a contribution towards the cost of the Stage 2 pavilion, event day toilets, generator shelter and broadcast towers
- \$230,000 to assess the needs of roller sports, upgrade skatepark facilities and develop the design of a destination skatepark facility, with a further \$670,000 available in 2022/23 to contribute to construction
- engagement with the Welcome Bay community on reserves and amenity development, utilising funds which had been earmarked for Forrester Drive walkway use in 2022 and an additional \$309,000 in 2023
- Gordon Spratt Reserve initiatives including an additional \$475,000 to contribute to replacing the lights at the netball and tennis courts and retention of \$235,000 to install a pump track, both in 2021/22
- support to Predator Free Bay of Plenty
- improved reserve amenities (drinking fountains, public toilets etc)
- tree planting.

Key LTP investments

- Re-development of the Memorial Park pool
- Re-development of the Memorial Park indoor sports facility
- Development of a new active reserve and associated facilities in the west of the existing urban area
- Development of a new active reserve in the Tauriko area
- Development of a community centre in the Tauriko area
- Development of a library in the Tauriko area
- Development of community centres in existing urban areas (Te Papa, excluding city centre)
- Parks developments and upgrades (some also included in city centre figures)
- Development of sportsfields and associated facilities
- Development of Kopurererua Valley
- Marine Park/Sulphur Point upgrade and capacity increase
- Public spaces and amenity improvements in the Te Papa peninsula
- Strategic land purchases for future community facilities in both the Te Tumu and Tauriko areas
- Ohauti active reserve development
- City centre community spaces and library
- Memorial Park to city centre waterfront pathway

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3. Investment in arts and culture

Following engagement and consultation throughout the development of this Long-term Plan increased recognition has been given to the vital role that the arts, culture and heritage sector play in the social, economic and cultural wellbeing of our city.

For many years arts, culture and heritage investment has taken a back step to other priorities in our city and now is receiving a \$750,000 injection to realise its value in adding to the vitality and uniqueness of our city.

Investment decisions include:

- \$ 150,000 increase for the Art Gallery
- \$125,000 increase in 2022 (and a further \$220,000 in future years) for the Incubator
- \$100,000 increase for the Heritage Collection enabling it to be shared with the community through a range of pop-up and temporary exhibitions
- \$100,000 new funding for the film sector – see section 6 for more information

As well as these initiatives Ngai Tamarawaho, in partnership with the Pukehinahina Charitable Trust, received \$125,000 funding towards the establishment of a cultural centre at Gate Pa/Pukehinahina reserve which would focus on the New Zealand land wars.

A new heritage projects fund was also established (\$150,000) to enable Taonga Tu/Heritage Bay of Plenty Trust to develop an opportunity for a new heritage centre to be located in the CBD.

These new funds are in addition to the current support provided to arts, culture and heritage organisations through the events funding framework, the Creative Communities programme and various partnership funding contracts.

4. Investment in homes

We know that more than 35,000 homes will be needed in the next 45 years to accommodate people who will be living here.

We are going to invest over \$2.7 billion over the next 10 years to establish more liveable places and homes within the current footprint of the city, as well as laying the groundwork for additional homes and businesses in new areas.

While land for new housing is limited in Tauranga there are two areas being developed in Tauriko and Te Tumu that will see fresh new communities spring up [see map]. There is also going to be new 'city-living' type investment in housing infrastructure along the Te Papa peninsula from Sulphur Point to Barkes Corner.

TAURIKO

We will invest \$465 million in and around Tauriko over the next 10 years. This includes \$83 million related to community spaces and places and \$263 million on transport.

These investments will provide for:

- the construction of 3,000 to 4,000 new homes
- improvements to the state highway network including SH29 and connections
- an additional 100-150 hectares of business land providing for around an additional 2,000 jobs.

TE TUMU

We will invest \$478 million in and around the Te Tumu area over the next 10 years. This includes \$36 million related to community spaces and places and \$164 million on transport.

These investments will provide for:

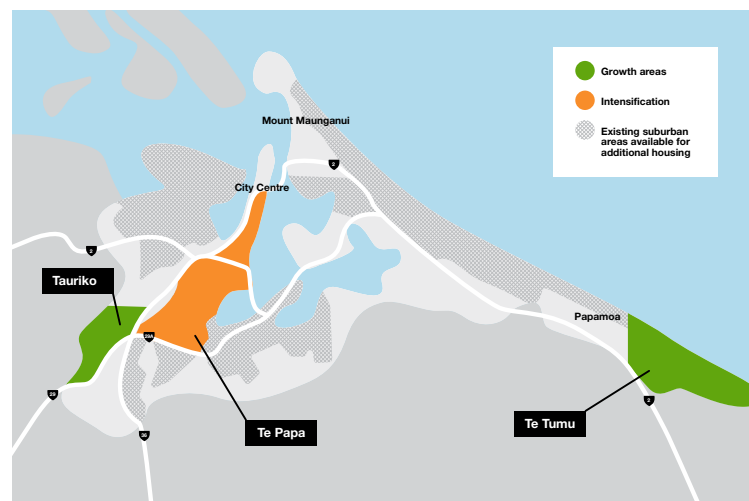
- the construction of 2,000 to 3,000 homes in areas already zoned for housing
- the construction of a further 7,000 to 8,000 homes in Te Tumu once it is zoned for housing
- the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange to support the residential development and also 57 hectares of land for new businesses and employment.

TE PAPA PENINSULA

We plan to invest \$738 million for the Te Papa peninsula developments over 10 years. This includes \$70 million related to community spaces and places and \$502 million on transport.

These investments will provide for:

- an additional 15,000 residents in the area by 2050
- an additional 4,000 jobs in the city centre by 2063
- an improved passenger transport route from Tauriko to the city centre, and improved transport choices throughout the peninsula.



<p>NATIONAL POLICY STATEMENT ON URBAN DEVELOPMENT</p> <p>The National Policy Statement on Urban Development (NPS-UD) – set by central government - requires us to enable higher-density living in parts of the city that are easily accessible by active or public transport networks. The NPS-UD specifies that sufficient land capacity (ie zoned land and infrastructure) must be provided to meet expected demand.</p> <p>Tauranga City Council is aware that during the next 10 years there is likely to be more demand than can be met - even though the developments outlined above will be actioned. Therefore, the Tauranga City Council does not currently comply with the NPS-UD standard.</p> <p>The main reasons for this are due to processes such as re-zoning, issues with access (including State Highway access into development areas) and development of Maori land still needing to be addressed.</p> <p>The potential housing shortfall identified above does not have a direct effect on the annual rates requirement set out in the LTP for the council. Operating expenditure budgets are based on the cost of:</p> <ul style="list-style-type: none">• providing services to the community,• maintaining the existing asset base and• the operating costs of capital investment <p>The potential variances in population growth within the LTP period as a result of land supply constraints do not significantly impact the proposed expenditure above or the resulting rates requirement for the council. However, from the perspective of ratepayers if there are fewer ratepayers because of the housing shortfall the cost per ratepayer will be slightly higher. The indicative scale of impact based on dividing the expenditure by the total number of ratepayers is \$10 in 2022 increasing to \$132 in 2026 when the shortfall is at its highest before the</p>	<p>shortfall begins to drop away.</p> <p>There are no other significant financial impacts (particularly capital expenditure) from the potential housing shortfall. Capital expenditure for growth is not altered by the timing variances in the long term plan and is required to meet the land supply needs identified.</p> <p>Council has utilised the full growth assumption in the Capital expenditure included over the 10 years of the LTP.</p> <table><tr><th>Estimated Dwelling Shortfall/(Surplus)</th><th>Short term (1-3 yrs)</th><th>Medium term (4-10 yrs)</th></tr><tr><td>Projected dwellings needed (Citywide)</td><td>3,513</td><td>7,904</td></tr><tr><td>Shortfall/(Surplus)</td><td>986</td><td>(986)</td></tr><tr><td>City shortfall plus 20% as required by NPS</td><td>1,689</td><td>595</td></tr></table> <p>The current long term dwelling projection for Tauranga City for the 2030-50 period is 14,100 dwellings. Applying the 15% competitiveness margin as required under the NPS on Urban Development (NPS-UD) increases the projection to 16,215 dwellings.</p> <p>The current expectation is that there will be capacity remaining in the current Greenfield UGA's of approximately 1,250 dwellings and in the future Greenfield Urban Growth Areas (UGA's) (Te Tumu, Tauriko West and Keenan Road UGA's) approximately 8,000 dwellings; together totalling around 9,250 dwelling capacity at 30 June 2030. It is not clear at this point whether all of this remaining capacity will be taken up within the long term 20 year period. If all Greenfield capacity was taken up this would leave 4,850 dwellings to accommodate (or 7,000 dwellings including competitiveness margin). It is currently assumed that residential intensification uptake will accelerate in the longer term with Plan Change 26 Housing Choice to the Tauranga City Plan enabling and encouraging increased residential intensification. The Te Papa Spatial Plan, and</p>	Estimated Dwelling Shortfall/(Surplus)	Short term (1-3 yrs)	Medium term (4-10 yrs)	Projected dwellings needed (Citywide)	3,513	7,904	Shortfall/(Surplus)	986	(986)	City shortfall plus 20% as required by NPS	1,689	595	<p>the Otumoetai Spatial Plan to be developed, will further support greater dwelling uptake in these established parts of the City.</p> <p>The current allocation assumes that some capacity will remain in Te Tumu and Keenan Road by 2050, with residential intensification providing for the balance of projected growth not accommodated in current and future UGA's. This assumption will continue to be reviewed and adjusted where necessary through NPS-UD monitoring, and through other NPS-UD mechanisms including future Housing and Business Development Capacity Assessments and Future Development Strategies. Where residential intensification is not able to provide for the required amount of dwelling growth other Greenfield UGA's may need to be released to provide for any identified shortfalls.</p>
Estimated Dwelling Shortfall/(Surplus)	Short term (1-3 yrs)	Medium term (4-10 yrs)												
Projected dwellings needed (Citywide)	3,513	7,904												
Shortfall/(Surplus)	986	(986)												
City shortfall plus 20% as required by NPS	1,689	595												

WATERS INFRASTRUCTURE THAT WILL SUPPORT THE LIVEABILITY OF OUR CITY

Much of the investment needed to ensure liveability goes on infrastructure that is largely invisible. Within this Long-term Plan there is \$168 million for further development of the Waiari water supply scheme and \$195 million for the further development of the Te Maunga wastewater treatment plant and associated assets.

OTHER HOUSING INITIATIVES

We are committed to engaging with the Tauranga community, government partners, existing users, mana whenua and key stakeholders of the Greerton Racecourse and Golf Course which is Crown-owned land to consider options exploring the most appropriate and efficient use of this land in the short, medium and long term.

We have agreed to establish two new grant funds that will assist the development of community and Papakainga housing within the city. The grants are for \$500,000 per year each and will be available in years 1-3 of this Long-term Plan. These grants will be from the sale of the elder housing units.

ELDER HOUSING

In 2018 the Council agreed to sell seven of its nine elder housing villages to an alternative public housing provider. The money from this is to be put in an elder housing and social/public housing reserve until the Council confirms how this should be used. Formal negotiations are currently underway to sell these to Kainga Ora (central government's public housing provider).

We consulted through this Long-term Plan on the sale of Pitau Road and Hinaiu Street villages (the last two of the nine) for private redevelopment. The money from these sales will also be put in a reserve until we confirm how this should be used.

We will no longer be providing any elder housing services once this process is complete but has committed to ensuring that tenants from all these villages will be rehoused in affordable and secure housing elsewhere.

5. Investment in transport and roading

As we know, congestion and an inability to move freely around the city have arisen from a combination of our geography and our rapid growth. With New Zealand's biggest export port in our city centre, housing developments that have spread out along the coastal strip, two long narrow peninsulas and limited access points to the city, Tauranga has some unique challenges.

This Long-term Plan provides for \$2.0 billion investment over the next decade to address some of these. However, even with this level of expenditure there are no quick fixes and many of the current transport-related issues will remain for some time.

Included in the transportation and roading expenditure is \$301 million on walkways and cycleways and more accessible streets, \$112 million on bus infrastructure (including park and ride facilities) and \$175 million on local road renewals.

PUBLIC TRANSPORT

This Long-term Plan includes \$112 million to deliver improvements to public transport such as new and renewed bus shelters, improved customer information systems like 'real-time information' at bus stops, park and ride facilities and bus facilities/hubs at key interchange locations like the city centre.

In addition to this, other significant projects in the city such as 15th Ave/Turret Rd improvements and Future Proofing Cameron Road, will also be focusing on ways to improve accessibility to public transport – making it easier and faster to get around (eg dedicated bus lanes).

This work will be undertaken jointly with the Bay of Plenty Regional Council and Waka Kotahi – as part of our

commitment to the Urban Form and Transport Initiative and the Transport System Plan (see box to right).

PAPAMOA EAST INTERCHANGE

We have agreed to bring forward preliminary work and design on the Papamoa East Interchange (which will connect the eastern parts of the city to the Eastern Link Highway) with a commitment to \$15.1 million investment in year one of this Long-term Plan.

By agreeing to bring this work forward the project could be completed in 2024 and will enable housing developments to be accelerated in the eastern corridor. And while the interchange undoubtedly unlocks the delivery of much needed new homes it also provides connectivity benefits to those who already live in the eastern part of the city.

Work will continue with central government partners on financing options before any final decision is made to proceed to construction.

Here is a list of other key investments:

- 15th Avenue / Turret Road corridor
- Hewletts Road / Totara Street / Hull Road sub-catchment
- Bus infrastructure (inc Park n Ride)
- Accessible streets, including walkways and cycleways
- Te Papa intensification (including Cameron Road, and Transport Hub)
- Local Roads Safety and upgrades
- Vested Assets
- Resilience Projects (also included under Resilience)
- Other Transport Projects

CYCLING

The Accessible Streets programme will deliver safe, convenient, reliable and accessible transport choices for people who bike as well as supporting a future micro mobility network catering to all ages and abilities.

To achieve this, we intend investing \$171.3m to provide 30kms of separated bicycle facilities. This will enable accessibility for school, work or recreation within local neighbourhoods as well as across the city.

WAKA KOTAHİ NZ TRANSPORT AGENCY

Waka Kotahi NZ Transport Agency provides a 51% subsidy to council for maintenance and renewal of some of our roading network. They have indicated that the projected total value they will support with subsidy is \$14 million lower than we budgeted in the draft for the first three years.

The impact of this on our maintenance and renewal budgets for roading will see an estimated reduction of \$14 million lower than we budgeted in the draft LTP for the first three years and \$22 million less than initially requested.

Levels of service will need to be adjusted to accommodate this change.

There is also risk around the amount and timing of Waka Kotahi investment in the TSP and other transport projects. To reflect this uncertainty about funding levels and timing, transport investment in the first five years has been reduced by \$227m, with this budget moved into the last five years. Further information will be forthcoming over the next months and refined in later years as Waka Kotahi considers its priorities. The capital adjustments included for TSP across all investment options provides flexibility for council to respond to deliverability and funding uncertainty.

Please refer to Section 04 Financial Strategy for more information.

6. Investment in the city centre/ economic development

Our city centre is slowly transitioning from being a traditional retail/service centre to becoming the major civic, cultural, business, educational, residential and commercial hub of our region.

This Long-term Plan has a number of initiatives specifically aimed at the city centre to facilitate a more speedy and cohesive transition and finding a balance between supporting what's already there and encouraging additional private investment. The key to success will be that this is not just council-driven but that all stakeholders and different groups work together.

Potential private sector developments with a capital value of \$650 million are already in the pipeline over the next 10 years. We need to ensure these can progress into profitable outcomes not just for the developers but for everyone who lives and works in the central business district.

CIVIC ADMINISTRATION BUILDING

We are going to lease a new civic administration building at 90 Devonport Road from 2024. This changes an earlier decision to lease a new building at the Willow St site in 2018.

There are three main advantages to this change in approach.

1. Being located in the northern end of the CBD will be a significant stimulus to this area of the city.
2. This frees up the Willow St site for other community facility development such as the new library, community hub and open space elements.
3. Enabling staff to be located in one centralised office sooner (staff currently operate from three

central city sites) as the Willow St option would have taken longer to get underway.

Overall, this decision means there will be council-led activation at both ends of the CBD which will stimulate further private investment as well as increasing the vibrancy and activity in the city centre.

NEW CENTRAL LIBRARY AND COMMUNITY HUB

We'll be proceeding with the planned development of a new central library and community hub on the land at Willow Street.

This will support engagement with, and delivery of the library network (both physically and digitally) and contribute to a vibrant city centre.

We anticipate that it will:

- provide a wide spectrum of programmes and events, co-created with our community
- improve access to information, technology and resources
- enable study, business and personal development
- provide space for meetings, gatherings and community services
- demonstrate a visible partnership with Mana Whenua
- provide an expanded heritage and collection space to reflect our evolving history
- become a place for current and future generations to love.

The new central library and community hub will commence in 2022 with an expected completion in late 2024.

CIVIC PRECINCT MASTERPLAN

We're proceeding with the planned development of the Civic Precinct masterplan - Te Manawataki o Te Papa on the land at Willow Street.

This will support engagement with, and delivery of the library network (both physically and digitally) and contribute to a vibrant city centre.

We anticipate that it will:

- Accelerate development of the entire precinct, to be completed by 2029.
- Provide potential capital investment savings, as a result of a procurement process offering a multi-year construction opportunity.
- Allow consistency of design across the precinct.
- Allow co-location of facilities across buildings.
- Align with mana whenua aspirations for the site.
- Allow us to tell important stories of Tauranga Moana's past and make our history accessible for future generations in the proposed museum and heritage centre.
- Fast-track community social, economic and cultural benefits.
- Deliver a vibrant city centre where people will want to meet.
- Align with strategies and policies relating to the city centre and help achieve the 'connected centres' approach outlined in the sub-region's Urban Form and Transport Initiative.
- Deliver a suite of projects (e.g. museum and exhibition/events space, new library) that align with community perceptions about what they would like in the city centre.
- Promote other private investment in the city centre.

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OTHER INITIATIVES

A \$500,000 city centre development incentive fund has been established targeting the costs of inner-city residential development such as consenting fees, parking fees and the creation of nearby public amenities. This will be funded 50% from each of the general and commercial rate. Criteria for this fund will be agreed at a later date.

There is to be continuation of two-hour free parking availability in the CBD until February 2022. By this time the Parking Strategy will have been completed including community engagement on a local implementation plan. It is however signaled that the cost of parking in the CBD is likely to increase as a result of the direction from the Transport Systems Plan (TSP) and Urban Form and Transport Initiative (UFTI) work.

Another decision that combines art, culture and economic development outcomes is the establishment of a \$100,000 fund for the film and media sector, to be administered by Priority One. This will be used to attract and support a range of businesses and educators across film and media creating both new jobs and a more skilled workforce.

7. Investment in communities

A significant number of submissions during the Long-term Plan process recognised the important role Tauranga City Council has in building thriving communities and supporting them to have a sense of belonging, connection and wellbeing.

A very strong theme also emerged around the desire of people to be heard, to play a stronger role in decision-making for their own communities and a willingness to partner with the council in a wide range of ways.

This Long-term Plan has therefore established a range of initiatives and actions that bring to life the increased commitment towards social and community connections and proactive community engagement.

CONTESTABLE GRANTS FUND

We approved a contestable community grants fund of \$1.81 million to support community organisations with one-off projects or to enable longer-term partnership agreements to be established.

This new fund will ensure consistency, fairness, and transparency in how we support community organisations.

The fund will have \$1.31 million (initially rates-funded) and \$500,000 (loan-funded) with the rates-funded portion increasing by \$100,000 each year until the fund is fully rates-funded by the 2027 financial year.

Submissions were received from a range of organisations that may now be able to apply for these Funds once the Policy and process has been established.

These include:

- Citizens Advice Bureau Tauranga
- Water Safety Bay of Plenty
- He Kaupapa Kotahitanga Trust (Awhina House)
- Kāinga Tupu Taskforce – people living in cars
- Age Concern's assisted community shopping service.

OTHER COMMUNITY PARTNERSHIP INITIATIVES

We confirmed one full-time equivalent role to coordinate the Kāinga Tupu programme to address homelessness.

In principle support has been given to provide financial support to the Kāinga Tupu Taskforce for a Tauranga Food Security Hub (co-location of Foodbank and Good Neighbour services) that will provide fit-for-purpose premises as well as increased collaboration and service coordination.

In principle support has also been given to the Tauranga Community Wellbeing Hub (a centralised facility for people experiencing homelessness) for three years from 2023.

Then Support for both these projects is dependent on feasibility studies being completed before the in principle support becomes confirmed.

We will be engaging with Age Concern Tauranga and others to review community centre provision, services and models – with the potential to consider development of a Wellness Centre.

We are also committed to strengthening relationships and support for community groups such as the Arataki Community Liaison Group, The Lakes Community Association, and the Welcome Bay and Papamoa Residents and Ratepayers' Associations.

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8. Investment in resilience

With increasing threats from natural hazards and already stressed infrastructure, continued and renewed investment to ensure our communities are safe is important.

We are planning for this changing environment so that our assets – particularly pipes and roads - continue to operate during hazard events and provide a solid platform for communities to thrive.

We have identified 315 projects to improve our city's resilience to natural hazards including:

- sea level rise
- tsunami
- land slide
- flooding
- liquefaction
- inundation
- erosion.

The Council introduced a targeted rate for resilience in the previous Long-term Plan. This was for the costs of planning for resilience projects.

We have agreed that this targeted rate will now be increased to cover capital costs enabling us to bring forward delivery of resilience projects that will futureproof our city.

Early program of works total \$125m and include the following:

- Joyce raw water supply
- Tauranga Hospital and Historic Village
- Oropi and Joyce water supply trunk mains
- Chapel St Bridge and causeways
- Slips in vicinity of Cambridge Road/Ferland Spa

9. Investment in sustainability

In addition to ensuring we have resilient infrastructure that can respond to the challenges that will come from climate change, we have a range of strategies and actions that together will achieve measurable reductions in our city's carbon emissions.

As a city we generate 5.9 tonnes of carbon dioxide emissions equivalent per person. The Urban Form and Transport Initiative (UFTI) and the Western Bay of Plenty Transport System Plan (TSP) include investment objectives of reducing emissions to net zero by 2050, and the SmartGrowth partners are also committed to achieving the Government's climate change targets for transport emissions.

Through the implementation of both the UFTI and TSP plans, tailpipe emissions are anticipated to reduce by as much as 50% by 2030 and 90% by 2050. Specific projects through the TSP include Cameron Road – Stage 1 and Stage 2, the accessible streets programme, the parking strategy, the Tauriko enabling works, and the Totara Street and 15th / Turret Road improvements.

Aligned with these plans, Plan Change 26 focuses development within the city to create more compact living environments. This has the effect of reducing the need for cross-city travel as well as improving accessibility to public transport along main transit routes - thereby also reducing carbon emissions.

And while most emissions in Tauranga are related to road transport (60%) the council also needs to look at electricity consumption and solid waste disposal which together make up another 22% of our greenhouse gas emissions.

A sustainability stocktake has been undertaken to review the performance of council and the city so we can develop

a Sustainability Framework by the end of 2021. This will provide the council with clarity around the outcomes we want for Tauranga and measurable objectives and an implementation plan. Resourcing for this will be proposed through the 2022/23 Annual Plan process for the balance of this Long-term Plan.

New rubbish, recycling and food scraps kerbside collections began in July 2021 with Tauranga aiming to halve the amount of waste being sent to landfill by 2028. The new system was established to ensure that 65% of current waste is diverted to composting or recycling.

This decision, following community consultation on Council's last Long-term Plan, has now been enacted with fortnightly rubbish and recycling, weekly food scraps collection and an optional fortnightly or four-weekly garden waste collection.

As a result of this decision, the majority of households will now have their previous waste disposal costs reduced while receiving a more comprehensive service. This also means a reduction in methane produced by landfills and therefore a reduction on our greenhouse gas emissions

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10. Investment in delivery

The investments outlined in this Long-term Plan are by far the biggest ever proposed for the city. Being able to deliver on our commitments as outlined in this Long-term Plan requires significant investment in both our people and our systems, as well as providing an appropriate place for our city-based staff to work.

We need a highly capable, responsive and skilled organisation if we are to deliver for our community.

Some of the key areas where there will be increased investment and focus include:

- building the capacity and capability of our staff to deliver on the huge capital programme (replacing consultants where possible and ensuring we are paying competitively for the specialists that we need)
- establishment of a Capital Assurance Projects Division (CPAD)
- community engagement and consultation (meeting the needs of the community for us to be more proactive, to be more responsive, and empowering the community to become more involved in the decision-making processes of council)
- digital systems, security and public-facing tools
- measuring ourselves always against best practice and ensuring we meet performance standards.

In 2022, the additional investment for delivery will be \$31 million. This is predominantly in areas that will help us to deliver against our ambitious capex programme. This amount increases by around \$3 million each year of this Long-term Plan.

SUPPLY CHAIN ISSUES

Due to the current and projected disruptions from COVID on world-wide supply chains, our ability to deliver on the capital programme outlined in this Long-term Plan may still be constrained – despite the additional investment in people and systems. These will be monitored and reported on throughout the course of this Plan.

11. Long-term Plan Amendment - Civic Precinct Masterplan - Te Manawataki o Te Papa

The Civic Precinct masterplan proposal included in the Long-term Plan Amendment would provide: a library and community hub, civic whare (a venue for council and community meetings), and a museum and exhibition/

events space. It would also include landscaping of open spaces Hamilton and Wharf Streets, linking the harbour with the civic precinct via Masonic Park.

This is to be a single-phase, staged development of the full refreshed Civic Precinct Masterplan.

The capital investment and associated operating cost impacts are as follows:

Capital expenditure per year													
Project	Total capital (\$, m)	Total external grants (\$, m)	Total net cost after grants (\$, m)	2022 (\$, m)	2023 (\$, m)	2024 (\$, m)	2025 (\$, m)	2026 (\$, m)	2027 (\$, m)	2028 (\$, m)	2029 (\$, m)	2030 (\$, m)	2031 (\$, m)
Site A Civic Establishment	7.0	-	7.0	-	5.7	1.3	-	-	-	-	-	-	-
Civic Library and Community Hub	88.2	13.8	74.5	1.1	7.6	35.3	34.3	10.0	-	-	-	-	-
Civic Plaza	15.7	5.8	9.9	-	-	0.5	1.9	6.6	6.6	-	-	-	-
Masonic Park	10.9	-	10.9	-	-	-	0.7	3.5	6.7	-	-	-	-
Museum & iSite	42.6	36.9	5.7	-	-	-	1.5	4.6	13.0	13.4	10.1	-	-
Exhibition & Gallery	61.6	36.9	24.7	-	-	2.2	6.5	19.2	19.8	13.8	-	-	-
Civic Whare	15.4	13.3	2.1	-	-	0.5	1.6	4.7	4.9	3.6	-	-	-
Baycourt Upgrade	11.0	1.3	9.8	-	-	1.8	9.2	-	-	-	-	-	-
Strand Waterfront Reserve	7.5	-	7.5	-	-	-	1.6	5.9	-	-	-	-	-
Wharf as part of Waterfront Reserve	25.4	-	25.4	-	5.1	6.6	6.6	7.1	-	-	-	-	-
Willow St Upgrade	8.9	-	8.9	-	-	-	1.1	2.4	3.6	1.9	-	-	-
Hamilton, Wharf & Durham footpath Upgrade	9.2	-	9.2	-	-	-	-	1.9	7.2	-	-	-	-
Total	\$303.4	\$107.8*	\$195.6	\$1.1	\$22.8	\$35.8	\$73.8	\$39.1	\$60.4	\$55.5	\$14.8	\$0.0	\$0.0

*Note that the actual grants by project in the above table is at \$108m but we have taken a more conservative approach in the consultation document by assuming a total of \$152m of external funding including the governments "Better off" funding. The amount of grant funding is uncertain, as we will not be in a position to seek funding support until approved plans are in place. As we firm up our funding options we will check in at key project milestones to confirm we have the investment we need before we proceed. For more information please see page 406.

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Operating costs by year (including the impact of inflation)										
Project	2022 (\$,000)	2023 (\$,000)	2024 (\$,000)	2025 (\$,000)	2026 (\$,000)	2027 (\$,000)	2028 (\$,000)	2029 (\$,000)	2030 (\$,000)	2031 (\$,000)
Site A Civic Establishment	-	86	191	357	356	386	381	374	366	357
Civic Library and Community Hub	211	327	684	1,447	1,827	6,001	5,978	5,926	5,844	5,732
Civic Plaza	-	-	7	44	97	245	737	763	758	749
Masonic Park	-	-	-	10	74	265	662	659	653	645
Museum & iSite	-	-	-	22	108	199	316	1,289	3,222	3,242
Exhibition & Gallery	-	-	33	164	426	776	1,242	3,707	3,783	3,753
Civic Whare	-	-	1	3	27	65	135	901	901	894
Baycourt Upgrade	-	-	27	174	746	788	776	760	740	715
Strand Waterfront Reserve	-	-	-	23	136	463	462	459	455	450
Wharf as part of Waterfront Reserve	-	77	252	450	656	1,465	1,458	1,445	1,427	1,404
Willow St Upgrade	-	-	-	16	68	185	281	534	532	528
Hamilton, Wharf & Durham footpath Upgrade	-	-	-	-	29	194	521	518	514	508
Civic Precinct Support	-	1,027	556	468	481	494	508	462	475	487
Total Operational Cost	211	1,516	1,751	3,178	5,031	11,526	13,457	17,799	19,670	19,463

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12. Partnerships

COMMITMENT TO TANGATA WHENUA AND THE BROADER MĀORI COMMUNITY

Legislation – Local Government Act

As required by the Local Government Act 2002, Council is committed to maintaining and improving opportunities for Māori to contribute to Local Government decision-making processes within its area.

Tauranga City Council continues to prioritise the engagement of Tangata Whenua, valuing the connection and history that they add to the fabric of Tauranga. The iwi of Tauranga Moana play an important role in shaping our city and creating experiences for both residents and visitors. We are looking for the best ways to help iwi tell their stories and develop their communities.

There are exciting times ahead for Tangata Whenua, and we want to partner with iwi and hapū to bring their aspirations to the fore while delivering benefits to the wider community.

Our engagement with Tangata Whenua is facilitated by our Te Pou Takawaenga Māori Unit which has built a strong foundation for collaboration with Tangata Whenua over many years. This enables us to work closely alongside Tauranga Moana iwi to achieve our respective aims and aspirations. The Council does this through:

Engagement Forums

A number of formal engagement forums and committees have been established to facilitate better involvement and participation of Tangata Whenua. These include: Te Rangapū Mana Whenua o Tauranga Moana, the Joint SmartGrowth Committee, the Wastewater Management Review Committee, Te Maru o Kaituna River Authority and the Joint Mauao Administration Board.

Protocol Agreements

Council has formed protocol agreements with all Hapu and Iwi in the Tauranga City rohe. The protocols formalise the commitment between Council and Tangata Whenua setting out clearly:

- the basis of the relationship between Council and the Hapu/Iwi
- representation and mandates
- communication and consultation processes
- specific issues relating to each Hapu/Iwi
- regular reviews and evaluation occur with each of the Hapu/Iwi with regard to the implementation of each protocol agreement.

Iwi/Hapu Management Plans

Council has supported the development of Iwi/Hapu Management Plans with the majority having completed their plans, and a regular update of existing plans occurring.

Cultural Awareness Training

Cultural awareness training is available for all staff, elected members and city strategic partners and provides a good vehicle for better understanding of issues and key Māori relationships. These include:

- Te Kete ā Rohe: Cultural Connections training
- Te Kete Wānanga: Marae Based Workshops
- Te Kete Ipurangi: Online mātauranga Māori seminars
- Te Kete Mahi Pai: Best Practice Tool Kit
- Te Kete Kōrero: Pronunciation classes

Post Treaty Settlement Environment

The settlement of the Treaty Claims for local Iwi groups

will determine a new regime of participation with local authorities focusing on co-governance and co-management structures over community assets like Mauao and the Tauranga Harbour.

Facilitating Papakainga proposals

Te Keteparaha Mo Nga Papakainga Māori Housing Toolkit, is a step-by-step guide designed to help Māori develop papakainga proposals (development plans) on multiple-owned Māori land. Council is part of a joint agency group that supports Māori land trusts to develop their proposals through the use of the toolkit. Council is working on further support for papakainga housing focused on removing barriers to utilisation of Māori land. Most recently a papakainga development contributions grant scheme has been established. This will ensure this nationally recognised programme can continue to help provide affordable modern housing for Tangata Whenua.

The future is exciting for Tauranga City and Tangata Whenua, the key to achieving positive cultural and environmental outcomes is the ability to work productively together and participation lies at the heart of this.

COMMITMENT TO WORKING WITH OTHER COUNCILS AND CENTRAL GOVERNMENT

Strategies and plans – now and for the future

In recent years we have developed strategies and plans that provide a balance between being future focused, as well as providing pathways for improvements to our existing infrastructure and facilities – to make Tauranga a better place to live, work, play and learn.

These are not just our strategies and plans but have been developed in partnerships with tangata whenua, neighbouring councils, central government and other organisations to meet these challenges.

SmartGrowth

Launched in 2004, SmartGrowth provides a unified vision, direction and voice for the future of the western Bay of Plenty as we help develop a great place to live, learn, work and play.

The SmartGrowth Strategy forms an implementation plan focused on six key outcomes:

1. visionary leadership and collaboration
2. sustaining and improving the environment
3. building community
4. growing a sustainable economy
5. recognising cultural identity and change
6. integrated planning.

The underlying success of SmartGrowth has been the strength of collaboration and shared vision between the strategy partners: Tauranga City Council, Western Bay of Plenty District Council, Bay of Plenty Regional Council, tangata whenua, partner community/business organisations and key Governmental agencies - like the Waka Kotahi NZ Transport Agency.

In October 2020 two Government ministers (Urban Development and Local Government) were formally added to the partnership with voting rights.

Urban Form and Transport Initiative (UFTI)

The Urban Form and Transport Initiative (UFTI) is a collaborative project led by SmartGrowth and Waka Kotahi NZ Transport Agency and involves Western Bay of Plenty District Council, Tauranga City Council, the Bay of Plenty Regional Council, iwi, and community leaders.

Together, we have committed to developing a refreshed, coordinated and aligned approach to key issues across the sub-region – such as housing, transport and urban development.

UFTI is focused on supporting liveable community outcomes – finding answers for housing capacity, intensification, multi-modal transport (such as public transport and cycleways) and network capacity.

Western Bay of Plenty Transport System Plan (TSP)

This document focuses on our region's future transport needs. Tauranga City Council, Western Bay of Plenty District Council, Waka Kotahi NZ Transport Agency, Bay of Plenty Regional Council, tangata whenua, Port of Tauranga, Priority One and KiwiRail have all helped to develop the Western Bay of Plenty Transport System Plan (TSP).

The TSP takes UFTI's Connected Centres vision and focuses on the first 30 years of transport planning required to make it happen.

It prioritises and decides what projects need to begin in 0-3 years, 3-10 years, and 10-30 years.

The TSP looks at the Western Bay's entire transport system including roads, rail, public transport, walking, cycling, parking and travel demand management, and the impact they all have on one another. It's vital our transport planning keeps everyone in mind.

Bay of Plenty Regional Council (BoPRC)

Council also works closely with BoPRC on the Regional Parks Strategy and the Kaituna River and Maketu Estuary Management Strategy.

Western Bay of Plenty District Council (WBoPDC)

The Western Bay of Plenty District Council/ Tauranga City Council Joint Committee also work in partnership to develop opportunities for joint service delivery and to oversee joint activity.

As a partner in the SmartGrowth Strategy 2051, Council has agreed along with the other partners not to adopt policies or take actions which are inconsistent with the outcome sought by SmartGrowth - without full negotiation and acceptance by the other partners.

Central Government Organisations

Council works with a number of central government organisations and recognises that these relationships have great importance especially as we continue to implement SmartGrowth and jointly achieve the outcomes identified through UFTI and the TSP.

In addition to this some of the work together with central government includes:

Futureproofing Cameron Road - \$45 million grant to promote urban growth, road safety, alternate transport choices and create attractive public spaces for the community. The grant we have received supports local economic recovery from Covid-19.

Kāinga Tupu: Growing Homes - Local government, central government agencies, local philanthropic funders and community organisations in the western Bay of Plenty have joined forces with the aim of eliminating homelessness throughout the western Bay of Plenty. Organisations involved in the taskforce include the Ministry of Housing and Urban Development, Te Pūni Kōkiri, Ministry of Social Development, Kāinga Ora: Homes and Communities, NZ

Police, Ministry of Education, Department of Corrections, BOP District Health Board, Wise Group, Te Rūnanga o Ngāi te Rangi Iwi Trust, Ngāti Ranginui Iwi Society Trust, BayTrust, EmpowermentNZ, Under the Stars, Accessible Properties, Huria Marae, and Tauranga City Council Action Group membership will also draw upon a range of other social agencies.

Reduce waste and improve recycling - Tauranga City Council has received \$20.5 million in funding from the Ministry for the Environment (MfE) to provide essential waste infrastructure which will reduce the waste sent to landfill by Tauranga and the wider Bay of Plenty. The MfE funding will go towards:

- kerbside collection bins for 58,000 Tauranga households
- optical sorting equipment at the material recycling facility
- upgrading the council's Te Maunga Transfer Station into a resource recovery park, including a construction and demolition waste recovery plant.

Tauranga City Council is committed to working closely with its neighbouring councils and central government organisations.

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02

Groups of Activities

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To see the Capital Expenditure programme for the whole of Council please refer to section 04: Financial Strategy

To see the Funding Impact Statement for the whole of Council please refer to section 05: Finance

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Transportation



How this affects you

The activity contributes to the efficient and safe movement of people and goods on the local road network, providing better transport choices, connecting communities and supporting businesses that operate across the city.

What we do

The Transportation activity manages Tauranga's transportation network, improving road safety and ensuring people enjoy easy access to different modes of transport. The activity operates and maintains local roads (including streetlights, bridges, footpaths, traffic signals, sumps, berms, bus shelters, parking buildings and parking machines), and monitors crash statistics to identify problem areas and determine solutions. Resilience of the transport network is supported by identifying the impacts of land use, growth and development on the network and parking resource, and identification of where future upgrades or control is required. The activity invests in walking and cycling projects, Public Transport projects and education to encourage greater use of more sustainable transport modes.

We will provide an efficient transport network, minimising all-day congestion	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average speed across key parts of the transport network* (freeflow speed = 59k/hr)	35km/h	27km/hr	27km/hr	29km/hr	29km/hr
Duration of peak across the transport network* (where traffic is travelling at 50% of freeflow speed of 59k/hr)	238min	345min	345min	330min	330min

We will provide opportunities for walking, cycling and bus travel, and encourage increasing awareness of sustainable transport initiatives, including school walking/cycling programmes	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Proportion of people journey to work via:					
1) a vehicle as the driver	46%	56%	54%	52%	50%
2) a vehicle as a passenger	2%	1-2%	2-3%	3-5%	3-5%
3) walking/jogging	2%	3%	3%	3%	4%
4) cycling	5%	6%	8%	8%	8%
5) bus	3%	8%	10%	10%	10%
6) didn't go to work or not stated	20%	23-25%	23-25%	23-25%	23-25%
7) Worked from home	8%	5-6%	5-6%	5-6%	5-6%
Number of participants in school children's walking and cycling programmes	8,065	5,800	6,000	6,000	6,200

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We will provide a well-maintained and fit-for-purpose road and footpath network, and well-utilised and available city centre parking	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average quality of ride of the sealed road network as measured by Smooth Travel Exposure e.g. percentage of smooth travel exposure (DIA measure)	90%	91-92%	91-92%	91-92%	91-92%
Percentage of footpaths that fall within the level of service standard for the condition of footpaths set out in the asset management plan (less than or equal to 1.5m of grade 4 or 5 faults per km of footpath). (DIA measure)	95%	98-100%	98-100%	98-100%	98-100%
The percentage of the sealed local road network that is resurfaced. (DIA measure)	2%	4%	4%	4%	4%
The percentage of customer service requests relating to roads and footpaths responded to within 7 calendar days. (DIA measure)	93%	85%	88%	90%	90%

We will identify and respond to safety issues, through education and engineering solutions	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The change from the previous year in the number of deaths and serious injury crashes on the local road network expresses as a number. (DIA measure)	+14 (previously 179)	Reducing	Reducing	Reducing	Reducing

* Hewletts Road (between Aerodrome Road and Totara Street); Turret Road/15th Avenue (between Hairini Bridge and Fraser Street); Cameron Road (between 15th Avenue and Elizabeth Street); Totara Street (between Hull Road and Hewletts Road)

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Failing to achieve a significant shift from the present single occupancy travel behaviour pattern will result in the increase in congestion on key corridors resulting in additional CO ₂ omissions, delays, fossil fuel consumption and have a negative influence on economic development.	●			●	Council, with NZTA and BoPRC, is proactively developing and implementing strategies and plans to support a shift to more sustainable transport modes.
Funding shortfalls for road maintenance such as reseals and rehabilitations could lead to the premature deterioration of very costly assets, which will result in poor and unsafe roads that will require a significant investment to restore the level of service.	●		●	●	Pavement Management Systems are implemented and maintained to forecast the pavement reseal and rehabilitation needs of the roading network for future years based on tested and accepted scientific practices. This allows Council to budget according to these future identified needs.
Construction of roads can have a significant negative effect on the environment and community, such as congestion and delays, air pollution, safety and stormwater issues and disturbance of cultural sites during earthworks.	●	●	●	●	Council addresses this by putting in place strong contractual and resource consent conditions to ensure that effects are kept to a minimum.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - TRANSPORTATION											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	25,507	27,742	28,834	24,489	24,949	33,447	27,869	35,703	41,744	49,862	58,424
Targeted Rates	308	2,167	3,548	5,558	9,510	16,614	27,465	38,574	43,487	46,154	52,598
Subsidies and grants for operating purposes	6,546	7,294	6,715	6,906	7,374	7,728	8,187	10,100	10,581	11,067	11,840
Fees and charges	3,626	3,507	4,738	5,272	5,833	6,171	6,510	6,870	7,245	7,636	8,034
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1,665	1,688	1,737	1,788	1,839	1,893	1,944	1,998	2,054	2,112	2,169
Total Sources of Operating Funding (A)	37,652	42,398	45,572	44,013	49,505	65,853	71,975	93,245	105,111	116,831	133,065
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	22,907	22,529	21,764	22,188	23,202	30,845	25,204	29,359	30,481	31,691	33,821
Finance Costs	5,158	4,887	5,760	5,986	7,020	8,849	12,159	13,384	15,236	18,096	21,622
Internal Charges and Overheads applied	6,081	10,014	11,430	12,481	13,699	14,351	15,141	15,677	16,371	17,087	17,408
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	34,146	37,430	38,954	40,655	43,921	54,045	52,504	58,420	62,088	66,874	72,851
Surplus/(Deficit) of Operating Funding (A-B)	3,506	4,968	6,618	3,358	5,584	11,808	19,471	34,825	43,023	49,957	60,214

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - TRANSPORTATION											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	22,057	35,753	49,652	100,797	134,666	134,265	182,431	148,989	112,903	134,678	119,774
Development and financial contributions	3,673	4,958	5,070	5,575	5,859	5,268	4,913	5,943	6,184	5,778	3,101
Increase/(Decrease) in debt	9,639	16,497	(32,735)	(6,747)	36,647	54,196	57,534	53,268	96,323	120,880	141,220
Gross proceeds from the sale of assets	2,990	20	21	21	22	23	23	24	25	25	26
Lump sum contributions	526	90	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	38,885	57,318	22,008	99,646	177,194	193,752	244,901	208,224	215,435	261,361	264,121
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	11,180	27,477	(43,539)	66,964	122,427	127,470	97,467	104,657	181,116	220,181	182,193
- to improve level of service	25,377	39,221	75,251	51,239	55,266	61,126	133,352	93,127	21,849	28,621	69,275
- to replace existing assets	9,965	16,024	19,705	17,062	16,742	18,768	23,542	15,912	16,503	16,867	18,094
Increase/(Decrease) in reserves	(4,130)	(20,436)	(22,791)	(32,261)	(11,657)	(1,804)	10,011	29,353	38,990	45,649	54,773
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	42,391	62,286	28,626	103,004	182,778	205,560	264,372	243,049	258,458	311,318	324,335
Surplus/(Deficit) of Capital Funding (C-D)	(3,506)	(4,968)	(6,618)	(3,358)	(5,584)	(11,808)	(19,471)	(34,825)	(43,023)	(49,957)	(60,214)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		17,302	18,708	17,183	21,197	28,936	33,469	51,774	62,997	71,268	82,948

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - TRANSPORTATION											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
GROWTH	54,355,930	-22,655,584	50,407,209	100,454,505	30,527,994	51,739,841	50,798,946	115,449,542	141,330,227	91,333,789	663,742,400
Eastern Corridor - Pap East Interchange	15,148,588	37,040,330	34,689,503	21,334,523	-	-	-	-	-	-	108,212,944
Eastern Corridor - Te Tumu	380,000	257,500	265,225	-	-	2,314,000	2,383,400	7,365,000	8,407,595	5,198,800	26,571,520
Eastern Corridor Growth Area	1,410,000	1,355,207	2,305,256	-	8,778,900	-	-	-	-	-	13,849,363
Infrastructure Resilience Capital Works	-	-125,602,001	-73,715,967	-20,889,420	-7,386,346	12,700,313	20,071,038	78,992,557	100,995,275	58,556,667	43,722,117
Local Roads Upgrades and Improvements	100,000	206,000	1,857,108	218,540	168,825	173,550	855,075	-	509,260	779,820	4,868,177
Ohauti South - Growth Area	-	-	-	-	-	-	-	184,125	1,453,945	2,794,355	4,432,425
Other Misc Western Corridor Development	-	-	-	-	-	9,165,754	-	-	-	-	9,165,754
Vested Assets	11,032,094	13,800,826	16,424,760	17,074,590	21,615,750	21,333,726	21,255,413	22,486,561	23,160,700	23,809,193	191,993,614
WC - Pyes Pa West Growth Area	4,533,938	-	-	-	-	-	-	-	189,645	194,955	4,918,538
WC - Tauriko Business Estate	12,718,960	30,895,171	18,944,997	15,060,164	-	-	-	-	-	-	77,619,293
Western Corridor - Tauriko West	1,050,000	17,920,001	45,426,091	45,106,375	5,887,716	6,052,498	6,234,021	6,421,298	6,613,806	-	140,711,807
Western Corridor Existing Growth Area	7,982,350	1,471,382	4,210,235	22,549,733	1,463,150	-	-	-	-	-	37,676,849
GROWTH & LEVEL OF SERVICE	9,194,304	37,596,601	52,661,568	54,493,197	136,154,803	161,674,222	157,398,944	102,434,138	112,522,574	121,733,671	945,864,022
Accessible Streets	1,300,000	2,729,500	8,370,501	2,185,400	-	51,735,255	77,651,172	-	-	-	143,971,828
Bus Infrastructure	2,678,000	5,632,040	17,893,670	14,546,022	3,714,150	3,673,475	3,616,810	10,828,391	5,527,520	3,944,590	72,054,667
Capital Delivery Adjustments	-18,000,000	-15,450,000	-40,314,200	-87,416,000	-28,137,500	-17,355,000	35,751,000	55,237,500	69,536,500	79,281,700	33,134,000
Domain Rd Upgrading Capital Works	-	-	2,619,488	1,748,320	2,662,370	-	-	-	-	-	7,030,179
Eastern Corridor Growth Area	-	288,400	742,630	10,708,460	-	-	-	-	-	-	11,739,490
Local Roads Upgrades and Improvements	3,336,750	12,851,310	7,298,641	-	-	-	1,050,406	-	-	-	24,537,107
Otumoetai Intensification	-	-	-	1,311,240	8,216,150	-	8,937,750	9,206,250	9,482,250	9,747,750	46,901,390
Park & Ride Activation	-	597,400	3,032,583	9,211,461	10,320,835	13,233,824	4,021,988	-	-	-	40,418,090
Tauranga Traffic Operations Projects	50,000	51,500	53,045	54,635	56,275	57,850	59,585	61,375	63,215	64,985	572,465
Te Papa Intensification	19,123,554	29,365,822	50,523,443	101,828,961	121,314,523	70,065,218	26,310,233	27,100,622	27,913,089	28,694,647	502,240,113
Welcome Bay, Turret Rd & 15th Ave Corridor	706,000	862,110	2,441,767	314,698	18,008,000	40,263,600	-	-	-	-	62,596,175
Western Corridor Existing Growth Area	-	668,518	-	-	-	-	-	-	-	-	668,518

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - TRANSPORTATION											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
LEVEL OF SERVICE	16,359,949	32,159,611	32,497,594	43,752,435	46,391,123	41,681,505	13,872,864	13,095,369	24,205,758	63,457,591	327,473,799
Accessible Recreation & Sporting Experiences	-	-	-	-	-	6,942,000	-	-	-	-	6,942,000
Accessible Streets	1,879,827	12,360,301	23,434,770	32,996,622	31,025,339	21,726,190	10,990,073	3,238,268	10,196,009	9,320,390	157,167,790
Infrastructure Resilience Capital Works	600,000	-	-	-745,336	-1,196,781	39,608	-2,931,084	3,263,856	7,269,548	46,983,187	53,282,997
Local Roads Pedestrian Improvements	-	-	1,043,926	1,092,877	-	-	-	-	-	-	2,136,803
Local Roads Upgrades and Improvements	7,817,111	14,239,542	6,874,894	9,495,867	7,654,345	7,979,922	5,372,946	6,445,945	6,588,485	6,998,050	79,467,107
Parking Infrastructure	4,891,000	4,749,330	137,917	142,051	146,315	150,410	154,921	159,575	164,359	168,961	10,864,839
Prop Management Upgrades & Renewals	35,150	-	-	-	-	-	-	-	-	-	35,150
Property Disposals	-20,000	-20,600	-21,218	-21,854	-22,510	-23,140	-23,834	-24,550	-25,286	-25,994	-228,986
Tauranga Traffic Operations Projects	278,333	235,183	194,499	-	-	-	-	-	-	-	708,015
Transportation Model	853,528	463,500	700,194	781,281	534,613	289,250	297,925	-	-	-	3,920,290
TTOC Projects	-	-	79,568	-	-	-	-	-	-	-	79,568
Vested Assets	25,000	51,500	53,045	10,927	11,255	11,570	11,917	12,275	12,643	12,997	213,129
WC - Pyes Pa West Growth Area	-	-	-	-	1,658,706	-	-	-	-	-	1,658,706
Western Active Reserve Capital Works	-	80,855	-	-	6,579,842	4,565,696	-	-	-	-	11,226,392
RENEWAL	16,024,287	19,705,348	17,062,475	16,741,795	18,767,754	23,541,618	15,912,068	16,502,501	16,867,265	18,093,913	179,219,024
Parking Infrastructure Renewals	440,333	917,043	944,554	239,770	246,967	253,879	261,494	269,349	277,424	285,192	4,136,006
Transportation Infrastructure Renewals	15,583,954	18,788,305	16,117,921	16,502,025	18,520,787	23,287,738	15,650,575	16,233,152	16,589,841	17,808,721	175,083,019
GRAND TOTAL	95,934,470	66,805,975	152,628,846	215,441,932	231,841,675	278,637,186	237,982,822	247,481,551	294,925,824	294,618,964	2,116,299,245

Long-term Plan Amendment 2021-2031

Water Supply



How this affects you

To provide a high quality, efficient and reliable Water Supply system that is affordable, protects public health and safety, and meets the levels of service for customers in residential, rural residential and commercial / industrial areas.

To manage the effects of population growth on the water supply network and water volumes and provide sustainable long-term solutions.

What we do

The Water Supply activity provides residents and businesses of Tauranga City with drinking water. Water is a primary resource for living, economic activity and firefighting.

Through this activity customers are supplied with a constant, adequate, sustainable and high-quality water supply.

The activity will:

- Manage the water supply catchments, which protect source water, abstract and treat raw water from source streams and produce drinking water of suitable quality and quantities. The supply of water is managed in accordance with the Water Safety and Asset Management Plans.
- Distribute drinking water to the point of supply where it meets specific flow, pressure and quality standards.
- Efficiently operate, maintain and renew TCC water assets with a replacement cost in excess of \$600 million.
- Plan and timeously deliver infrastructure assets to meet future water supply requirements for the growing city.
- The activity aims to educate the community about water, wastewater and stormwater conservation, and to source water in an environmentally acceptable way that acknowledges and respects Te Mana o te Wai the values Tangata Whenua place in water resources.

We will provide a water supply network across the city, delivering safe drinking water that meets with drinking water standards (bacteria and protozoal) and customer expectations around clarity, taste, odour, water pressure and continuity of supply	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The extent to which Council's drinking water supply complies with: Part 4 of the drinking-water standards (bacteria compliance criteria);	100%	100%	100%	100%	100%
The extent to which Council's drinking water supply complies with: Part 5 of the drinking-water standards (protozoal compliance criteria) (DIA measure)	100%	100%	100%	100%	100%

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We will manage the average consumption of drinkable water	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The percentage of residents who are aware of ways they can conserve water and have taken steps to do so.	85%	≥ 80%	≥ 80%	≥ 80%	≥ 80%
The percentage of real water loss from Council's networked reticulation system (includes real losses through leaks in the network, non-revenue water and apparent losses through metering inaccuracies or water theft) (DIA measure)	17.3%	≤ 18%	≤ 18%	≤ 18%	≤ 18%
Annual peak demand in litres per capita per day.	397	≤ 450	≤ 450	≤ 450	≤ 450
The average consumption of drinking water per day per resident within the city based on water leaving the water treatment plants in litres per capita per day	299	≤ 330	≤ 330	≤ 330	≤ 330
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: a) attendance for urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site. (DIA measure)	26 min	≤ 60 min	≤ 60 min	≤ 60 min	≤ 60 min
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: b) resolution of urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (DIA measure)	2hr 26min	≤ 5hr	≤ 5hr	≤ 5hr	≤ 5hr
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: c) attendance for non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel reach the site (DIA measure)	4hr 17min	≤ 24hr	≤ 24hr	≤ 24hr	≤ 24hr
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: d) resolution of non-urgent call-outs: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption. (DIA measure)	16hr 49min	≤ 28hr	≤ 28hr	≤ 28hr	≤ 28hr
The total number of complaints received by the local authority for any of the following: (a) drinking water clarity; (a) drinking water taste; (b) drinking water odour; (c) drinking water pressure or flow; (d) continuity of supply; and (e) the local authority's response to any of these issues, expressed per 1000 connections to the local authority's networked reticulation system. (DIA measure)	2.59	≤ 10	≤ 10	≤ 10	≤ 10

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cost of desired infrastructure improvements and operations may exceed the community's ability to pay.	●		●		Recovery of expenditure via metered user fees. Asset creation due to growth funded via development contributions. Depreciation collected to fund renewals of networks and assets.
Negative effect of abstraction on streams, including the effects on river ecology caused by river water extraction during low flows.		●	●	●	Resource consents are followed closely. Ongoing monitoring. Water restrictions when required. Water take consents (Tautau and Waiorohi) due for re consenting by 2026.
Disruption of water supply due to asset failure may result in losses or damage for communities and businesses.	●		●		Operate, maintain, renew and replace assets in a manner that minimises risk of failure. Operation and maintenance manuals, as well as Incident Response Plans and services contracts developed to ensure quick response to and resolution of failures. Where disruptions or shutdowns are required adequate notification and consultation are performed.
Installation and maintenance of water supply infrastructure may cause disruption to the community and businesses. The works may cause impacts e.g. service interruption, noise, dust, nuisance and visual impact on traffic flow, business activities and community activities.	●	●	●	●	Notification of the public and businesses about the works planned through various media channels and communication options. Public Engagement and Consultation
Potential to affect historic and wahi tapu sites.		●			Consultation with affected parties prior to undertaking works. Undertaking cultural assessments and site monitoring of work sites as required.
Residential customers may be impacted by water restrictions	●		●		Provision of additional storage and processing capacity to meet growth (reservoir construction and new Waiāri Water Supply System) Demand management processes e.g. metering, leak detection and pressure management. Education programmes to improve consumption and the efficient use of water.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WATER SUPPLY											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	26,542	34,956	40,734	44,963	51,546	55,779	60,257	65,052	70,246	75,944	82,425
Subsidies and grants for operating purposes	0	538	0	0	0	0	0	0	0	0	0
Fees and charges	200	862	206	964	431	224	230	237	243	661	1,396
Internal charges and overheads recovered	90	11	9	9	10	11	11	14	18	24	30
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	26,832	36,367	40,949	45,936	51,987	56,014	60,498	65,303	70,507	76,629	83,851
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	11,769	16,331	16,857	18,553	19,833	20,739	20,350	21,934	24,126	25,933	27,909
Finance Costs	5,477	7,252	8,260	8,921	10,007	11,612	15,819	16,265	16,615	16,692	15,996
Internal Charges and Overheads applied	3,975	5,733	6,547	7,186	7,823	8,234	8,696	9,020	9,440	9,856	10,049
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	21,221	29,316	31,664	34,660	37,663	40,585	44,865	47,219	50,181	52,481	53,954
Surplus/(Deficit) of Operating Funding (A-B)	5,611	7,051	9,285	11,276	14,324	15,429	15,633	18,084	20,326	24,148	29,897

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WATER SUPPLY											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	3,673	809	1,187	685	613	0	0	0	0	0
Development and financial contributions	4,025	6,541	13,919	13,256	15,914	18,342	22,494	25,086	25,504	25,501	25,053
Increase/(Decrease) in debt	2,108	7,343	9,875	24,295	42,687	55,138	24,528	21,495	22,015	20,649	2,198
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	(1)	620	0	0	0	0	0	0	0	0	0
Other dedicated capital funding		0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	6,132	18,177	24,603	38,738	59,286	74,093	47,022	46,581	47,519	46,150	27,251
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	61,677	51,156	32,370	25,866	54,762	66,176	31,758	28,155	34,792	10,846	11,827
- to improve level of service	1,998	2,418	4,442	10,849	13,256	19,250	19,229	16,661	17,090	21,218	2,783
- to replace existing assets	8,435	9,819	7,320	8,979	10,157	19,318	17,446	7,468	7,551	7,206	10,269
Increase/(Decrease) in reserves	(60,366)	(38,165)	(10,244)	4,320	(4,565)	(15,222)	(5,778)	12,381	8,412	31,028	32,269
Increase/(Decrease) of investments		0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	11,743	25,228	33,888	50,014	73,610	89,522	62,655	64,665	67,845	70,298	57,148
Surplus/(Deficit) of Capital Funding (C-D)	(5,611)	(7,051)	(9,285)	(11,276)	(14,324)	(15,429)	(15,633)	(18,084)	(20,326)	(24,148)	(29,897)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		10,137	12,325	13,934	14,824	16,204	17,748	19,141	20,210	23,380	26,637
Metered water income		32,789	38,143	42,101	48,320	52,050	56,039	60,396	65,030	69,968	75,146

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - WATER SUPPLY											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	52,971,488	32,848,889	21,137,207	28,206,503	38,339,416	31,308,654	30,613,643	37,846,432	13,802,685	4,624,967	291,699,884
Eastern Corridor - Pap East Interchange	791,528	487,515	318,270	-	-	-	-	-	-	-	1,597,313
Eastern Corridor - Te Tumu	-	-	-	163,905	337,650	925,600	5,600,990	13,025,567	9,392,042	-	29,445,754
Eastern Corridor Growth Area	400,000	618,000	848,720	765,539	45,020	-	-	-	-	-	2,677,279
Vested Assets	1,082,989	1,561,670	1,496,692	1,872,241	2,608,021	3,252,754	3,649,996	4,282,263	4,410,643	4,494,997	28,712,265
Waiari Water Treatment Plant Capital	45,948,344	20,376,375	6,153,220	19,012,980	23,022,812	23,827,200	14,443,404	15,370,942	-	-	168,155,276
WC - Tauriko Business Estate	3,090,353	1,751,000	-	109,270	-	-	-	-	-	-	4,950,623
Western Corridor - Tauriko West	450,000	545,900	6,365,400	327,810	6,753,000	-	-	-	-	-	14,442,110
Western Corridor Existing Growth Area	1,208,274	7,508,429	5,954,905	5,954,758	5,572,913	3,303,100	6,919,253	5,167,661	-	129,970	41,719,263
Growth & Level of Service	3,253,345	4,810,100	12,226,024	34,105,829	47,008,527	25,103,957	7,342,546	3,093,245	3,342,120	14,665,392	154,951,084
Capital Delivery Adjustments	-5,000,000	-	1,060,900	-	-	-	1,191,700	1,227,500	1,264,300	1,299,700	1,044,100
Oropi WTP Capacity Upgrade	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Other Misc Western Corridor Development	-	-	-	-	303,885	-	-	-	-	-	303,885
Storage & Distribution Asset Renewals	2,351,000	4,036,570	6,967,991	7,170,774	9,926,115	14,890,539	6,150,846	1,865,745	2,077,820	13,365,692	68,803,093
Te Papa Intensification	359,000	413,030	4,197,133	26,935,055	36,778,526	7,783,718	-	-	-	-	76,466,461
Water Supply Treatment Renewals	1,535,000	-	-	-	-	-	-	-	-	-	1,535,000
Waters CIP	2,758,345	-	-	-	-	-	-	-	-	-	2,758,345
Western Corridor - Tauriko West	-	-	-	-	-	2,429,700	-	-	-	-	2,429,700
Western Corridor Existing Growth Area	250,000	360,500	-	-	-	-	-	-	-	-	610,500
Level of Service	950,000	1,596,500	6,895,850	10,847,337	10,337,211	3,623,497	11,532,467	16,005,306	20,328,173	1,084,050	83,200,391
Infrastructure Resilience Capital Works	950,000	1,596,500	6,895,850	9,511,091	9,354,405	3,507,797	11,532,467	16,005,306	20,328,173	1,084,050	80,765,640
Water Supply Treatment Renewals	-	-	-	1,044,494	982,806	-	-	-	-	-	2,027,300
Welcome Bay, Turret Rd & 15th Ave Corridor	-	-	-	291,751	-	-	-	-	-	-	291,751
Western Active Reserve Capital Works	-	-	-	-	-	115,700	-	-	-	-	115,700
Renewal	7,301,108	6,438,040	6,931,875	6,887,963	11,666,273	11,649,891	6,445,991	6,770,045	6,207,745	8,999,324	79,298,255
Storage & Distribution Asset Renewals	4,555,540	4,843,650	5,212,879	5,157,585	3,819,888	6,534,776	4,872,512	3,185,683	3,358,837	7,576,528	49,117,879
Water Supply Treatment Renewals	2,745,568	1,594,390	1,718,996	1,730,378	7,846,385	5,115,114	1,573,479	3,584,363	2,848,908	1,422,796	30,180,376
Grand Total	64,475,941	45,693,528	47,190,956	80,047,632	107,351,427	71,685,998	55,934,648	63,715,029	43,680,723	29,373,733	609,149,615

Long-term Plan Amendment 2021-2031

Wastewater



How this affects you

The safe removal of all wastewater from every connected property in the city. High quality effluent returned to the environment that meets community expectations and environmental standards.

What we do

The Wastewater activity provides a network of infrastructure to manage sewage, protecting public health and the natural environment.

The activity collects wastewater from all connected properties in the City and transports it to two treatment plants. The wastewater receives tertiary treatment to a high-quality effluent standard via wetlands and ultraviolet disinfection prior to ocean discharge.

The Te Maunga Wastewater Treatment Plant is being upgraded to accommodate the additional flow and load resulting from the City's growth.

We will provide a reliable, well-maintained wastewater system that is available to all serviced zones	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of dry weather sewerage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system (DIA measure)	1.1	≤2	≤2	≤2	≤2
Compliance with Council's resource consents for discharge from its sewerage system measured by the number of:					
a) abatement notices; b) infringement notices; c) enforcement orders; and d) convictions, received by Council in relation those resource consents (DIA measure)	Nil	Nil	Nil	Nil	Nil

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We will provide emergency response to sewage overflows, to minimise risk of safety to persons or damage to property	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: a) attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site (DIA measure)	26 min	≤ 60 min	≤ 60 min	≤ 60 min	≤ 60 min
Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: b) resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault. (DIA measure)	3 hr 08min	≤ 5 hr	≤ 5 hr	≤ 5 hr	≤ 5 hr

We will provide satisfaction to our customers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The total number of complaints received by Council for any of the following: a) Sewage odour; b) Sewerage system faults; c) Sewerage system blockages; and d) the Council's response to issues with its sewerage system expressed per 1,000 connections to the Council's sewerage system. (DIA measure)	4.42	≤10	≤10	≤10	≤10

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cost of desired infrastructure improvements and operations may exceed the community's ability to pay	●		●		Procurement policy ensures cost effective tendering and quotations processes. Asset creation due to growth to be funded via development contributions. Depreciation collected to fund renewals of networks and assets.
The discharge from treatment plants does not meet consent conditions and may result in pollution to the receiving environment and public health risks	●	●		●	Upgrade of the wastewater treatment plants and construction of major rising mains for improving conveyance of effluent to meet resource consents
Odour due to hydrogen sulphide from operational failures at treatment plants, pipelines or pump stations may be offensive and a nuisance to the public	●	●		●	Installation of odour beds at problematic treatment plants and other areas. Chemical dosing and carbon filters used to reduce production of hydrogen sulphide.
Overflows of untreated wastewater from the wastewater network due to <ul style="list-style-type: none">• blockages;• pump station or other plant malfunction;• excessive inflow/infiltration of stormwater into the wastewater system; or• insufficient capacity. This may impact on the environment and public health. It may also affect the ability of the public at some beaches to gather shellfish.	●	●			Council's telemetry and customer contact systems are linked with the maintenance contractor's workflow and dispatch system to ensure prompt response. Response times and job priorities defined in maintenance contract to ensure urgent tasks are given immediate attention. CCTV inspections are used to identify blockages and root intrusion in pipes. CCTV condition monitoring identifies structural defects that may lead to blockages or overflows and enable renewals planning to be prioritised. Inflow and infiltration issues are managed by monitoring flows to identify problem catchments and further investigation and remedial actions are employed to eliminate the inflows and infiltration.
Discharge of insufficiently treated (i.e. untreated or only partly treated) wastewater through the ocean outfall.	●	●		●	Ongoing monitoring of treatment processes and discharge quality. Upgrade of treatment plants to meet resource consents and water quality levels.
Disruption of wastewater services for extended periods due to asset failure may result in losses or damage for communities and businesses.	●	●	●	●	Operate, maintain, renew and replace assets in a manner that minimises risk of failure. Operation and maintenance manuals, as well as incident response plans and services contracts developed to ensure quick response to, and resolution of, failures. Where disruptions or shutdowns are required adequate notification and consultation are performed.
Disposal of wastewater treatment by-products, such as biosolids (stabilised solids extracted from the wastewater during the treatment process) may lead to health and safety issues and restrict the public enjoyment of amenities	●	●	●	●	Disposal to properly managed and consented disposal sites to minimise the cultural, social and environmental impact. Investment in new technology and treatment processes to reduce the amount of solids requiring disposal.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WASTEWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	32,246	34,802	40,216	44,615	52,424	61,396	67,348	71,801	75,474	81,838	86,707
Subsidies and grants for operating purposes	0	166	0	0	0	0	0	0	0	0	0
Fees and charges	1,870	1,970	2,033	2,097	2,197	2,397	2,469	2,546	2,454	2,522	2,590
Internal charges and overheads recovered	(4)	6	2	(1)	(2)	(3)	(1)	4	12	20	29
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	34,112	36,944	42,251	46,711	54,619	63,790	69,816	74,351	77,940	84,380	89,326
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	15,208	15,883	17,263	17,204	17,864	18,815	19,141	20,151	20,794	21,417	22,160
Finance Costs	5,552	5,516	6,621	7,518	7,798	7,751	9,912	10,437	11,454	12,545	13,410
Internal Charges and Overheads applied	4,566	6,097	6,959	7,651	8,283	8,729	9,225	9,569	10,019	10,467	10,671
Other Operating Funding applications	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Total Applications of Operating Funding (B)	25,326	28,996	32,343	33,873	35,445	36,795	39,778	41,657	43,767	45,929	47,741
Surplus/(Deficit) of Operating Funding (A-B)	8,786	7,948	9,908	12,838	19,174	26,995	30,038	32,694	34,173	38,451	41,585

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WASTEWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	7,174	2,152	400	40	0	0	0	0	0	0
Development and financial contributions	6,638	10,652	11,114	11,520	13,232	14,240	17,180	17,322	18,407	18,742	17,945
Increase/(Decrease) in debt	7,017	18,411	12,241	1,869	4,837	4,403	10,721	15,803	22,028	21,756	16,893
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	694	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	13,655	36,931	25,507	13,789	18,109	18,643	27,901	33,125	40,435	40,498	34,838
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	17,697	43,927	45,619	42,123	17,708	28,148	36,780	49,020	64,779	66,894	67,007
- to improve level of service	3,483	6,939	2,889	802	2,414	5,414	7,995	11,144	13,851	9,024	6,187
- to replace existing assets	7,868	12,048	10,929	9,995	12,025	12,564	8,467	9,500	8,931	15,974	12,712
Increase/(Decrease) in reserves	(6,606)	(18,035)	(24,022)	(26,293)	5,136	(488)	4,697	(3,845)	(12,953)	(12,943)	(9,483)
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	22,441	44,879	35,415	26,627	37,283	45,638	57,939	65,819	74,608	78,949	76,423
Surplus/(Deficit) of Capital Funding (C-D)	(8,786)	(7,948)	(9,908)	(12,838)	(19,174)	(26,995)	(30,038)	(32,694)	(34,173)	(38,451)	(41,585)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - WASTEWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	13,373,198	16,364,801	10,206,659	8,809,117	9,837,970	15,410,613	34,240,959	44,762,550	49,478,264	50,031,832	252,515,962
Eastern Corridor - Pap East Interchange	100,000	618,000	-	-	-	-	-	-	-	-	718,000
Eastern Corridor Growth Area	1,800,000	5,510,500	3,182,700	5,026,420	4,952,200	9,660,950	28,318,856	37,620,494	40,579,645	42,729,629	179,381,393
Vested Assets	2,448,208	2,744,683	2,654,748	3,279,618	4,885,770	5,749,663	5,922,103	6,896,557	7,103,313	7,302,203	48,986,866
Wastewater Renewals/Upgrades Programme	5,000	-	-	-	-	-	-	245,500	1,795,306	-	2,045,806
WC - Tauriko Business Estate	7,278,725	3,512,143	3,092,948	503,079	-	-	-	-	-	-	14,386,895
Western Corridor - Tauriko West	801,265	3,763,174	-	-	-	-	-	-	-	-	4,564,439
Western Corridor Existing Growth Area	940,000	216,300	1,276,263	-	-	-	-	-	-	-	2,432,563
Growth & Level of Service	38,993,520	45,956,791	44,342,809	19,052,362	40,404,315	38,532,223	20,820,293	27,753,169	18,771,057	17,120,710	319,747,250
Capital Delivery Adjustments	-8,000,000	-	-	-	-	-	-	-	-	-	-
Eastern Corridor Growth Area	750,000	9,270,000	13,221,997	546,350	2,025,900	1,966,900	-	-	-	-	27,781,147
Other Misc Western Corridor Development	-	-	-	-	303,885	-	-	-	-	-	303,885
Te Maunga WW Treatment Plant	32,762,930	30,642,182	27,873,719	11,686,433	32,031,359	31,075,509	9,319,963	13,042,273	4,289,836	3,612,516	196,336,720
Te Papa Intensification	8,565,000	1,950,820	-	2,185,400	-	-	-	-	-	-	12,701,220
Wastewater Reticulation Renewals	2,565,590	1,204,523	2,550,742	4,033,194	4,738,590	1,174,205	1,716,149	2,527,958	3,949,602	3,214,570	27,675,123
WW Reticulation Upgrades & Renewals	2,300,000	2,837,766	643,305	546,350	1,248,307	4,257,760	9,657,438	12,182,938	10,531,619	10,293,624	54,499,107
WW Treatment Plant Renewals	50,000	51,500	53,045	54,635	56,275	57,850	126,743	-	-	-	450,048
Level of Service	4,588,750	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,342,668	4,861,209	27,843,674
Infrastructure Resilience Capital Works	-	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,269,548	4,861,209	23,181,805
Wastewater Renewals/Upgrades Programme	-	-	-	-	-	-	-	-	73,120	-	73,120
Waters CIP	4,423,750	-	-	-	-	-	-	-	-	-	4,423,750
WW Reticulation Upgrades & Renewals	165,000	-	-	-	-	-	-	-	-	-	165,000
Renewal	8,407,208	9,644,997	7,390,943	7,937,365	7,768,925	7,234,773	7,723,965	6,402,851	12,023,997	9,497,451	84,032,476
Te Papa Intensification	119,717	-	-	-	-	-	-	-	-	-	119,717
Wastewater Reticulation Renewals	8,287,491	9,644,997	7,390,943	7,937,365	7,768,925	7,234,773	7,723,965	6,402,851	12,023,997	9,497,451	83,912,759
Grand Total	65,362,676	71,966,589	61,940,411	37,065,225	60,015,725	63,619,192	64,859,929	82,182,426	87,615,986	81,511,203	684,139,362

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Stormwater



How this affects you

This activity manages stormwater in an environmentally acceptable way to protect public health and safety whilst managing the effects of population growth.

It provides sustainable long-term solutions acknowledging Te Mana o te Wai and respecting the values tangata whenua place in water resources.

What we do

This activity manages stormwater through infrastructure to receive, treat and dispose of stormwater through a network of soakage systems, pipes, open drains, treatment devices, secondary flow paths, and natural assets. In addition, this activity utilises planning mechanisms such as the City Plan, and education activities.

We will provide a conveyance and treatment network to effectively manage stormwater and to deliver safety to persons	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of flooding events that occur in a territorial authority district. (DIA measure). *	New Measure	No more than one flooding event	No more than one flooding event	No more than one flooding event	No more than one flooding event
For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.) (DIA measure)	0.14	<1	<1	<1	<1
We will provide a timely response to a flooding event	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
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. (DIA measure)	30 min	<90 min	<90 min	<90 min	<90 min
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 resolve the problem. (DIA measure)	2 hr 13 min	<8 hr	<8 hr	<8 hr	<8 hr
We will provide satisfaction to our customers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
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. (DIA measure)	2.68	<2	<2	<2	<2

* A flooding event refers to an overflow of stormwater that enters a habitable floor (meaning a building, including a basement, but does not include garden sheds or garages).

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We will provide a stormwater system that avoids impact on the environment	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Council's stormwater compliance with resource consents for discharge from its stormwater system measured by the number of:					
a. abatement notices;	Nil	Nil	Nil	Nil	Nil
b. infringement notices;					
c. enforcement orders;					
d. convictions received in relation to those resource consents (DIA measure)					

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Changing weather patterns may result in extreme weather events causing damage to valuable assets.	●	●	●	●	Improvements made to assets on an ongoing basis as a result of improvements to TCC's Infrastructure Development Code and/or specialist studies (e.g. Lifelines). Most properties developed in Tauranga are serviced by an overall system designed to cope with a 50 year ARI (annual return interval) event. Resilience building projects to mitigate and adapt to extreme events have been developed and will be implemented progressively throughout this period.
The cost of desired infrastructure improvements and flood risk mitigations may exceed the community's ability to pay	●		●		2D Modelling continued to identify high risk areas. Safety to persons levels of service implemented. Reactive Reserve Fund established to aid flood affected landowners. Asset creation due to growth funded via development contributions. Depreciation collected to fund renewals of networks and assets.
Discharge of polluted stormwater impacting on public health, environmental, cultural and aesthetic values.	●	●		●	Implementation of the Stormwater (Pollution Prevention) Bylaw 2015. City Waters Pollution Prevention Team proactively works with industry and the wider public to minimise the risk of stormwater contamination through education, cooperation and enforcement. Swift response from TCC staff and contractors in case of spills or contamination to minimise the impact. Development of comprehensive catchment management plans. Monitoring identifies any future mitigation requirements which will be reported in the relevant catchment management plans. Installation of stormwater treatment devices or other means of stormwater quality improvement in high risk areas as indicated by catchment consents and management plans.
Stormwater systems unable to cope with large rainfall events causing flooding, which could have significant negative social and economic impacts.	●		●		Completion of 2D modelling to prepare flood hazard maps for Tauranga city to identify the potential flood risk to land and buildings within specified storm events. TCC levels of service focused on 'safety to persons' with priority on areas with the highest risk. Residual risk and emergency management to ensure an appropriate service is provided to flood affected landowners following future flood events Information about flood prone areas displayed on TCC GIS system. Long term planning of required infrastructure to ensure correct timing and capacity. Identification and development of policy controls to mitigate the effects of future development and potential for flooding.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - STORMWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	22,097	24,088	27,181	28,497	31,149	33,304	36,013	37,808	39,468	41,813	43,923
Targeted Rates	148	2,341	2,370	2,439	2,521	2,626	2,753	2,883	3,321	3,772	5,381
Subsidies and grants for operating purposes	0	833	0	0	0	0	0	0	0	0	0
Fees and charges	9	10	10	10	11	11	11	12	12	12	13
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	1	0	1	1	1	1	1	1	1	1	1
Total Sources of Operating Funding (A)	22,255	27,272	29,562	30,947	33,682	35,942	38,778	40,704	42,802	45,598	49,318
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	7,135	10,093	10,552	10,336	10,741	11,121	11,246	11,571	11,814	12,238	12,552
Finance Costs	5,496	4,756	5,226	5,912	6,461	6,861	8,555	9,090	9,680	10,344	11,007
Internal Charges and Overheads applied	3,095	3,634	4,157	4,591	4,985	5,280	5,582	5,806	6,095	6,363	6,496
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	15,726	18,483	19,935	20,839	22,187	23,262	25,383	26,467	27,589	28,945	30,055
Surplus/(Deficit) of Operating Funding (A-B)	6,529	8,789	9,627	10,108	11,495	12,680	13,395	14,237	15,213	16,653	19,263

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - STORMWATER											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	49	1,559	0	0	0	0	0	0	0	0	0
Development and financial contributions	2,328	3,288	3,341	3,675	4,350	3,866	3,119	3,208	2,948	2,614	2,579
Increase/(Decrease) in debt	5,840	14,422	14,967	21,896	22,102	20,205	13,161	18,811	29,265	33,026	29,362
Gross proceeds from the sale of assets	48	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	8,265	19,269	18,308	25,571	26,452	24,071	16,280	22,019	32,213	35,640	31,941
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	(101)	4,400	17,876	11,049	13,411	5,181	20,057	10,911	6,405	5,093	9,292
- to improve level of service	7,695	12,099	10,888	21,319	14,748	14,015	9,112	14,149	24,478	28,095	23,253
- to replace existing assets	0	1,395	1,637	1,522	1,355	1,688	1,520	1,978	1,207	1,392	1,034
Increase/(Decrease) in reserves	7,201	10,164	(2,466)	1,789	8,433	15,867	(1,014)	9,218	15,337	17,712	17,625
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	14,794	28,058	27,935	35,679	37,947	36,751	29,675	36,256	47,427	52,292	51,204
Surplus/(Deficit) of Capital Funding (C-D)	(6,529)	(8,789)	(9,627)	(10,108)	(11,495)	(12,680)	(13,395)	(14,237)	(15,214)	(16,652)	(19,263)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		7,032	8,059	8,740	10,091	11,126	12,082	13,028	13,893	15,056	16,387

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - STORMWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	7,340,184	18,590,598	14,332,353	7,520,909	6,964,489	22,612,225	15,827,542	11,536,468	9,353,728	9,615,629	123,694,125
Capital Delivery Adjustments	-2,500,000	-	2,652,250	-	-	-	-	-	-	-	152,250
Eastern Corridor - Pap East Interchange	1,207,039	650,506	296,638	-	-	-	-	-	-	-	2,154,183
Eastern Corridor - Te Tumu	-	-	-	109,270	225,100	15,041,000	7,746,050	2,455,000	-	-	25,576,420
Eastern Corridor Growth Area	59,924	-	-	1,541,649	-	-	-	-	-	-	1,601,573
Freshwater Management	330,000	473,800	116,699	-	-	-	-	-	-	-	920,499
SW Minor Capital Works & Renewals	39,346	-	-	-	-	-	283,196	-	-	-	322,542
Vested Assets	1,701,929	3,614,232	3,495,804	4,318,639	6,305,928	7,571,225	7,798,297	9,081,468	9,353,728	9,615,629	62,856,879
Wairakei Stream Landscaping	100,000	730,975	-	-	-	-	-	-	-	-	830,975
WC - Tauriko Business Estate	4,661,946	162,534	-	404,016	-	-	-	-	-	-	5,228,496
Western Active Reserve Capital Works	-	-	-	-	433,462	-	-	-	-	-	433,462
Western Corridor Existing Growth Area	1,740,000	12,958,552	7,770,961	1,147,335	-	-	-	-	-	-	23,616,847
Growth & Level of Service	5,466,667	5,242,941	6,055,916	19,210,034	12,143,020	7,751,900	10,904,055	14,975,500	15,424,460	16,896,100	114,070,593
Local Roads Upgrades and Improvements	-	-	-	373,985	-	-	-	-	-	-	373,985
Mount Intensification	100,000	257,500	265,225	273,175	-	-	-	-	-	-	895,900
Otumoetai Intensification	50,000	51,500	106,090	109,270	281,375	289,250	297,925	-	-	-	1,185,410
Te Papa Intensification	2,966,667	3,605,000	3,748,513	10,107,475	9,285,375	7,231,250	10,129,450	13,502,500	13,907,300	15,596,400	90,079,930
Wairakei Stream Culvert Upgrade	-	-	1,538,251	8,182,224	2,351,170	-	-	-	-	-	12,071,644
Wairakei Stream Landscaping	1,150,000	1,328,941	397,838	163,905	225,100	231,400	-	-	-	-	3,497,184
Western Corridor Existing Growth Area	1,200,000	-	-	-	-	-	476,680	1,473,000	1,517,160	1,299,700	5,966,540

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - STORMWATER											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	6,916,369	8,617,130	15,475,783	5,746,451	6,393,966	6,375,382	6,126,492	13,452,106	17,763,238	15,648,719	102,515,637
CSC Stormwater Treatment Capital Works	829,420	1,030,000	1,060,900	1,639,050	1,125,500	578,500	595,850	613,750	632,150	649,850	8,754,970
Harrisons Cut Stabilisation	1,000,000	2,027,797	-	-	-	-	-	-	-	-	3,027,797
Infrastructure Resilience Capital Works	-	-	-	1,266,381	2,004,516	2,441,582	2,074,712	3,263,856	7,269,548	4,861,209	23,181,805
Stormwater Flooding Improvements	200,000	1,390,500	2,599,205	-	-	-	-	-	-	-	4,189,705
SW Bulk Fund & Reactive Reserve	2,012,449	3,715,633	11,253,401	2,185,400	2,251,000	2,314,000	2,383,400	3,437,000	3,540,040	3,639,160	36,731,484
SW Minor Capital Works & Renewals	1,900,000	412,000	424,360	655,620	1,012,950	1,041,300	1,072,530	6,137,500	6,321,500	6,498,500	25,476,260
Te Maunga WW Treatment Plant	-	41,200	137,917	-	-	-	-	-	-	-	179,117
Waters CIP	974,500	-	-	-	-	-	-	-	-	-	974,500
Renewal	1,394,521	1,636,940	1,521,568	1,355,437	1,687,698	1,519,635	1,977,540	1,207,012	1,392,119	1,033,608	14,726,080
Stormwater Renewals	1,394,521	1,636,940	1,521,568	1,355,437	1,687,698	1,519,635	1,977,540	1,207,012	1,392,119	1,033,608	14,726,080
Grand Total	21,117,741	34,087,609	37,385,620	33,832,832	27,189,173	38,259,143	34,835,629	41,171,086	43,933,545	43,194,057	355,006,435

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Sustainability and Waste



How this affects you

The Sustainability and Waste activity supports both the Council and community to improve its sustainability performance and ensure the protection of public health and the environment via managing the collection and disposal of the community's waste. This activity aims to achieve the outcomes within the 2016 Waste Management and Minimisation Plan (WMMP), implement Council's corporate Energy Management Action Plan, develop a refreshed corporate sustainability framework and achieve and maintain Council's Certified Emissions Measurement and Reduction Scheme (CEMARS) certification. The activity will contribute to the development and implementation of a City-wide Environmental Strategy.

While the activity is primarily focused on the environmental aspect of community well-being through its education programmes and community activities also has a social focus. The implementation of kerbside recycling and effective management of waste facilities aims to ensure the economic wellbeing of the community. The activity is also actively working with Hapu and Iwi about the way the activity is managed and how the activity can be even better in the future.

What we do

The Sustainability and Waste activity enables the Council and community to take action to improve their sustainability performance and contributes to the protection of public health and the environment through managing the collection and disposal of the community's waste. It focusses on:

- Reducing and recovering waste within the City
- Reducing energy consumption and carbon emissions within Council operations
- Applying the latest proven, and cost effective waste and sustainability approaches
- Collection of information and data to enable effective decision-making
- Ensuring waste is transported to approved waste facilities for treatment, recovery and/or disposal
- Providing comprehensive sustainability and waste programs
- Supporting Council activities to deliver improved sustainability outcomes for both corporate operations and individuals in the community.

We will provide a rubbish collection service to all residential properties in urban and rural-residential areas	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents that satisfied with Council run rubbish collection service.	New Measure	75%	75%	75%	75%
We will provide transfer stations, and maintain closed landfill sites	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Transfer stations provide customers with a 7-day service for refuse and green waste facilities and free access to a recycling centre (except on Good Friday and Christmas Day)	Not achieved	Achieved	Achieved	Achieved	Achieved
Number of abatement notices/infringements issued in relation to closed landfill resource consents	Nil	Nil	Nil	Nil	Nil
Providing behaviour change programmes across community that target community behaviours and lead to a reduction of waste to landfill	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average amount of waste sent to landfill per capita/per annum based on current operating environment	523kg	550kg	500kg	450kg	450kg

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
<p>The most significant effect is on the environment through the depositing of waste in landfills.</p> <p>Additionally, the following may occur during collection times:</p> <ul style="list-style-type: none"> • water and/or land pollution (loose waste blown into private properties or waterways or illegally dumped) • odour emissions • spread of disease and water/land contamination • vermin • obstruction of footpaths 	●	●	●	●	<p>We will continue to aim to reduce the quantity of waste going to landfill through proven minimisation strategies and programmes for waste streams that we can control/ influence.</p> <p>We will continue to educate residents on the collection days/ times and we will monitor the services (rubbish/recycling/organics collections) provided by the private sector to ensure contractor requirements are complied with.</p>
Kerbside recycling system does not meet the needs of the community	●	●	●	●	<p>Education plan to get behaviour change. Continue working with the community to respond to complaints. Continually review the process.</p>
Sustainable practices are not implemented by TCC and the community.	●	●	●	●	<p>Focus on education with businesses and individuals, develop reporting frameworks. Ensure TCC is a leader in its practices.</p>

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUSTAINABILITY AND WASTE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	3,479	4,761	4,767	5,623	6,164	6,728	7,166	7,379	7,624	7,863	8,033
Targeted Rates	1,853	11,206	11,915	12,731	13,629	14,617	15,726	16,916	18,124	19,403	20,734
Subsidies and grants for operating purposes	485	520	535	551	567	583	599	616	633	650	668
Fees and charges	1,632	56	58	60	62	64	65	68	70	72	74
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	7,449	16,543	17,275	18,965	20,422	21,992	23,556	24,979	26,451	27,988	29,509
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,835	10,767	11,762	12,966	13,927	14,645	15,360	16,128	16,971	17,861	18,778
Finance Costs	133	233	357	461	500	584	775	755	735	713	690
Internal Charges and Overheads applied	936	2,799	3,208	3,503	3,894	4,089	4,308	4,472	4,677	4,870	4,970
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	9,904	13,799	15,327	16,930	18,321	19,318	20,443	21,355	22,383	23,444	24,438
Surplus/(Deficit) of Operating Funding (A-B)	(2,455)	2,744	1,948	2,035	2,101	2,674	3,113	3,624	4,068	4,544	5,071

Long-term Plan Amendment 2021-2031

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUSTAINABILITY AND WASTE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	3,725	9,811	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	1,324	1,864	6,201	1,602	2,000	4,738	12	11	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	1,324	5,589	16,012	1,602	2,000	4,738	12	11	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	1,569	5,609	16,893	2,543	2,969	5,737	1,038	1,068	1,093	1,126	1,157
- to replace existing assets	276	207	294	104	50	26	126	33	105	66	71
Increase/(Decrease) in reserves	(2,976)	2,517	773	990	1,082	1,649	1,961	2,534	2,870	3,352	3,843
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(1,131)	8,333	17,960	3,637	4,101	7,412	3,125	3,635	4,068	4,544	5,071
Surplus/(Deficit) of Capital Funding (C-D)	2,455	(2,744)	(1,948)	(2,035)	(2,101)	(2,674)	(3,113)	(3,624)	(4,068)	(4,544)	(5,071)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		416	592	1,063	1,233	1,507	1,551	1,599	1,649	1,698	1,744

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SUSTAINABILITY AND WASTE											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	5,609,089	16,892,808	2,542,915	2,968,801	5,736,607	1,037,761	1,067,624	1,092,763	1,125,578	1,157,038	39,230,985
Capital Delivery Adjustments	-3,500,000	2,060,000	1,591,350	-	-	-	-	-	-	-	151,350
Kerbside Waste Collection Capital Works	750,000	860,587	919,738	947,306	975,742	1,003,051	1,033,255	1,092,763	1,125,578	1,157,038	9,865,059
Sustainability & Waste Upgrds & Renewals	8,359,089	13,972,221	31,827	2,021,495	4,760,865	34,710	34,369	-	-	-	29,214,576
Renewal	207,070	294,109	103,554	50,424	26,034	126,042	32,947	104,544	65,897	70,804	1,081,425
Sustainability & Waste Upgrds & Renewals	207,070	294,109	103,554	50,424	26,034	126,042	32,947	104,544	65,897	70,804	1,081,425
Grand Total	5,816,159	17,186,917	2,646,469	3,019,225	5,762,641	1,163,803	1,100,571	1,197,307	1,191,475	1,227,842	40,312,409

City & Infrastructure Planning



How this affects you

The activity has an active role in promoting sustainable management of Tauranga City's natural and physical resources for existing and future people and communities with a focus on taking an integrated land use and infrastructure approach to managing the city's current and future population and urban growth.

What we do

The City & Infrastructure Planning activity is responsible for the preparation of City Plan, plan changes, and implementation issues within the statutory requirements of the Resource Management Act 1991 plus technical input into the SmartGrowth partnership. This includes responsibility for leading greenfields structure planning and intensification spatial planning.

It provides professional policy and technical advice to Council on national, regional, sub-regional and local planning and growth management issues and practice.

The activity monitors national, sub-regional and local population and land-use trends so that good information is available for Council policy development and decision making.

The activity is responsible for ensuring land use and infrastructure planning is undertaken in an integrated manner. The team is responsible for progressing transport, water supply, wastewater, stormwater and resilience planning for the City in conjunction with the Infrastructure Group. This includes input into Waka Kotahi NZ Transport Agency (NZTA) projects.

The team is also responsible for growth funding through development contributions, developer agreements and new funding sources such as IFF levies.

We will develop and review the City Plan, including public consultation, to guide the growth of the City and the provision of land able to be developed for the next ten years	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of building consents approved for new dwellings that will be located in the zone(s) where permitted (refer City Plan zones)	100%	100%	100%	100%	100%
We will deliver and monitor a planning framework for the city that provides sufficient development capacity to accommodate ongoing growth	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Compliance with the National Policy Statement for Urban Development Capacity which require 3, 10 and 30 years of development capacity and infrastructure capacity to be provided/identified along with additional buffers	Short term compliance achieved	Short term compliance achieved	Short term compliance achieved	Short term compliance achieved	Full compliance achieved

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We will provide a Development Contributions Policy which enables collection of development contributions to fund growth related capital expenditure	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Ensure DC policy is current and updated annually with the Annual or Long-term Plan	New Measure	100%	100%	100%	100%

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
The cumulative effects of subdivision, land use and development can have significant negative environmental and social effects.	●			●	<p>Working with strategic partners in implementing SmartGrowth and other sub-regional strategic programmes related to urban growth and development.</p> <p>Preparing a new City Plan and making it operative through the RMA process. Including appropriate objectives, policies and rules to promote sustainable management of natural and physical resources.</p> <p>Monitoring growth trends and resource management issues regularly and responding to those issues as appropriate.</p> <p>Monitoring national, regional and local trends and environmental policy initiatives in order to provide high quality advice to the organisation.</p>
The costs of city growth must be met by existing ratepayers.			●		<p>Monitoring the growth of the city, developing infrastructure plans to address provision and costs of growth and providing this for inclusion in the Development Contributions Policy</p> <p>Working closely with other key public agencies, such as Western Bay of Plenty District Council and NZTA, and private sector developers on efficient methods of infrastructure delivery and funding, including direct funding and delivery of infrastructure by developers; ensuring in-house resources support integrated growth management policy and technical delivery.</p>

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - CITY AND INFRASTRUCTURE PLANNING											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	5,933	9,591	13,674	14,047	13,661	13,202	14,597	15,272	14,514	14,516	14,821
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	1,675	236	1,214	641	257	1,322	697	279	1,932	758	303
Fees and charges	1,452	1,294	1,422	1,463	1,505	1,549	1,591	1,635	1,681	1,726	1,772
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	9,060	11,121	16,310	16,151	15,423	16,073	16,885	17,186	18,127	17,000	16,896
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,358	11,619	14,304	12,527	10,369	10,765	11,719	11,771	12,611	11,127	10,848
Finance Costs	117	188	263	287	277	252	230	212	193	173	149
Internal Charges and Overheads applied	1,668	2,775	3,180	3,458	3,956	4,132	4,351	4,512	4,712	4,907	5,003
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	10,143	14,582	17,747	16,272	14,602	15,149	16,300	16,495	17,516	16,207	16,000
Surplus/(Deficit) of Operating Funding (A-B)	(1,083)	(3,461)	(1,437)	(121)	821	924	585	691	611	793	896

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - CITY AND INFRASTRUCTURE PLANNING											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	1,587	4,329	2,940	1,890	976	729	905	698	658	370	128
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	1,587	4,329	2,940	1,890	976	729	905	698	658	370	128
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in reserves	504	868	1,503	1,769	1,797	1,653	1,490	1,389	1,269	1,163	1,024
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	504	868	1,503	1,769	1,797	1,653	1,490	1,389	1,269	1,163	1,024
Surplus/(Deficit) of Capital Funding (C-D)	1,083	3,461	1,437	121	(821)	(924)	(585)	(691)	(611)	(793)	(896)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

There is no Capital Expenditure for this activity.

	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation	29	29	29	29	29	29	29	29	29	29

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Community Services



How this affects you

We improve social equity while building a sense of community, mana and regional identity. Our activities attract visitors to Tauranga.

The city centre is the commercial heart of Tauranga, providing employment and other economic activity. It produces environmental, economic, and social benefits by enabling the interaction of people for business, cultural and social activities.

What we do

We educate and support community organisations and internal teams.

We also:

- manage the Tauranga Heritage Collection, Baycourt and the Historic Village
- help fund Tauranga Art Gallery and The Elms
- manage relationship agreements with Creative Bay of Plenty and The Incubator
- add economic value to the city centre through the upgrade of the Civic Precinct and the Waterfront
- encourage greater visitation to the city centre by providing spaces and activities that encourage people to visit the city centre

- increase collaboration with the private sector to support opportunities for the growth and development of the city centre
- work to help build a city centre that is a great place to live, work, learn and play
- encourages a sense of pride and ownership people feel in their city
- approve events on Council's public open spaces (parks, roads etc.)
- provide financial support to events
- provide civic events such as ANZAC Day commemorations
- provide 246 elder housing units within nine villages

Activities Include:

- Arts and Culture
- City Centre Development
- Community Partnerships
- Elder Housing
- Libraries
- Venues and Events

Arts and Culture

We will facilitate, support and advocate for the arts in Tauranga including management of relationships with Creative Bay of Plenty, Tauranga Art Gallery, and The Elms	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of community facilitations undertaken	New Measure	30	30	30	30
Number of proposals received for the Creative Communities Scheme	New Measure	60	65	65	70

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Arts and Culture

We will provide a museum collection which is available to the community, whilst safeguarding historical and culturally important items.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of items loaned to schools through the Hands On Tauranga service	465	300	300	300	300

Venues and Events

Provide a comprehensive and fully functional performing arts venue, which is for use by the community and to attract high quality performing arts events to our city.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of patrons attending ticketed events at Baycourt	34,264	60,000	70,000	70,000	70,000
Level of satisfaction based on monthly survey of hirers to Baycourt	100%	>80%	>80%	>80%	>80%

Venues and Events

Deliver a diverse programme of arts experiences and events through a year-round programme.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
The number of event days that Baycourt is occupied from total possible available days using booking information.	New Measure	255	280	280	280

Venues and Events

We will provide a well maintained and managed Historic Village as a community facility, available for commercial and community tenancies and as a function and events venue	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of annual visitors to Historic Village	214,556	200,000	225,000	250,000	250,000
Occupancy rate of Historic Village leasable village space	95%	95%	95%	95%	95%
Occupancy rate of Historic Village hireable venue space	8%	25%	25%	35%	50%

Venues and Events

We will invest in and/or attract events to Tauranga that meet the objectives of the Legacy and Major Event Funds	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of visitor nights as a direct result of Legacy and Major Event Fund investments	110,579	75,000	80,000	85,000	90,000
Total “Net Benefit” contribution of events within the Legacy and Major Event Funds	New Measure	\$4.5M	\$5M	\$5.5M	\$6M
Percentage of all Event Funding Framework supported events held in off-peak months (i.e. April to November)	47%	45%	50%	55%	55%

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Venues and Events

We will deliver successful Council-led events.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Public attendees are satisfied or very satisfied (via survey) with the Council-delivered event they attended	97%	85%	85%	85%	85%

Community Partnerships

We will facilitate social outcomes by working with other organisations, and coordinate approaches to enable community-led initiatives and community capacity building	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of proposals received for the Match Fund	New Measure	20	25	30	30
Number of proposals received for the Community Grant Fund	New Measure	20	5	5	5
Community projects contributed to by Project Tauranga partners each year	24	8	8	8	8

Libraries

Resources for information, reading and recreation are provided digitally	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Virtual visits total	584,632	460,000	480,000	500,000	520,000

Libraries

Library spaces are community hubs for place making in the city centre and neighbourhood centres	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Visits to Council Libraries (all four combined)	New Measure	600,000	600,000	600,000	600,000
Residents satisfaction with library services	New Measure	75%	75%	75%	80%

Libraries

Programmes, events and learning opportunities build skills and connect our community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of participants in all programmes	22,712	27,500	28,000	28,600	30,500

SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Growth – potential for growing expectations regarding delivery of arts and heritage activity, in particular the provision of a museum for a city of our size.	●	●	●	●	Review of role of arts and culture in our city, Council's role in this and an appropriate model for delivery.
Perceptions of Tauranga not having a culturally rich and diverse arts scene. Stories of our history being lost.	●	●	●	●	Establish clear direction on the contribution that arts and culture can make to the future of our city, and the role that Council has in this. Identify the most effective model of delivery. Consider collaboration, partnerships, new initiatives that contribute to the arts and culture scene in Tauranga.
Further disruption to the social and economic qualities of the city centre during construction.	●		●		Council will ensure the work on Council-owned sites are undertaken with the minimum amount of disruption possible
Continued council ownership of the site may not be tangata whenua's preferred approach to longstanding grievances on the site.		●			Tangata whenua closely involved in the design of the site.
Investment in the city centre means that funds might not be available to invest in other smaller centres.	●		●		Through the Urban Form and Transport Initiative, Council has adopted a connected centres approach and this identifies the importance of a strong CBD for the success of other centres in the city.
Lack of available dates for hirers due to high demand for venue bookings		●	●		Update of programme strategy to ensure a balanced and diverse programme, and drive high utilisation of both performance spaces
Impact of COVID-19 on performing arts sector limits hirer's capacity to deliver events at Baycourt	●	●	●		Targeted presenting programme and marketing support to grow capacity and capability, and attract new events to Baycourt
Low resilience of community organisations to respond and adapt to social, cultural, environmental and economic impacts, including COVID-19.	●	●	●	●	Work in partnership with the community to build capacity, capability and resilience.
Lack of fit-for-purpose community facilities available.	●				Work in partnership with the community to develop and implement a staged community infrastructure investment plan, including the development of community hubs.
Significant lack of housing supply to support delivery of the Kāinga Tupu – Growing Homes strategy.	●		●	●	Work in partnership with the community to develop a housing strategy and plan.
Events managed, facilitated or assisted by Council may have negative effects on the environmental wellbeing of non-participants. Such negative effects include increased noise, increased traffic congestion and restricted access to public facilities.	●			●	Council works with event managers and affected parties to minimise these negative effects wherever possible. Council has an organisation-wide Event Planning team that meets regularly to consider event compliance with the City Plan provisions.

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SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Impact of COVID-19 on the events industry limits mass gatherings and therefore the ability for events to take place.	●	●	●		Relook at Council's approach as the industry evolved with the Event Funding Framework and support to the industry and local event organisers.
Lack of fit-for-purpose housing and wraparound services currently provided to Council's elder housing tenants and the lack of capital funds for redevelopment.	●	●	●		Divestment to a community housing provider would ensure long-term sustainability of the activity and access to income related rent subsidies and wraparound social services.
In addition, there's the future problem of rapidly growing demand for affordable (rental) elder housing in Tauranga, with Statistics NZ indicating that demand will increase by 81% over the next 12 years.					It would also provide the opportunity for portfolio redevelopment and growth to meet current and future elder housing demand.
While, there is an acceptance that community housing providers are better placed to provide an elder housing service, the welfare of current tenants must continue to be the primary consideration, with tenants no worse off than before.	●	●	●		We would include terms to ensure the retention of stock and protection of the current tenant welfare (including secure tenure), along with monitoring arrangements to assess the performance of the community housing provider.
The community does not get optimum benefit from resources provided from rates.	●	●			Increase promotional activities so the community is aware of resources and assistance available. Library Website is refreshed.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	21,219	25,137	28,247	29,304	31,503	32,914	34,781	35,681	35,744	36,269	37,303
Targeted Rates	0	1,400	5,505	5,873	4,981	5,540	8,699	9,178	13,673	16,367	16,576
Subsidies and grants for operating purposes	1,933	405	168	172	177	183	188	193	198	266	273
Fees and charges	1,880	2,969	2,180	2,287	2,347	2,411	2,569	2,651	3,674	4,233	4,352
Internal charges and overheads recovered	(29)	2	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	25,003	29,913	36,100	37,636	39,008	41,048	46,237	47,703	53,289	57,135	58,504
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	16,411	21,545	22,299	22,309	21,705	22,522	23,235	24,388	27,394	29,146	30,068
Finance Costs	533	536	705	1,199	2,105	2,774	3,431	3,305	3,109	3,069	3,119
Internal Charges and Overheads applied	5,051	7,025	8,046	8,725	10,027	10,446	10,994	11,389	11,879	12,370	12,606
Other Operating Funding applications	21	21	22	22	23	24	24	25	26	26	27
Total Applications of Operating Funding (B)	22,016	29,127	31,072	32,255	33,860	35,766	37,684	39,107	42,408	44,611	45,820
Surplus/(Deficit) of Operating Funding (A-B)	2,987	786	5,028	5,381	5,148	5,282	8,553	8,596	10,881	12,524	12,684

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	750	4,449	22,791	13,513	6,330	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	1,399	4,507	8,196	35,533	36,401	20,301	5,090	693	691	9,590	5,941
Gross proceeds from the sale of assets	0	23,102	0	0	0	0	0	0	0	0	0
Lump sum contributions	(1)	242	0	0	10,500	8,000	5,000	13,750	3,750	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	1,398	27,850	8,196	35,533	47,651	32,750	32,881	27,956	10,771	9,590	5,941
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	596	614	9,482	5,849
- to improve level of service	1,592	4,538	8,677	39,488	51,650	33,811	32,797	27,269	10,086	6	6
- to replace existing assets	3,538	3,064	2,880	2,656	2,493	2,217	2,179	2,303	1,745	2,140	2,385
Increase/(Decrease) in reserves	(744)	21,034	1,667	(1,230)	(1,344)	2,004	6,458	6,384	9,207	10,486	10,385
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	4,385	28,636	13,224	40,914	52,799	38,032	41,434	36,552	21,652	22,114	18,625
Surplus/(Deficit) of Capital Funding (C-D)	(2,987)	(786)	(5,028)	(5,381)	(5,148)	(5,282)	(8,553)	(8,596)	(10,881)	(12,524)	(12,684)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		2,498	2,592	2,747	2,816	2,762	5,855	5,948	8,165	9,735	9,820

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - COMMUNITY SERVICES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	3,559,607	7,853,292	39,487,608	51,650,074	33,811,176	32,796,689	27,865,003	10,699,968	9,488,572	5,855,149	223,067,135
Civic Rebuild Capital Programme	-	-	4,015,000	17,218,787	23,832,033	32,790,904	27,263,194	10,080,080	-	-	115,199,998
Community Facilities Investment Plan (CFIP)	3,093,022	7,569,478	35,308,168	34,255,817	9,973,516	-	595,850	613,750	9,482,250	5,848,650	106,740,501
Historic Village Capital	461,585	278,663	159,135	170,006	-	-	-	-	-	-	1,069,389
Library Capital Works	5,000	5,150	5,305	5,464	5,628	5,785	5,959	6,138	6,322	6,499	57,247
Renewal	4,081,327	3,703,561	2,655,840	2,493,468	2,216,933	2,179,491	2,302,698	1,745,002	2,140,199	2,385,008	25,903,527
Baycourt Capital Renewals	425,245	270,356	417,793	303,969	301,607	357,864	389,387	283,706	435,632	356,473	3,542,032
Elder Housing Upgrades	482,888	-	-	-	-	-	-	-	-	-	482,888
Historic Village Capital	1,955,557	2,148,825	945,808	651,686	489,678	313,799	261,024	62,443	168,180	294,452	7,291,453
Library Capital Works	892,000	1,168,973	1,204,042	1,505,577	1,277,358	1,313,108	1,352,490	1,393,120	1,434,886	1,475,062	13,016,616
Prop Management Upgrades & Renewals	325,637	115,406	88,197	32,236	148,290	194,720	299,797	5,732	101,502	259,021	1,570,538
Grand Total	7,640,934	11,556,852	42,143,448	54,143,542	36,028,109	34,976,179	30,167,701	12,444,969	11,628,771	8,240,156	248,970,662

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Community, People and Relationships



How this affects you

We connect people with Council, helping communities understand how we work and how they can play a part in the decision-making that shapes our city.

What we do

This activity involves both our mayor and councillors (and commissioners until the end of the triennial local authority elections in October 2022), and the staff who support them to foster closer relationships between tangata whenua and communities and be effective, responsible and accountable decision makers.

We:

- respond to face-to-face enquiries, LIM and property file applications
- respond to enquiries via other channels
- communicate and engage with our communities
- internally, coach and advise staff about the best ways to communicate and engage
- support the mayor and councillors while facilitating Council meetings
- maintain strategic relationships between Council, tangata whenua and the wider Māori community

Activities Include:

- Community Relations
- Customer Service
- Democracy Services
- Te Pou Takawaenga Māori Unit

Community Relations

Organisational capability for delivery of communication and engagement activity is enhanced.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Trust and confidence in the organisation will increase shows increase in satisfaction by survey	New Measure	Baseline established	Improvement on 21/22 baseline	Improvement on 22/23	Improvement on 22/23

Customer Service

We will provide a service centre and a 24/7 contact centre to respond to enquiries by multiple access channels where customers can make enquiries and request information	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Enquiries at service centre will be managed at First Point of contact	New Measure	97%	97%	97%	97%
Percentage of calls at contact centre that are resolved at first point of contact	New Measure	80%	80%	80%	85%
Customer Satisfaction for service centre and contact centre - NPS rating will be above 40	New Measure	40	40	45	45

Customer Service

We will provide a Land Information Memoranda service	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
10 Day Statutory timeframes are met	New Measure	100%	100%	100%	100%

Democracy Services

We provide opportunities for the community to participate in decision making.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents who are satisfied or neutral with the way the Council involves the public in decision-making processes.	New Measure	59%	60%	61%	62%

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SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
That performance measures for LIM applications are not achievable due to material changes in the housing market outside of activity specific assumptions.			●		Multi-skill Service Centre advisors to ensure greater flexibility of workforce to assist with fluctuating LIM volumes.
Significant conflict among the mayor and councillors comes to the attention of the Minister of Local Government with the risk that the Minister could use their powers under Part 10 of the Local Government Act 2002,	●	●	●	●	Trust and confidence in the mayor and councillors ability to meet the Crown's expectations of a high performing council is maintained.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY AND RELATIONSHIPS											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	3,336	0	0	0	0	0	0	0	0	0	0
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	2	2	3	3	3	3	3	3	3	3	3
Fees and charges	992	1,596	1,796	1,689	1,738	1,957	1,837	1,889	2,124	1,996	2,050
Internal charges and overheads recovered	4,416	7,796	9,458	9,514	10,274	10,987	10,965	11,457	12,284	11,973	12,264
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	8,746	9,394	11,257	11,206	12,015	12,947	12,805	13,349	14,411	13,972	14,317
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	7,770	9,306	11,118	11,067	11,877	12,813	12,654	13,198	14,260	13,824	14,174
Finance Costs	(12)	104	104	104	104	104	121	121	121	121	121
Internal Charges and Overheads applied	828	0	0	0	0	0	0	0	0	0	0
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	8,586	9,410	11,222	11,171	11,981	12,917	12,775	13,319	14,381	13,945	14,295
Surplus/(Deficit) of Operating Funding (A-B)	160	(15)	35	35	34	30	30	30	30	27	22

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - COMMUNITY AND RELATIONSHIPS											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	(27)	0	0	0	0	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	(27)	0	0	0	0	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in reserves	133	(15)	35	35	34	30	30	30	30	27	22
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	133	(15)	35	35	34	30	30	30	30	27	22
Surplus/(Deficit) of Capital Funding (C-D)	(160)	15	(35)	(35)	(34)	(30)	(30)	(30)	(30)	(27)	(22)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

There is no Capital Expenditure for this activity.

	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation	35	35	35	34	30	30	30	30	27	22

Economic Development



How this affects you

Our investments improve prosperity for the whole community while building economic resilience and sustainability. The airport connects Tauranga with the rest of the country and the world.

What we do

We act as an economic development facilitator, mostly through Priority One and Tourism Bay of Plenty. Our focus is on visitors, investors, business and skill attraction, skill development, and supporting innovation.

We provide a high-quality airport that is self-funding and generates income.

Activities Include

- Airport
- Economic Development

Airport

We will provide an airport that caters for scheduled commercial flights and enables growth in traveller numbers	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of passengers through the airport each year - this is a 12-month running total	389,000	396,000	400,000	450,000	>500,000

Airport

We will provide airport customers with fit-for-purpose airport facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Customer satisfaction with airport facilities as measured by point of user survey	Not measured	90-100%	90-100%	90-100%	90-100%

Economic Development

Priority One will provide facilitation service to increase investment and innovation in Tauranga, leading to a more productive economy	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Gross Domestic Product per Employee in the city	\$94,976	\$95,000	\$96,000	\$97,000	\$1,000,000

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Economic Development

We will provide improved alignment of residents' skills with business needs, leading to meaningful work outcomes for our community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Knowledge Intensive Jobs – share of total jobs	New Measure	28.5%	28.7%	28.9%	Increase of .2% per annum
Unemployment Rate	New Measure (pre-Covid 3.4%)	<10%	<8%	<6%	<5%
Mean annual earnings	New Measure (\$58,336 pre-Covid)	\$58,000	\$59,000	\$60,000	Increase of \$1000 per annum

Economic Development

We will work collaboratively with Tourism Bay of Plenty and the tourism sector to increase visitor expenditure at a faster rate than Tauranga's GDP	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Increased visitor spend - international and domestic	\$804M	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.	No target - We still intend to monitor this measure, however, at present central government data is delayed due to COVID-19 and this cannot be accurately forecast.

Economic Development

Resident likelihood to recommend Tauranga as visitor destination	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Net promoter score	New Measure (+27 June 2020)	Maintain	Maintain	Maintain	Maintain

SIGNIFICANT EFFECTS OF PROVIDING THESE ACTIVITIES					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Aircraft noise negatively impacting the local community.	●				Maintaining noise within the airport noise contour limits in the Tauranga City Plan.
High levels of economic growth (and population growth) can have significant social and environmental negative effects.	●		●	●	Ensuring support for economic development has regard for social and environmental sustainability.
Economic outcomes may not benefit all of our community in an evenly distributed way; or may be negative for some sections of the community, particularly during times of economic downturn.	●		●		Effective covid-19 response. Investment in education and alignment to labour market trends. Activities to improve labour market skill levels. Activities to retain and/or grow employment opportunities in the area.
Population and economic growth may place a strain on infrastructure assets.	●		●		Robust long term urban, transport and spatial planning, including an understanding of sustainable growth (population and industrial/commercial) rates, and location of commercial/industrial land. Aligned planning across local and central government including economic and urban growth strategies. Alternative funding of infrastructure assets aligned to growth.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - ECONOMIC DEVELOPMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	4,582	4,851	5,008	5,165	5,673	5,830	5,979	6,138	6,302	6,469	6,634
Subsidies and grants for operating purposes	25	0	0	0	0	0	0	0	0	0	0
Fees and charges	5,800	8,786	9,387	9,964	10,695	11,185	11,687	12,355	12,946	13,582	14,250
Internal charges and overheads recovered	68	6	11	16	22	30	38	46	55	64	75
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	10,475	13,643	14,406	15,145	16,390	17,045	17,704	18,539	19,303	20,115	20,959
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	8,087	8,540	8,791	9,043	9,028	9,287	9,535	9,801	10,074	10,355	10,634
Finance Costs	373	193	183	170	287	396	469	442	417	392	368
Internal Charges and Overheads applied	850	919	1,054	1,168	1,281	1,362	1,439	1,501	1,579	1,646	1,683
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	9,310	9,652	10,028	10,381	10,596	11,045	11,443	11,744	12,070	12,393	12,685
Surplus/(Deficit) of Operating Funding (A-B)	1,165	3,991	4,378	4,764	5,794	6,000	6,261	6,795	7,233	7,722	8,274

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - ECONOMIC DEVELOPMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	(1,842)	366	0	212	8,742	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	(1,842)	366	0	212	8,742	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	100	0	212	7,103	0	0	0	0	0	0
- to improve level of service	258	258	0	0	1,639	0	0	0	0	0	0
- to replace existing assets	3,935	197	678	175	192	118	6	6	98	6	58
Increase/(Decrease) in reserves	(4,869)	3,802	3,700	4,589	5,602	5,882	6,255	6,789	7,135	7,716	8,216
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(677)	4,357	4,378	4,976	14,536	6,000	6,261	6,795	7,233	7,722	8,274
Surplus/(Deficit) of Capital Funding (C-D)	(1,165)	(3,991)	(4,378)	(4,764)	(5,794)	(6,000)	(6,261)	(6,795)	(7,233)	(7,722)	(8,274)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		1,648	1,709	1,760	1,813	2,018	2,292	2,360	2,431	2,504	2,574

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - ECONOMIC DEVELOPMENT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	100,000	-	212,180	7,102,550	-	-	-	-	-	-	7,414,730
Airport Upgrades & Renewals	100,000	-	-	-	-	-	-	-	-	-	100,000
Multi Story Carpark	-	-	212,180	7,102,550	-	-	-	-	-	-	7,314,730
Level of Service	257,559	-	-	1,639,050	-	-	-	-	-	-	1,896,609
Airport Upgrades & Renewals	257,559	-	-	-	-	-	-	-	-	-	257,559
Security Upgrade	-	-	-	1,639,050	-	-	-	-	-	-	1,639,050
Renewal	196,706	677,668	175,049	191,632	118,178	5,785	5,959	98,200	6,322	58,487	1,533,984
Airport Upgrades & Renewals	196,706	677,668	175,049	191,632	118,178	5,785	5,959	98,200	6,322	58,487	1,533,984
Grand Total	554,265	677,668	387,229	8,933,232	118,178	5,785	5,959	98,200	6,322	58,487	10,845,323

Emergency Management



How this affects you

To increase community awareness, understanding, readiness, resilience and participation in emergency management.

Tauranga City Council is part of the Bay of Plenty Civil Defence Emergency Management Group, along with the region's Regional and District Councils. The functions of the Civil Defence Emergency Management (CDEM) Group include the coordination of civil defence emergency management planning, delivering CDEM programmes and CDEM activities across the region, and carrying out risk management.

What we do

The activity works with communities, businesses and partners/stakeholders (e.g. NZ Police, Fire & Emergency NZ, Non-Government Organisations and community groups) to ensure effective resilience to, response to, and recovery from hazard events in Tauranga.

Central to this is an all-hazards, all risks, integrated and community-focused approach that prioritises:

- identifying, assessing and communicating about hazards and risks to the community;
- promoting and enabling our communities to be aware of, and resilient to hazard consequences;
- preparing Council for its role of coordinating the response to and recovery from emergencies;
- collaborating with partner agencies and organisations to be able to collectively support our communities during and after emergencies;
- leading or supporting a citywide response and coordination of relief for people and animals during an emergency; and
- enhancing Tauranga's capability to recover from emergencies.

We will provide an Emergency Operations Centre (EOC) to ensure an effective emergency response	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
<p>The city is prepared for and can effectively respond to an emergency.</p> <p>Measured by annual audit by EMBOR, the CDEM Group office.</p> <p>Measures include aggregate score across:</p> <ul style="list-style-type: none"> • EOC Control appointments and function leads trained to Joint Committee specified levels, • EOC practised within last 12 months. • EOC response procedures reviewed within last 3 years. 	New measure	Advancing	Advancing	Advancing	Mature
We will provide community education initiatives increase public awareness and preparedness	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residents that know they need to be self-reliant in the event of a major civil defence emergency	84%	95%	95%	95%	95%
Percentage of residents who are prepared for an emergency	New Measure	50%	50%	50%	55%

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Being poorly prepared for an effective emergency response could incur moderate to severe levels of community illness, loss of life, assets and infrastructure, financial impact on the community, and reduction in local/sub-regional economy.	●	●	●	●	Maintaining an effective and coordinated response capability. A work plan has been developed to focus on increasing our effective/coordinated response capability; enhancing our welfare arrangements; and work in the community to develop and increase community resilience. In any major event where our capacity is exceeded, we assume that regional and national entities can be called upon.
Low resilience investment by individuals and organisations has significant negative effects on ability for Tauranga to absorb or adapt to stressors and shocks.	●	●	●	●	Increasing the level of engagement of everyone in the community to understand what they need to do before, during and after emergencies, and that the key principle of community resilience is self-responsibility and self-reliance.
Lack of community facilities suitable for CDEM emergency relief purposes reduces ability for Tauranga to care for individuals immediately affected by moderate- major emergencies.	●	●	●	●	Increasing partnerships (enabling and empowering) with iwi/hapu and community organisations to develop/establish Community Lead Centres to be able to provide emergency relief to residents/manuhiri.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - EMERGENCY MANAGEMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	1,417	1,565	1,729	1,876	1,988	2,044	2,128	2,179	2,241	2,297	2,340
Targeted Rates	135	245	211	422	431	440	449	459	469	479	489
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	35	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	1,587	1,810	1,940	2,298	2,419	2,484	2,577	2,638	2,710	2,776	2,829
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	960	1,308	1,221	1,357	1,407	1,449	1,486	1,529	1,576	1,615	1,660
Finance Costs	169	82	132	179	172	166	186	178	171	165	158
Internal Charges and Overheads applied	434	464	531	577	656	684	720	746	778	811	826
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	1,563	1,854	1,884	2,113	2,235	2,299	2,392	2,453	2,525	2,591	2,644
Surplus/(Deficit) of Operating Funding (A-B)	24	(44)	56	185	184	185	185	185	185	185	185

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - EMERGENCY MANAGEMENT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	850	50	3,547	9	10	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	850	50	3,547	9	10	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	850	50	3,538	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	36	37	38	0	0	0	0	0	0
Increase/(Decrease) in reserves	24	(44)	29	157	156	185	185	185	185	185	185
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	874	6	3,603	194	194	185	185	185	185	185	185
Surplus/(Deficit) of Capital Funding (C-D)	(24)	44	(-56)	(185)	(184)	(185)	(185)	(185)	(185)	(185)	(185)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		56	56	185	185	185	185	185	185	185	185

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - EMERGENCY MANAGEMENT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	50,000	3,537,658	-	-	-	-	-	-	-	-	3,587,658
Emergency Management Capital Works	50,000	3,537,658	-	-	-	-	-	-	-	-	3,587,658
Renewal	-	36,050	37,132	38,245	-	-	-	-	-	-	111,426
Tsunami Evacuation	-	36,050	37,132	38,245	-	-	-	-	-	-	111,426
Grand Total	50,000	3,573,708	37,132	38,245	-	-	-	-	-	-	3,699,084

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Marine Precinct



How this affects you

To deliver one of New Zealand's top Marine Precinct facilities that will service the Bay and wider New Zealand efficiently and create the 'one-stop shop' for the servicing needs of the marine industry. It contributes to the Tauranga lifestyle and economically supports local marine based business, retail, accommodation, restaurants and tourism sectors.

What we do

The Tauranga Harbour Marine Precinct is a project to deliver provides a purpose-built marine servicing facility at Sulphur Point. The precinct will provide a base for boat building and refit businesses in Tauranga and will be managed by Tauranga City Council under the Vessel Works brand.

We will provide the marine industry with access to efficient and reliable large/heavy vessel lifting and hardstand facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average annual hardstand occupancy	64%	40%	50%	60%	70%
We will provide the marine industry with access to quality berthing facilities, for working vessels, that are well utilised and fit for purpose	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Average annual berth occupancy	53%	>65%	>65%	>65%	>65%
We will provide the fishing industry with facilities (wharfs) that are readily accessible, fit for purpose and commercially viable. These facilities are to enable fish to be unloaded and access to existing private sector ice loading facilities	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of customers satisfied with fish unloading facilities and access to existing ice loading facilities	Not measured	80%	80%	80%	80%

SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Facility operations have risks associated with creating air and water pollution.				●	The facility has a range of resource consents it needs to adhere with. To support compliance with the consents, an extensive environmental compliance programme is in place.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - MARINE PRECINCT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	1,109	1,003	1,032	1,115	1,147	1,180	1,212	1,246	1,281	1,317	1,352
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Operating Funding (A)	1,109	1,003	1,032	1,115	1,147	1,180	1,212	1,246	1,281	1,317	1,352
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	397	1,312	1,273	1,312	1,350	1,391	1,429	1,472	1,513	1,558	1,601
Finance Costs	42	551	635	774	898	960	1,056	1,124	1,197	1,273	1,354
Internal Charges and Overheads applied	232	269	308	340	367	389	412	429	450	470	480
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	671	2,132	2,216	2,426	2,615	2,740	2,897	3,025	3,160	3,301	3,435
Surplus/(Deficit) of Operating Funding (A-B)	438	(1,129)	(1,184)	(1,311)	(1,468)	(1,560)	(1,685)	(1,779)	(1,879)	(1,984)	(2,083)

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - MARINE PRECINCT											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	505	1,019	1,195	4,530	102	0	0	0	0	0	0
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	455	999	257	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	960	2,018	1,452	4,530	102	0	0	0	0	0	0
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	959	2,019	1,452	4,530	102	0	0	0	0	0	0
- to replace existing assets	1,033	501	530	114	250	257	265	272	281	289	297
Increase/(Decrease) in reserves	(595)	(1,631)	(1,714)	(1,425)	(1,718)	(1,817)	(1,950)	(2,051)	(2,160)	(2,273)	(2,380)
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	1,398	889	268	3,219	(1,366)	(1,560)	(1,685)	(1,779)	(1,879)	(1,984)	(2,083)
Surplus/(Deficit) of Capital Funding (C-D)	(438)	1,129	1,184	1,311	1,468	1,560	1,685	1,779	1,879	1,984	2,083
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		622	716	739	820	850	879	911	944	978	1,011

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - MARINE PRECINCT											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	2,018,716	1,451,969	4,530,042	101,621	-	-	-	-	-	-	8,102,348
Marine Precinct Upgrades & Renewals	2,018,716	1,451,969	4,530,042	101,621	-	-	-	-	-	-	8,102,348
Renewal	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Marine Precinct Upgrades & Renewals	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Grand Total	2,519,533	1,981,770	4,644,101	351,456	257,334	264,536	272,470	280,656	289,070	297,163	11,158,091

Regulatory and Compliance



How this affects you

Our activities promote a safe and healthy environment for people and animals, ensuring that building work is safe and meets code, and that our city develops in the right way. We ensure that bylaws are consistently applied, and that people are educated about their responsibilities.

What we do

We administer Acts, Regulations, Bylaws and Policies relating to:

- animals
- buildings are developed in a safe and compliant manner
- environmental planning
- environmental health and licensing
- monitoring regulations

Activities Include

- Animal Services
- Building Services
- Environmental Health and Licensing
- Environmental Planning
- Regulation Monitoring

Animal Services

We will provide an effective dog registration process that supports a safe community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
All known dogs are registered, or appropriate enforcement action is taken.	96%	100%	100%	100%	100%

Animal Services

We will provide a prompt response time to animal behavioural issues	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
All urgent animal requests are responded to within 60 minutes where there is an ongoing risk to safety	98%	100%	100%	100%	100%

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Animal Services

We will provide dog management and behavioural education to the community	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Provide educational presentations regarding dog handling, management and bite prevention to schools and other relevant businesses	New Measure	15 (events)	15 (events)	15 (events)	15 (events)

Building Services

We will provide technical advice and consent decisions within statutory timeframes	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of building consent applications processed within legal timeframes	95%	98%	98%	99%	99%
Carrying out of building inspections (on average)	7-10 days	4 days	4 days	4 days	4 days

Building Services

We will ensure all private pools barriers within Tauranga City are safe and compliant	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of properties with compliant pool fencing or appropriate enforcement action is taken.	98%	100%	100%	100%	100%

Building Services

Ensure Building warrant of fitness are current and compliant.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Ensure Building warrant of fitness are renewed on time and are compliant with the building compliance schedule	New Measure	92%	94%	95%	95%

Environmental Health and Licensing

We will undertake audits of all food premises registered with Tauranga City Council	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of TCC verified food premises that have been inspected and had appropriate enforcement action taken	New Measure	100%	100%	100%	100%

Environmental Health and Licensing

Council will aim to reduce alcohol-related harm by annually inspecting alcohol licensed premises to ensure compliance with the Sale and Supply of Alcohol Act 2012 and licensing conditions in general.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of new and renewed licensed premises inspected and appropriate enforcement action taken	New Measure	100%	100%	100%	100%

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Environmental Planning

We will meet the community's expectations through making informed decisions, delivering fit for purpose vested infrastructure through robust engineering assessments and by taking an education first approach to compliance.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of new resource consent applications processed within statutory timeframes	90%	95%	95%	95%	95%
Percentage overall satisfaction with level of advice given, response times and clarity of communication	New Measure	70%	75%	80%	80%
Percentage of compliance and enforcement actions undertaken following the principles set out in the R&C Compliance Charter and Strategy	New Measure	85%	95%	100%	100%
Percentage of building consent, resource consent and service connection applications are assessed for development contributions as well as invoiced and collected as appropriate.	100%	100%	100%	100%	100%

Environmental Planning

We will undertake noise monitoring to ensure community amenity is protected from excessive and unreasonable noise	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of noise complaints that are attended and are resolved through appropriate enforcement action.	New Measure	100%	100%	100%	100%

Regulation Monitoring

We will monitor traffic and parking bylaw and related legislation, taking an education approach to raise awareness in the community, or enforcement where appropriate.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Respond to all parking complaints within 24 hours	92%	100%	100%	100%	100%
Enforce parking compliance at known hotspot areas (events, sports fields, markets) and during school patrols on average at least 2 times per week	New Measure	100%	100%	100%	100%

Regulation Monitoring

We will monitor the Freedom Camping Bylaw	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
a) Daily patrols of key designated and prohibited freedom camping sites from Nov-April. b) Patrol same sites 4 nights a week from May-Oct.	New Measure	100%	100%	100%	100%
And appropriate action is taken regarding breaches of the bylaw - education and/or enforcement					

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Dog ownership can lead to barking and roaming dogs	●			●	Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Dog ownership can lead to dog attacks on people and other animals.	●			●	Robust dog control policy focusing on minimising danger, distress or nuisance by dogs to the public.
Keeping of bees can cause nuisance to neighbouring properties or serious injury for allergic people	●			●	Dog owner education and enforcement of regulations
Keeping of poultry or other animals can cause smell and nuisance to neighbours	●			●	Dog bite prevention training and education
Building and Resource consent decisions and delivery of information on Building Act, City Plan and development matters can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	●				Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Resource consent decisions, development, delivery of information on and monitoring of the City Plan and resource consents can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	●	●	●	●	Through the use of owner education initiatives and, if necessary, enforcement of regulations.
Input into the resource consent process can result in vested infrastructure that is not fit for purpose and community use.	●	●	●	●	Council addresses this by ensuring that the team is resourced effectively, and staff have adequate access to all relevant information and are appropriately trained/qualified to make robust decisions to ensure that effects are kept to a minimum.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - REGULATORY AND COMPLIANCE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	5,764	6,214	6,939	7,323	8,021	8,148	8,313	8,399	8,533	8,665	8,655
Targeted Rates	0	0	0	0	0	0	0	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	13,934	18,566	19,703	20,813	21,975	23,263	24,612	26,061	27,567	29,161	30,812
Internal charges and overheads recovered	(22)	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees, and other receipts	154	149	155	160	165	172	179	186	193	200	208
Total Sources of Operating Funding (A)	19,830	24,929	26,797	28,296	30,161	31,583	33,104	34,646	36,293	38,026	39,675
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	13,525	16,296	17,228	17,780	18,201	18,619	19,106	19,648	20,191	20,755	21,332
Finance Costs	130	195	260	339	412	501	579	648	706	751	782
Internal Charges and Overheads applied	8,327	9,830	11,266	12,141	13,974	14,500	15,234	15,759	16,402	17,054	17,379
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	21,982	26,321	28,754	30,260	32,587	33,620	34,919	36,055	37,299	38,560	39,493
Surplus/(Deficit) of Operating Funding (A-B)	(2,152)	(1,392)	(1,957)	(1,964)	(2,426)	(2,037)	(1,815)	(1,409)	(1,006)	(534)	182

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - REGULATORY AND COMPLIANCE											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	0	285	350	11	17	24	12	79	18	37	22
Gross proceeds from the sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	0	285	350	11	17	24	12	79	18	37	22
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve level of service	0	215	350	11	11	11	12	12	12	13	13
- to replace existing assets	0	73	0	0	6	16	1	67	6	25	9
Increase/(Decrease) in reserves	(2,152)	(1,395)	(1,957)	(1,964)	(2,426)	(2,040)	(1,816)	(1,409)	(1,006)	(535)	182
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	(2,152)	(1,107)	(1,607)	(1,953)	(2,409)	(2,013)	(1,803)	(1,330)	(988)	(497)	204
Surplus/(Deficit) of Capital Funding (C-D)	2,152	1,392	1,957	1,964	2,426	2,037	1,815	1,409	1,006	534	(182)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0
		2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
Depreciation and amortisation		482	485	487	507	505	472	472	473	473	473

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - REGULATORY AND COMPLIANCE											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Level of Service	215,000	350,200	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	659,393
Animal Services Minor Capital Works	5,000	-	-	-	-	-	-	-	-	-	5,000
Animal Services Pound Upgrades	200,000	339,900	-	-	-	-	-	-	-	-	539,900
Regulatory Services Minor Capital Works	10,000	10,300	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	114,493
Renewal	72,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	201,914
Animal Services Minor Capital Works	72,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	201,914
Grand Total	287,949	350,200	10,609	17,308	27,454	12,221	78,534	17,940	37,240	21,851	861,307

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Spaces and Places



How this affects you

We provide services and spaces that make Tauranga a better place to live while helping to connect our communities.

What we do

We provide cemetery and cremation services, quality beachside accommodation, safe and well-maintained marine facilities, attractive parks, and quality urban spaces.

Activities Include

- Cemeteries
- Mount Beachside Holiday Park
- Marine Facilities
- Spaces and Places

Mount Beachside Holiday Park

We will provide a range of accommodation options for visitors to the region	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Number of Guest Nights	67,950	75,000	77,000	80,000	83,000

Spaces and Places

We will provide a network of open spaces, parks, and playgrounds for the use of residents and visitors to the city.	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residential households that are within 500m of an open space	91%	90%	90%	90%	90%

Spaces and Places

We will provide a network of playgrounds enabling a variety of experiences for all age groups. Playgrounds can be targeted at young children, older children or can be exercise equipment for both adults and children	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Percentage of residential households that are within 500m of a playground	60%	65-70%	65-70%	65-70%	65-70%

Spaces and Places

We will provide high quality coastal and reserve land and structures, including	2019/20 Result	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 – 2030/31 Target
Removal of 20 coastal encroachments from public land each year.	0	20	20	20	20
The amount of Parks land protected in the City Plan as a Special Ecological Area that is restored.	71%	Additional 2%	Additional 2%	Additional 2%	Additional 2%

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SIGNIFICANT EFFECTS OF PROVIDING THIS ACTIVITY					
Negative effects/issue and risks	Wellbeing				Mitigation
	Social	Cultural	Economic	Environmental	
Carbon generated through the use of petrochemical-driven maintenance operations.			●	●	Annual planting programmes to offset the carbon emissions. Encourage alternative maintenance techniques when tendering maintenance works.
Noise from events or activities causing disruption to residential areas.	●			●	Have appropriate opening and closing hours for facilities to reduce noise impacts. Require resource consents for events or activities that are likely to be outside City Plan standards for noise. Ensure appropriate acoustic treatments are provided when designing and constructing new facilities. Prepare and implement reserve management plans through engagement with the community, that recognise appropriate and inappropriate use of reserves in residential areas.
Upgrading of reserve infrastructure, more people active and exposed to environmental effects and sun exposure.	●	●	●	●	Planting programme to provide shade in future years. Species that cause health effects avoided. Artificial shade structures used where appropriate. Rest points and facilities provided in open space.
Wastewater disposal and resilience of facilities on the coastal strip			●	●	Placement and design components of the facilities upgraded to provide longevity. Wastewater disposal completed in line with city plan, resource consent or building consent matters.
Use of agrichemicals presents a risk to public health.	●	●		●	Where possible apply alternative means of vegetation management. Comply with Regional Air Plan and New Zealand Standards including advertising, signage and safety equipment. Comply with Council's own policies relating to use of agrichemicals.
Increasing demand – growth increasing demand on boat ramps and associated facilities such as car parking surrounding these facilities.	●			●	Regularly review existing sites to assess potential for expansion. Investigate potential new sites for development or expansion. Investigate user pays to manage demand.
Increasing development in the harbour through new Marine infrastructure having a negative impact on the health of the harbour.		●		●	Work with BOPRC to include conditions in resource consents that ensure new Marine activities have safeguards to minimise their impact on the harbour.
Undertaking commercial activity on a reserve can have potential negative environmental impacts.				●	Beachside Holiday Parks takes steps to be sustainable, to minimise waste and other adverse environmental effects.

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SPACES AND PLACES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	43,567	47,352	50,663	52,928	54,515	57,856	59,929	63,075	64,913	64,888	65,820
Targeted Rates	157	4,816	5,142	5,992	6,199	8,205	26,354	29,884	31,970	35,875	38,260
Subsidies and grants for operating purposes	110	68	70	72	74	77	79	81	83	85	88
Fees and charges	4,375	5,187	5,578	5,868	6,112	6,588	8,782	8,887	9,298	11,391	12,115
Internal charges and overheads recovered	(162)	(1)	(1)	0	0	0	1	1	2	3	3
Local authorities fuel tax, fines, infringement fees, and other receipts	515	515	515	515	515	515	515	515	515	515	515
Total Sources of Operating Funding (A)	48,562	57,937	61,967	65,375	67,415	73,241	95,660	102,443	106,781	112,757	116,801
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	32,683	38,153	35,909	38,031	36,359	37,759	42,108	45,292	44,873	48,274	52,426
Finance Costs	5,881	5,974	6,609	6,775	7,566	9,836	14,024	15,685	16,549	17,033	17,919
Internal Charges and Overheads applied	5,209	7,218	8,269	9,084	10,089	10,637	11,226	11,671	12,234	12,755	13,020
Other Operating Funding applications	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Operating Funding (B)	43,773	51,345	50,787	53,890	54,014	58,232	67,358	72,648	73,656	78,062	83,365
Surplus/(Deficit) of Operating Funding (A-B)	4,789	6,592	11,180	11,485	13,401	15,009	28,302	29,795	33,125	34,695	33,436

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SPACES AND PLACES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	0	9,051	36,000	0	0	0	0	0	0	0
Development and financial contributions	992	1,422	1,549	1,121	1,314	1,336	1,372	1,328	1,476	1,476	1,476
Increase/(Decrease) in debt	13,583	12,524	23,084	(4,402)	53,365	77,141	72,772	36,565	32,182	27,222	61,094
Gross proceeds from the sale of assets	0	2,000	0	0	0	0	0	0	0	0	0
Lump sum contributions	2,265	695	1,674	4,483	8,661	10,353	1,362	4,621	4,327	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	16,840	16,641	35,358	37,202	63,340	88,830	75,506	42,514	37,985	28,698	62,570
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	2,278	5,294	4,424	11,706	17,054	49,459	52,109	25,978	20,386	23,706	46,269
- to improve level of service	22,214	18,057	33,077	28,479	57,643	57,133	33,387	27,894	27,191	6,967	20,898
- to replace existing assets	5,066	4,157	6,328	11,455	7,144	5,924	4,323	5,455	4,776	7,846	7,708
Increase/(Decrease) in reserves	(7,929)	(4,275)	2,709	(2,953)	(5,100)	(8,677)	13,989	12,982	18,757	24,874	21,131
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	21,629	23,233	46,538	48,687	76,741	103,839	103,808	72,309	71,110	63,393	96,006
Surplus/(Deficit) of Capital Funding (C-D)	(4,789)	(6,592)	(11,180)	(11,485)	(13,401)	(15,009)	(28,302)	(29,795)	(33,125)	(34,695)	(33,436)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SPACES AND PLACES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	6,671,412	4,022,418	1,782,609	2,242,100	2,605,840	2,826,311	2,911,076	3,910,269	4,027,497	4,140,266	35,139,798
Neighbourhood Reserves & Other Minor Capital Projects	3,550,185	-	-	-	-	-	-	-	-	-	3,550,185
Parks Projects to Support CFIP Initiatives	-	-	-	327,810	168,825	-	-	-	-	-	496,635
Vested Assets	1,621,227	2,079,941	1,573,187	1,914,290	2,437,015	2,826,311	2,911,076	3,910,269	4,027,497	4,140,266	27,441,080
WC Existing Growth Areas	1,500,000	1,942,477	209,422	-	-	-	-	-	-	-	3,651,899
Growth & Level of Service	802,747	4,462,906	13,581,661	36,804,085	62,110,908	39,542,452	36,882,320	31,162,135	12,276,353	21,523,032	259,148,599
Accessible Recreation & Sporting Experiences	-	2,179,804	180,505	565,632	-	-	-	-	2,528,600	-	5,454,541
Community Facilities Investment Plan (CFIP)	342,747	2,066,801	13,257,935	36,090,939	62,043,378	39,473,032	36,810,818	31,088,485	9,102,960	21,445,050	251,722,145
Parks Projects to Support CFIP Initiatives	-	-	-	-	-	-	-	-	568,935	-	568,935
TECT Park Development	460,000	216,300	143,222	147,515	67,530	69,420	71,502	73,650	75,858	77,982	1,402,978
Level of Service	18,059,422	34,856,059	27,897,664	38,887,917	52,932,748	47,546,406	19,059,965	17,990,084	19,796,834	47,373,415	324,400,514
Accessible Recreation & Sporting Experiences	5,163,666	6,862,766	10,051,798	11,730,471	10,681,342	1,404,598	953,360	1,381,708	2,010,165	11,437,360	61,677,235
Bay Venues New Capital	2,511,727	3,708,672	1,451,161	1,323,109	8,620,262	1,593,433	2,070,380	1,576,011	1,400,077	1,729,511	25,984,341
Beachside Holiday Park Capital Programme	430,000	257,500	297,052	-	-	-	-	-	-	-	984,552
Bus Infrastructure	-	-	106,090	-	-	-	-	-	-	-	106,090
Capital Delivery Adjustments	-5,500,000	-1,030,000	-1,060,900	-	-	-	-	1,227,500	1,264,300	7,148,350	2,049,250
Cemeteries Capital Programme	-1,681,517	808,478	47,741	54,635	5,628	5,785	5,959	6,138	6,322	6,499	-734,335
Civic Rebuild Capital Programme	-	10,808,751	8,379,250	11,844,499	27,584,255	24,132,718	1,850,527	-	-	-	84,599,998
Community Facilities Investment Plan (CFIP)	-	-	-	-	-	-	595,850	613,750	7,585,800	3,899,100	12,694,500
Infrastructure Resilience Capital Works	-	-	-	-	-	1,157,000	1,191,700	1,227,500	1,264,300	-	4,840,500
Kopurererua Valley Development	2,599,000	2,636,269	2,431,084	-	-	-	-	-	-	-	7,666,353
Marine Facilities Upgrades & Renewals	-	-	-	-	363,114	364,455	3,811,950	3,949,452	316,075	-	8,805,047
Mauao Placemaking & Interpretation Projects	738,760	1,118,849	-	-	-	-	-	-	-	-	1,857,609
Mount Intensification	-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Neighbourhood Reserves & Other Minor Capital Projects	7,237,798	2,989,374	1,767,889	1,642,328	1,007,323	1,000,805	715,020	704,401	766,166	1,447,606	19,278,709

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SPACES AND PLACES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Otumoetai Intensification	-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Parks LOS Capital Development	-	1,835,872	129,854	819,525	-	-	-	-	-	779,820	3,565,071
Parks Projects to Support CFIP Initiatives	-	-	-	-	168,825	2,788,762	-	429,625	-	-	3,387,212
Strand Extension & Waterfront Access	-	515,000	3,182,700	2,731,750	-	-	-	-	-	-	6,429,450
Te Papa Intensification	-	51,500	1,113,945	8,741,600	4,502,000	15,098,850	7,746,050	6,751,250	5,057,200	20,795,200	69,857,595
Vested Assets	433,031	-	-	-	-	-	-	-	-	-	433,031
City Centre Streetscape	5,126,957	1,275,129	-	-	-	-	-	-	-	-	6,402,086
Omanawa Falls Development	1,000,000	3,017,900	-	-	-	-	-	-	-	-	4,017,900
Renewal	4,106,815	6,276,867	11,401,910	7,144,103	5,924,412	4,322,558	5,455,318	4,775,804	7,846,179	7,707,529	64,961,495
Beachside Holiday Park Capital Programme	140,729	386,041	62,654	51,842	170,656	136,645	232,476	68,590	1,068,334	396,727	2,714,693
Cemeteries Capital Programme	53,624	147,603	172,910	68,753	83,368	53,958	29,638	241,863	95,313	104,714	1,051,743
Marine Facilities Upgrades & Renewals	1,536,883	2,335,153	7,321,975	2,232,767	686,239	160,169	455,252	49,962	-	16,257	14,794,657
Parks Renewals	1,874,490	2,607,190	3,243,917	4,644,053	4,021,946	3,674,860	4,002,504	4,031,462	5,965,181	6,380,034	40,445,637
Prop Management Upgrades & Renewals	501,089	800,881	600,455	146,688	962,203	296,926	735,448	383,926	717,351	809,798	5,954,765
Grand Total	29,640,396	49,618,250	54,663,844	85,078,205	123,573,908	94,237,727	64,308,679	57,838,291	43,946,863	80,744,242	683,650,405

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Support Services

Support Services are services that predominantly provide internal support to the organisation.

These internal activities assist in the effective and efficient delivery of all Council services, and include the following activities:

- Asset Services
- Capital Programme Assurance Division (CPAD)
- Strategic Investment & Commercial Facilitation
- Digital Services
- Finance
- Legal, Risk and Procurement
- Health and Safety
- Human Resources
- Property Management
- Strategy and Corporate Planning

Asset Services

This activity ensures assets vested to Council and used by the public are fit-for-purpose and that Council's assets are managed in accordance with best practice providing best value for investment in infrastructure for the community.

Strategic Investment & Commercial Facilitation

The activity supports the strategic planning of works and projects involving Council's property needs and existing property assets, to enable the city's growth and success as a city that is well-connected, has good infrastructure and other civic facilities, attracts and supports a range

of business and education opportunities, and is well-connected with a range of sustainable transport choices. The activity seeks to deliver strategic property that is appropriately planned, managed, and utilised for the benefit of the community.

Digital Services

Digital Services assists Tauranga City Council to meet its long-term plan goals and the community through the provision of digital products and engagement platforms.

Finance

The finance function ensures that Council can continue to deliver services to the community to meet the four wellbeings and delivers on agreed priority outcomes into the future in a way that is affordable and financially sustainable.

Capital Programme Assurance Division (CPAD)

Providing assurance that the organisations capital programme is planned and executed effectively and consistently and delivers on the agreed community outcomes.

Legal, Risk and Procurement

A major organisational priority is the improvement of the project delivery functions. The Legal and Commercial teams have been identified as a critical component to achieving that outcome (working alongside the Capital Projects Assurance Division, and directors of Transport, Waters and Spaces and Places).

Improved procurement and risk management capability have been identified as key workstreams in the project delivery change management project.

The Procurement team support the organisation to deliver the right outcomes for Council and enable the business to function effectively. Decisions are made in a commercially astute manner that are both fair and transparent, achieving the best possible outcomes for our customers and the community.

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The Risk team provides a platform to enable objectives to be clearly defined, and the risks to achieving those objectives to be considered and systematically minimised. Business continuity ensures the business can continue to operate through disruption.

The in-house legal team provides cost effective advice and legal support for all areas of Council, and acts as a liaison to external legal counsel or insurers.

Health and Safety

We are committed to ensuring that all of our people are healthy and safe every day at work. By actively promoting health and safety we will provide a better work environment that contributes to our success, and ultimately deliver better outcomes for our community.

Human Resources

We provide people-related activities and services that focus on ensuring our employees are informed, engaged and motivated so they can deliver for our community, now and in the future.

Property Management

Council holds land and buildings for a strategic future purpose or immediate benefit to the wider community. Property Management works with the community and other Asset Managers to make sure that we best utilise our assets to either generate revenue or provide a community benefit.

Strategy and Corporate Planning

A successful city balances social, cultural, economic and environmental wellbeing, alongside effective urban form and transport. The Strategy and Corporate Planning team supports the mayor and councillors and the organisation to make good decisions and ensures that Council is future focussed and keeping up with the pace of change.

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUPPORT SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	(8,478)	(8,957)	(8,112)	(5,684)	(5,430)	(5,419)	(13,861)	(11,156)	(12,154)	(12,687)	(12,352)
Targeted Rates	(2)	0	349	1,628	7,102	613	3,728	776	1,552	1,569	1,586
Subsidies and grants for operating purposes	(1,768)	401	413	425	437	450	462	475	488	502	515
Fees and charges	8,997	7,314	7,004	7,207	7,416	8,579	8,810	9,146	9,402	9,666	9,926
Internal charges and overheads recovered	70,436	83,553	94,968	104,927	117,460	127,616	149,198	156,087	164,269	174,189	181,571
Local authorities fuel tax, fines, infringement fees, and other receipts	711	958	1,512	2,100	2,498	2,878	3,190	3,736	3,746	4,040	4,147
Total Sources of Operating Funding (A)	69,896	83,269	96,134	110,603	129,483	134,717	151,527	159,064	167,303	177,279	185,393
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	39,530	48,516	49,893	53,292	57,310	60,138	62,952	64,874	67,428	70,417	71,555
Finance Costs	(8,202)	(9,170)	(9,319)	(6,804)	(6,456)	(6,520)	(15,145)	(12,903)	(14,605)	(15,519)	(15,746)
Internal Charges and Overheads applied	33,541	34,596	39,491	43,561	48,730	55,808	72,885	77,060	82,003	87,614	93,380
Other Operating Funding applications	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Applications of Operating Funding (B)	66,069	75,142	81,265	91,249	100,784	110,626	121,892	130,231	136,026	143,712	150,389
Surplus/(Deficit) of Operating Funding (A-B)	3,827	8,127	14,869	19,354	28,699	24,091	29,635	28,833	31,277	33,567	35,004

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TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - SUPPORT SERVICES											
	2020/2021 Annual Plan Budget \$000's	2021/2022 LTP Budget \$000's	2022/2023 LTP Budget \$000's	2023/2024 LTP Budget \$000's	2024/2025 LTP Budget \$000's	2025/2026 LTP Budget \$000's	2026/2027 LTP Budget \$000's	2027/2028 LTP Budget \$000's	2028/2029 LTP Budget \$000's	2029/2030 LTP Budget \$000's	2030/2031 LTP Budget \$000's
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	0	2,435	0	0	0	1,250	0	0	0	0	0
Development and financial contributions	2	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease) in debt	39,764	1,105	19,186	27,859	(891)	24,081	19,718	20,506	21,537	23,278	25,134
Gross proceeds from the sale of assets	1,484	20,500	0	0	21,854	0	0	0	0	0	0
Lump sum contributions	98	0	362	1,303	2,327	2,000	4,500	3,500	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	41,348	24,040	19,548	29,162	23,290	27,331	24,218	24,006	21,537	23,278	25,134
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	0	5,000	5,150	5,305	5,464	5,628	5,785	5,959	6,138	6,322	6,499
- to improve level of service	38,463	21,842	17,267	27,837	16,053	19,718	17,281	17,230	15,024	16,578	18,297
- to replace existing assets	7,340	3,012	3,324	3,552	2,392	3,277	2,847	3,880	2,924	3,347	3,444
Increase/(Decrease) in reserves	(627)	2,313	8,676	11,822	28,080	22,799	27,940	25,770	28,728	30,598	31,898
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	45,175	32,167	34,417	48,516	51,989	51,422	53,853	52,839	52,814	56,845	60,138
Surplus/(Deficit) of Capital Funding (C-D)	(3,827)	(8,127)	(14,869)	(19,354)	(28,699)	(24,091)	(29,635)	(28,833)	(31,277)	(33,567)	(35,004)
Funding balance ((A-B)+(C-D))											
	0	0	0	0	0	0	0	0	0	0	0

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TAURANGA CITY COUNCIL: CAPITAL EXPENDITURE - SUPPORT SERVICES											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total Ten Years
Growth	-3,000,000	5,150,000	5,304,500	-16,390,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	27,392,500
Strategic Acquisitions & Disposals	-3,000,000	5,150,000	5,304,500	-16,390,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	27,392,500
Level of Service	9,342,031	17,267,223	27,296,987	14,418,830	14,992,894	12,383,211	13,628,148	15,023,500	16,577,634	18,297,231	159,227,689
Civic Rebuild Capital Programme	6,289,200	3,734,574	7,883,548	-	-	-	-	-	-	-	17,907,322
Digital Services Capital Programme	12,467,705	12,466,366	17,703,549	12,876,226	14,880,344	12,267,511	13,508,978	14,900,750	16,451,204	18,167,261	145,689,894
Growing Communities Smart Hub	-	602,783	1,338,575	1,378,699	-	-	-	-	-	-	3,320,056
Health & Safety Risk Control Capital	500,000	463,500	371,315	163,905	112,550	115,700	119,170	122,750	126,430	129,970	2,225,290
Parking Infrastructure	150,000	-	-	-	-	-	-	-	-	-	150,000
Strategic Acquisitions & Disposals	-12,500,000	-	-	-	-	-	-	-	-	-	-12,500,000
Waters CIP	2,435,126	-	-	-	-	-	-	-	-	-	2,435,126
Renewal	3,011,890	3,323,522	3,552,373	2,392,470	3,277,029	2,847,392	3,880,296	2,923,582	3,346,545	3,444,132	31,999,231
Digital Services Capital Programme	2,479,248	3,182,692	3,415,282	2,303,294	3,181,970	2,785,197	3,778,411	2,796,549	3,122,970	3,358,256	30,403,869
Support Services Minor Renewals	532,642	140,830	137,091	89,176	95,060	62,195	101,884	127,033	223,575	85,876	1,595,361
Grand Total	9,353,921	25,740,744	36,153,859	420,800	23,897,423	21,015,603	23,466,943	24,084,582	26,245,680	28,239,863	218,619,419

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Variations

Variation between territorial authority's long-term plan and assessment of water and sanitary services and waste management plans.

Variations to Wastewater Sanitary Assessment

There are no significant variations.

Variations to Stormwater Sanitary Assessment

There are no significant variations.

Waste Management and Minimisation Plan

There are no variances between this Long-term Plan and the current Waste Management and Minimisation Plan (WMMP), adopted by Council in September 2016.

A WMMP is a strategic document which sets out Council's objectives, goals and actions for achieving effective and efficient waste management and minimisation. The Waste Minimisation Act 2008 requires councils to adopt a WMMP and review existing plans every six years.

The new Council kerbside waste and recycling service started on 1 July 2021.

Council Controlled Organisations (CCO)

To achieve specific objectives for Tauranga, we have established several Council Controlled Organisations. These organisations, supported by Tauranga City Council, manage Council facilities and/or deliver significant services on behalf of Council and the Tauranga community. Each organisation has developed a Statement of Intent with Tauranga City Council.

Council Controlled Organisations are:

- Bay of Plenty Local Authority Shared Services (BOPLASS)
- Bay Venues Limited (BVL)
- Local Government Funding Agency Limited (LGFA)
- Tauranga Art Gallery Trust (TAG)
- Western Bay of Plenty Tourism and Visitors Trust, trading as Tourism Bay of Plenty (TBOP)

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Bay of Plenty Local Authority Shared Services (BOPLASS)

BOPLASS is a company owned by nine councils in the Bay of Plenty/Gisborne regions, which investigates, develops and delivers shared services, and undertakes joint procurement where this is appropriate.

This centralised approach enables Council to benefit through improved levels of service, reduced costs, and improved efficiencies, which optimises value to the community.

We will facilitate services and procurement which provide savings and efficiencies to Council	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Investigate new joint procurement initiatives for goods and services for BOPLASS councils	Achieved	≥4	≥4	≥4	To be set in further Statement of Intent
Identify opportunities to collaborate with other Local Authority Shared Services in procurement or shared service projects where alliance provides benefits to all parties	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Increase usage of the Collaboration Portal for listed projects and active users	Achieved	Projects ≥5% on previous year Usage ≥10% on previous year	Projects ≥5% on previous year Usage ≥10% on previous year	Projects ≥5% on previous year Usage ≥10% on previous year	To be set in further Statement of Intent

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We will facilitate services and procurement which provide savings and efficiencies to Council	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Communicate annually with each shareholding council at appropriate levels	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Ensure current funding model is appropriate	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the BOPLASS website: www.boplass.govt.nz

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Bay Venues Limited (BVL)

BVL provides essential social infrastructure including our City's premier venues for sporting, leisure and recreation and culture through an effective and efficient service delivery mechanism at the least possible cost to ratepayers.

BVL is charged with delivering outcomes that support the strategic objectives of TCC in a financially sustainable way and deliver on the Performance Measures outlined in the Statement of Intent for 2021-2024. BVL owns 24 facilities in Tauranga comprising five aquatic facilities, a stadium and speedway, one large contemporary multi-purpose recreation and event centre, three smaller recreation facilities, two community centres, two community share facilities and eight community halls and a high performance sports training centre.

In addition, BVL operates venue-based businesses, programmes, services and events.

We will provide customers with facilities that are of a high quality, accessible, and able to be utilised safely	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Health and safety - declining trend in facility related incidents measured from previous year.	Achieved	Declining	Declining from Year 1	Declining from Year 2	To be set in further Statement of Intents
Asset management - number of major service disruptions (greater than 4 hours) due to asset maintenance or operational deficiencies	Achieved	Nil	Nil	Nil	To be set in further Statement of Intents
Staff engagement – increasing trend in staff survey results measured from previous year	New measure	Increasing	Increasing from Year 1	Increasing from Year 2	To be set in further Statement of Intents

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We will provide customers with facilities that are of a high quality, accessible, and able to be utilised safely	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Percentage of customers satisfied or higher in annual customer satisfaction survey	Achieved	85%	85%	85%	To be set in further Statement of Intent
Community outputs - undertake all 13 actions/ activities identified in Schedule A of the Statement of Intent.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Actions from strategic implementation plan (listed in section 4) are completed.	New measure	>85%	>85%	>85%	To be set in further Statement of Intent

We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Achieve budgeted EBITDA (Earnings before interest, tax, depreciation and amortization)	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the BVL website: www.bayvenues.co.nz

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Local Government Funding Agency Limited (LGFA)

The LGFA provides certainty of access to debt markets, enabling Council to obtain funds at the best possible rate to fund projects of benefit to the community.

The LGFA is a partnership between Participating Local Authorities and the Government which enables councils to secure funding at lower interest margins and to make longer-term borrowings. The LGFA raises debt on behalf of local authorities through domestic and offshore sources, at a rate that is more favourable than that which would be secured if the council was to raise debt directly.

We will monitor total operating income	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total operating income for the period to be monitored.	Achieved	>\$19.10M	>\$18.50M	>\$19.70M	To be set in further Statement of Intent

We will monitor issuance costs and operating expenses within budget	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Annual issuance and operating expenses (excluding Approved Issuer Levy) for the period to be budgeted and monitored.	Achieved	<\$7.20M	<\$7.30M	<\$7.40M	To be set in further Statement of Intent

We will increase total lending available to Participating Local Authorities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Achieve total lending to Participating Local Authorities	Achieved	≥\$13,294M	≥\$14,515M	≥\$15,623M	To be set in further Statement of Intent
Achieve market share of all council borrowing in New Zealand	Achieved	≥80%	≥80%	≥80%	To be set in further Statement of Intent

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We will provide Participating Borrowers with a high level of satisfaction	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Percentage of Participating Borrowers who borrow from LGFA and are satisfied to the value added by LGFA to the borrowing activities	Achieved	85%	85%	85%	To be set in further Statement of Intent
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

We will ensure policy, regulatory or legislative requirements are maintained	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Review each Participating Borrower's financial position, its headroom under LGFA policies and arrange to meet each Participating Borrower at least annually	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Ensure no breaches of Treasury Policy, any regulatory or legislative requirements including the Health and Safety at Work Act 2015	Not Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent
Maintain a credit rating equal to the New Zealand Government Sovereign rating where both entities are rated by the same credit rating agency	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intent

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the LGFA website: www.lgfa.co.nz

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Tauranga Art Gallery Trust (TAG)

Tauranga Art Gallery serves the residents of Tauranga, Western Bay of Plenty and visitors to the region. TAG seeks to create exceptional art experiences that engage, inspire, challenge and educate.

To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total gallery visitations	Not Achieved	40,000	>60,000	>60,000	>60,000
Develop an SROI (Social Return on Investment) assessment and strategy, to better calculate our economic impact and strategically raise our ROI	New measure	Achieved	Achieved	Achieved	Achieved
Achieve a high level of customer satisfaction	Achieved	80%	80%	80%	80%
Achieve diversity in audiences attending exhibitions	Achieved	Achieved	Achieved	Achieved	Achieved
Present at least one signature exhibition/event annually, attracting no less than 8,500 visitors (including online engagement)	Achieved	Achieved	Achieved	Achieved	Achieved
Investigate options for a regular national event attracting visitors to the city	New measure	Achieved	Achieved	Achieved	Achieved
Maintain good working relationships with Tauranga City Council staff and elected members, observing the 'no surprises' principle.	Achieved	Achieved	Achieved	Achieved	Achieved
Participate in Tauranga City Council's strategic process for a city-wide events strategy.	New measure	Achieved	Achieved	Achieved	Achieved
Deliver exhibitions and other art experiences (including online projects) that cover contemporary and historical content, and feature a range of cultural perspectives.	Achieved	>12	>12	>12	>12
Deliver an active education programme to students	Achieved	>7,500 students	>7,500 students	>7,500 students	>7,500 students
TAG education programme reaches diverse communities, especially through the provision of an ArtBus for school groups	New measure	>30 schools or >160 classes	>30 schools or >160 classes	>30 schools or >160 classes	>30 schools or >160 classes

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To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Funding is raised to support the ArtBus	New measure	Achieved	Achieved	Achieved	Achieved
Continue to identify and expand reach of programmes to schools that for a variety of reasons struggle to attend our exhibitions, including initiating offsite outreach programmes	New measure	Achieved	Achieved	Achieved	Achieved
Deliver offsite education outreach visits	New measure	12	12	12	12
Ethnicity of students is recorded on teacher evaluation forms	New measure	Achieved	Achieved	Achieved	Achieved

To be an anchorage of diversity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Investigate new ways to provide art experiences within the city through partnerships with key stakeholders	Achieved	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group	≥1 off-site exhibition in collaboration with another community group
Collaborate with other organisations to create and promote art opportunities in Tauranga	Achieved	≥1	≥1	≥1	≥1
Develop an annual marketing plan and social media strategy which includes artist-generated content	Achieved	Achieved	Achieved	Achieved	Achieved
Deliver an exhibition focused towards online experiences and new media	New measure	>1	>1	>1	>1
Visitation to the TAG website and social media engagement increases annually	Achieved	Increasing	Increasing on Year 1	Increasing on Year 2	Increasing on Year 3
Increase presence of te reo through TAG website, social media posts, printed material, and exhibition texts	New measure	Achieved	Achieved	Achieved	Achieved
Partner with Tauranga City Council to offer increased opportunities for staff to learn te reo.	New measure	Achieved	Achieved	Achieved	Achieved

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To be anchored in economic sustainability	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Gross revenue target achieved and forecasted expenditure is contained within the approved budget	Achieved	Achieved	Achieved	Achieved	Achieved
Monthly checks on financial processes are performed by an external accountant	New measure	Achieved	Achieved	Achieved	Achieved
Compliance with TAGT Audit Committee Policy, Audit NZ requirements and approved general accounting practices	Achieved	Achieved	Achieved	Achieved	Achieved
Invest in Business Development role in order to identify and grow new diverse revenue streams	Achieved	Achieved	Achieved	Achieved	Achieved
Revise and implement new TAGT funding strategies annually.	Achieved	Achieved	Achieved	Achieved	Achieved
Build relationships with all TAG Entities, including the TAG Friends and TAG Foundation.	New measure	Achieved	Achieved	Achieved	Achieved
No less than 20% of TAGT operating expenditure will be provided from sources other than Council funds.	Achieved	Achieved	Achieved	Achieved	Achieved
The Director will provide information to the Board and work with TAGT to develop strategies for the cost-effectively management of the Gallery and future proofing our facilities.	Achieved	Achieved	Achieved	Achieved	Achieved
TAGT to develop its building maintenance and capital expenditure strategy	New measure	Achieved	Achieved	Achieved	Achieved

To be anchored in environmental sustainability	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Investigate the viability of installing solar power on the roof of the Gallery and annually reviews power consumption	Achieved	Achieved	Achieved	Achieved	Achieved
Investigate ways of reducing its waste by recycling and/or reusing materials as appropriate	Achieved	Achieved	Achieved	Achieved	Achieved
Encourage staff to explore alternative sustainable travel options	New measure	Achieved	Achieved	Achieved	Achieved
Health and safety policy and operational procedures meet statutory requirements and best practice standards of reporting	Achieved	Achieved	Achieved	Achieved	Achieved
Monthly staff meetings are held to identify risks or concerns, with required actions promptly conveyed to all staff	Achieved	Achieved	Achieved	Achieved	Achieved
Health and Safety performance is provided as part of the Director's Report at board meetings	Achieved	Achieved	Achieved	Achieved	Achieved
Work collaboratively with Council management team regarding the development of a Civic Hub	New measure	Achieved	Achieved	Achieved	Achieved

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To be an anchorage of innovation and creativity	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Develop and implement a workplace equity plan that includes sustainable steps to support pay parity, living wage and diversity matters	New measure	Achieved	Achieved	Achieved	Achieved
Implement a staff survey to improve and develop best practice	New measure	Achieved	Achieved	Achieved	Achieved
Professional development is offered to staff in line with their position descriptions	New measure	Achieved	Achieved	Achieved	Achieved
The Māori Engagement Strategy development includes considerations for staff training and support in; tikanga, te reo Māori, and their appropriate application within the TAG environment	New measure	Achieved	Achieved	Achieved	Achieved
As part of the Māori Engagement Strategy development, TAG/TAGT will engage in meaningful discussions and partnerships with tangata whenua	New measure	Achieved	Achieved	Achieved	Achieved
Develop a healthy workplace culture, where staff feel safe and connected	New measure	Achieved	Achieved	Achieved	Achieved

Performance measures included in this document are considered the key performance measure applicable to Council.
More information can be found on the TAG website: www.artgallery.org.nz/trust

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Western Bay of Plenty Tourism and Visitors Trust, trading as Tourism Bay of Plenty (TBOP)

Growth of the visitor economy benefits our community by increasing the numbers of visitors and the money they spend, generating more jobs and sustaining businesses. Visitor expenditure supports social and cultural amenity that the community as a whole benefits from.

Tourism Bay of Plenty is the appointed destination manager and promoter, enabling visitor economy growth and sustainability.

We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total visitor spend	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - domestic	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - international	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent
Measure trends in visitor spend - cruise ship visitor	Not Achieved	Monitor and report	Increasing on Year 1	Increasing on Year 2	To be set in further Statement of Intent

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We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure trends in visitor numbers in the coastal Bay of Plenty	New measure	Monitor and report	Monitor and report	Monitor and report	To be set in further Statement of Intent
Measure the number of jobs provided by the tourism industry	New measure	Monitor and report	Monitor and report	Monitor and report	To be set in further Statement of Intent
We will manage the destination to enhance visitor experience and mitigate social, cultural and environmental impacts	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Total visitor satisfaction as measured by a visitor satisfaction survey	Not Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure potential visitor perceptions – New Zealand market	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure potential visitor perceptions – Australian market	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
i-SITE users' satisfaction as measured by Net Promoter Score	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Measure the impact of tourism on the environment	New measure	Baseline	Implement framework and revise as needed	Continue to implement and revise as needed	To be set in further Statement of Intent

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We will attract visitors and create employment opportunities	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Monitor the number of iwi and hapū with whom TBOP engages	Achieved	>2	>2	>2	To be set in further Statement of Intent
Monitor the strength of TBOP's relationships with iwi and hapū	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by TCC Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by WBOP Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of residents who are satisfied with the operation of the tourism sector as measured by WDC Residents' Survey	Achieved	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Percentage of industry operators' who are satisfied with Tourism Bay of Plenty's activities as measured by TBOP operator survey	New measure	Baseline	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Monitor stakeholder engagement volume	Achieved	≥70 engagements every two-months	≥70 engagements every two-months	≥70 engagements every two-months	To be set in further Statement of Intent
We will manage the destination to enhance visitor experience and mitigate social, cultural and environmental impacts	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Hold Leadership Advisory Group meetings	Not Achieved	3	3	3	To be set in further Statement of Intent

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We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure organisational culture and staff well-being	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
Ensure payment of the living wage (as a minimum) to all permanent employees	New measure	Maintain	Maintain	Maintain	To be set in further Statement of Intent
Measure health and safety capability of TBOP as measured by Safe365 index	New measure	80%	80%	80%	To be set in further Statement of Intent
Monitor the Qualmark status of Tauranga i-SITE	New measure	Maintain or improve	Maintain or improve	Maintain or improve	To be set in further Statement of Intent
We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Measure TBOP's carbon output	New measure	Reduce by 10% and offset or inset the remaining	Reduce by 10% and offset or inset the remaining	Reduce by 10% and offset or inset the remaining	To be set in further Statement of Intent
Monitor TBOP's waste to landfill	New measure	Reduce by 10%	Reduce by 5%	Reduce by 5%	To be set in further Statement of Intent

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We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Ensure statutory reporting requirements are met	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Manage P&L budget and aim for best effort cost recovery through revenue growth opportunities and cost management strategies	Achieved	Within 5% of total revenue	Within 5% of total revenue	Within 5% of total revenue	To be set in further Statement of Intents
Maintain Code of Conduct compliance	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Ensure compliance and regulatory obligations are met	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Adhere to Enterprise Risk Management Policy	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Maintain good working relationships with Council, observing the 'no surprises' principle	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Support Council's to explore alternative funding mechanisms	Achieved	Achieved	Achieved	Achieved	To be set in further Statement of Intents

We will provide a facility network that is operated in an effective and efficient manner	Latest Result 2019-20	Target Year 1	Target Year 2	Target Year 3	Target Yrs 4-10
Manage Strategic Tourism Assets Protection Programme (STAPP) and Tourism Support Recovery and Re- Set (TSRR) funding	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents
Manage Regional Events Fund funding	New measure	Achieved	Achieved	Achieved	To be set in further Statement of Intents

Performance measures included in this document are considered the key performance measure applicable to Council. More information can be found on the TBOP website: www.bayofplenty.co.nz



03

Infrastructure Strategy

Infrastructure Strategy (2021-2051)

Introduction

Planning, constructing, operating and maintaining resilient and sustainable infrastructure is a core part of Council's role in creating the places that our communities want to live. This Infrastructure Strategy, alongside the Financial Strategy, demonstrates how Council plans to do this. This strategy guides our long-term thinking and supports our investment decisions. It also aligns with the community outcomes and the principles underpinning those outcomes.

To help achieve these outcomes we will focus on:

- Providing the infrastructure required for resilience and growth in a manner that can be supported by our Financial Strategy;
- Maintaining current levels of service despite growth and other pressures; and
- Looking after our assets in a prudent and sustainable manner.

Council has a number of plans and strategies that provide the foundation for the Infrastructure Strategy. These include asset management plans, the Water Safety Plan, the Urban Form and Transport Initiative (UFTI) Final Report, the Tauranga Reserve Management Plan, the Community Facilities Investment Plan, the Te Papa Spatial Plan, and the Western Bay of Plenty Transport Systems Plan. A Water Supply Strategy, Wastewater Strategy and a draft Stormwater Strategy have also been developed.

Looking after our assets

Investing in our existing assets ensures that the services and amenities that our communities want, and need, can continue to be delivered. We need to ensure that our investment in these areas is sufficient to meet the agreed levels of service. To do this we have included the following renewal budgets (inflated) over the next 30 years:

Water	\$401.5m
Wastewater	\$473.5m
Stormwater	\$42.09m
Transport	\$985.6m
Social Infrastructure	\$360.3m

This investment in our existing assets is essential to ensure that the people who already live here can enjoy what the city has to offer and rely on the services that Council provides.

What is infrastructure?

Infrastructure, in this strategy, is the 'hardware' that delivers core Council services. This includes structures, pipes and fittings, pumps, treatment plants, reservoirs, roads, footpaths, bridges, green infrastructure (swales, rain gardens) as well as the hardware that provides for social amenity such as libraries, community centres, reserves, sports facilities, and performance facilities.

For the purposes of this strategy, we have excluded the Airports infrastructure; Council's ICT infrastructure; and Council's administrative and property infrastructure. Our assets are currently valued at \$4.3 billion with annual depreciation of \$48 million.

Other infrastructure helps create the places we want to live, work, learn and play including the telecommunications networks, electricity networks, gas networks, the rail network, the state highway network owned by Waka Kotahi (New Zealand Transport Agency) and schools. Council recognises the importance of those other networks; however, this strategy focuses only on Council's role in infrastructure.

We understand that infrastructure has and will have a great impact on tangata whenua, their aspirations and their ability to maintain their traditions and culture into the future. We recognise that there is room for improvement and that proactive engagement and understanding helps us deliver our services in an enhanced manner. As such we are committed to understanding the impacts of our activities early in any process and we will actively seek ways to implement the infrastructure needs of the community taking into account the value we can add with our iwi and hapu partners.

Council, the Acorn Foundation, TECT and BayTrust undertook the Vital Updates survey in mid-2020 to gain an understanding of what is important to the people of Tauranga. The results illustrated that our community love the lifestyle, weather and safety of Tauranga. Some of the key things that people want to change are to see more public transport and less traffic, a vibrant city with

¹ Annual Report 2019/20

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Infrastructure Strategy (2021-2051)

affordable housing and less racism. There were also some key things that our community want to protect including water, keeping Tauranga green, and Maori culture. The full report is available at www.vitalupdate.org.nz

Financial affordability relates to the hard choices that need to be thought about when choosing infrastructure capital investment. The infrastructure funding challenges for Tauranga are expected to increase over the horizon of this strategy as rates increases to existing ratepayers are already forecast to be higher than increases to inflation and household incomes.

These are the decisions that need to be made for Council to meet its obligations on debt interest payments, to remain solvent, to balance the cost to ratepayers and the levels of service to be provided to the community. These decisions require compromise between the planned or desired capital expenditure and what is realistically affordable for Council.

We need to do things differently to make it work over the longer term. These changes will need to be marked and significant – incremental and minor changes to how we plan, deliver and fund infrastructure will not be enough.

The COVID-19 pandemic has been the most globally disruptive disease in recent times. It dominated the thinking of New Zealanders for 2020 and this is expected to continue, dependent on the success of New Zealand's and rest of the world's vaccine roll out programme.

To date the pandemic has not directly impacted our infrastructure service needs but has provided additional infrastructure funding to support economic activity with projects like Cameron Road Stage 1. However, the impact of the COVID-19 pandemic on our economy is not yet fully understood and is evolving rapidly. We are maintaining a watching brief on supply chains and other issues that may disrupt our capital expenditure programme.

Infrastructure Strategy (2021-2051)

Significant infrastructure issues for Tauranga and how we plan to address them

There are a number of issues that have implications for the planning, construction, maintenance and operation of our assets. These issues are not new - Council has been addressing these issues and will continue to do so. Where there are asset specific issues, these are noted in the asset areas below.

This strategy represents the most likely scenario to address the issues identified and the planning and management of Council's infrastructure. This scenario is informed by the underlying strategies outlined above, our Asset Management Plans and the Financial Strategy.

The first three years of this strategy provide the most certainty in terms of likely outcomes, with years four to ten having a reasonable level of certainty. The forecasts from year 11 are indicative and will be developed over time. This is in recognition of the changes that can occur over time and that further information will become available that informs Council's decisions.

ISSUES AT A GLANCE

- Growth and infrastructure planning
- Climate change, natural hazards and creating resilience
- Three waters legislative reform and what it might mean for Tauranga

Growth and infrastructure planning

Growth has been an enduring issue for Tauranga and enabling and managing its effects continues to be a challenge to address. This growth puts pressure on existing infrastructure and creates the need for new infrastructure. It also creates challenges for moving easily around the city, and has implications for housing availability, the economy, the environment and how we want to live, work and play.

The latest population projections for the city indicate that we are likely to reach a population of 181,150 by 2033 (an increase of approximately 35,000 from 2020). By 2050, the population is expected to exceed 210,000². We are expecting 95,000 homes to be built in the Western BOP Sub-region and for two million additional transport movements per day within the next 30 to 70 plus years³.

A significant amount of work has been undertaken to date to determine what infrastructure is required, where, when, and how much it may potentially cost. Central government policy direction, the Urban Form and Transport Initiative (UFTI), SmartGrowth and previous Council planning documents have informed this work and provided a framework for the most suitable growth locations.

The National Policy statement – Urban Development (NPS-UD) seeks to ensure development of well-functioning, inclusive and better-connected cities that reflect the diversity of their current and future communities. It requires that Tauranga City Council enables higher-density residential development in proximity to employment opportunities (including the city centre and neighbourhood centres), existing and planned rapid transit bus stops and where commercial activities are easily accessible by active or public transport networks.

UFTI provides an integrated land use and transport programme and delivery plan for the Western Bay of Plenty, known as 'Connected Centres'. The intention of the initiative is to improve housing and the transport systems whilst also achieving positive environmental and economic outcomes. The plan and identified actions will be delivered over the next 50 years by the SmartGrowth partners. Council is only planning for the infrastructure within the city boundaries.

² Tauranga City Population and Dwelling Projection Review 2021 (Growth Allocations 2018-2118)

³ Urban Form and Transport Initiative (UFTI) Final Report, July 2020

Infrastructure Strategy (2021-2051)

CONNECTED CENTRES PROGRAMME (UFTI)

There are two core concepts critical to the Connected Centres programme. The first is increasing the number of dwellings by intensifying our existing urban and new growth areas. This is to maximise the land available for development and support a well-functioning multimodal transport system. The second is being able to access local social and economic opportunities within a 15-minute journey time, and sub-regional social and economic opportunities within 30–45 minutes. These concepts encourage strong local centres and connected neighbourhoods⁴.

The Government confirmed in early 2020 that it wishes to partner with SmartGrowth (councils and tāngata whenua) in order to progress and deliver on its Urban Growth Agenda. A key component of this is the development of a Joint Spatial Plan (JSP) covering the western Bay of Plenty which will build on UFTI, become a replacement SmartGrowth Strategy 2021 and deliver on the Urban Growth Agenda.

Implementation of the JSP will focus on short, medium and longer-term transformational initiatives and directives relating to urban form, housing, transport integration, open space and landscape values, three waters, and social and cultural infrastructure provision at the sub-regional scale.

⁴ Urban Form and Transport Initiative (UFTI) Final Report, July 2020

Intensification

Intensification has been a core pillar of SmartGrowth since the first SmartGrowth Strategy in 2007 and continues to be a specific focus for Council as it looks toward providing infrastructure to support our growing community. An Urban Communities Growth Programme has been developed to build on sub-regional planning by delivering corridor based spatial planning and neighbourhood and centre planning. Using a collaborative approach, spatial plans and neighbourhood plans provide for integrated land use, transport and social infrastructure planning, while also seeking to enhance local culture and identity.

Council adopted the Te Papa Spatial Plan in October 2020, which developed a 30-year integrated land use and transport plan for the Te Papa Peninsula. The plan was prepared in partnership with mana whenua, key stakeholders and the community. It provides for higher density living in close proximity to the city centre, neighbourhood centres, public transport and other amenities along the peninsula, supported by a sustained, balanced investment programme in active modes and public transport infrastructure.

Investment in Te Papa intensification is expected to lead to:

- an additional 15,000 residents in the area by 2050
- an additional 4,000 jobs in the city centre by 2063
- an improved passenger transport route from Tauriko to the city centre, and improved transport choices throughout the peninsula.

The scale of growth means significant investment is needed in urban areas, centres improvements, provision of green networks, community facilities, walking, cycling, micro-mobility, public transport, three waters, cultural investment, and social infrastructure improvements. Initial stages of the Te Papa project have assisted to inform and refine Plan Change 26 (Housing Choice) and Plan Change 27 (Flooding from intense rainfall), as well as informing Long-term Plan funding with a focus on the city centre, Gate Pā and Merivale areas.

An Indicative Business Case supports the plan and focuses on an integrated land use transport strategy for Te Papa. This business case has been endorsed by Waka Kotahi. Improvements to movement within Te Papa will also support growth of the Western Corridor of Tauranga which includes Tauriko West.

As part of the Urban Communities Growth Programme it is also proposed to progress two spatial plans for Mount Maunganui/Arataki and Otumoetai/Brookfield. These plans will focus on enabling growth in areas that can be supported by integrated planning of transport, the three waters, open space and community facilities and infrastructure, while also taking account of cultural values, natural hazards and resilience. The outcomes identified through the spatial plans will be included in the review of the City Plan that is underway and scheduled to be notified by April 2024, as well as informing future long-term planning and more localised neighbourhood and area planning.

It is noted that the implications of the Resource Management Reforms on the City Plan Review project are unknown. The outcomes identified through the planning plans maybe implemented through plan changes.

Infrastructure Strategy (2021-2051)

Greenfield development

There are several greenfield areas that have been identified in the past and a significant amount of work has been undertaken to progress these areas to provide for growth.

Te Tumu Urban Growth Area is a Council lead project, which provides for the continuation of growth in the Eastern Corridor. In the Te Tumu Urban Growth Area we have completed the majority of technical assessments to inform the structure plan. The inputs for the technical reports have been based on three population scenarios to ensure that appropriate infrastructure is planned and able to accommodate future growth. These three population scenarios range from a base of 15,500 people up to 25,000 people.

Investment in Te Tumu and the eastern corridor, including the development of the Golden Sands town centre and of Te Tumu, is expected to lead to:

- the construction of 2,000 to 3,000 homes in currently zoned areas
- the construction of a further 7,000 to 8,000 homes in Te Tumu once it is zoned (over a 30-year time period)
- the construction of a direct link to the Tauranga Eastern Link via the Papamoa East Interchange
- the development of 57 hectares of new business and employment land.

The Tauriko West Urban Growth Area is a collaborative project with Tangata Whenua, landowners and three key partners being Western Bay of Plenty District Council (WBOPDC), Bay of Plenty Regional Council (BOPRC), and Waka Kotahi. The Local Government Commission have now confirmed the reorganisation proposal which means

that the area of Tauriko West that fell within the Western Bay of Plenty is now part of Tauranga City Council.

Investment in Tauriko and the western corridor, including the Tauriko West development and an expansion of the Tauriko Business Estate, is expected to lead to:

- the construction of 3,000 to 4,000 new homes.
- improvements to the state highway network including SH29 and connections.
- an additional 100-150 hectares of business land providing for around an additional 2,000 jobs.

We are working with our partners to understand infrastructure requirements e.g. road corridors, utilities, and three waters. Work continues with Waka Kotahi NZTA on State Highway Planning, to enable early access to the proposed growth area and long-term upgrades for SH29. Further investigations by Waka Kotahi NZTA continue for SH29/SH29A upgrade options.

Future greenfield growth areas include the Tauriko Business Estate extension, Keenan Road and Ohauiti South. Planning for the extension of the Tauriko Business Estate and Keenan Road is planned to commence from 2021, with these providing for future employment and housing areas. Boundary changes have already occurred to bring this land into the city. The infrastructure requirements for these areas have been included in the Western Corridor water and wastewater studies and are subject to the development of structure plans and rezoning proposals.

In August 2020 Tauranga City Council staff completed the Welcome Bay and Ohauiti Planning Study. A number of locations within the area were considered in terms of housing development and the capacity of services

and infrastructure to accommodate additional demand.

The study determined that accommodating housing at suitable densities was most feasible in the Upper Ohauiti Road Area. This area may be the subject of a development proposal or plan change into the future.

The NPS-UD requires 'sufficient' residential and business land capacity to meet expected demand. 'Sufficient' land capacity is defined as plan-enabled; infrastructure-ready; feasible and reasonably expected to be realised; and for high growth Councils like Tauranga, to meet the expected demand plus 20% competitiveness margin over the 10-year period, (15% margin in the 10 year to 30 year period.)

'Infrastructure ready' under the NPS-UD for years 1 to 3 of the LTP means an adequate existing development infrastructure to support the development of the land; and for the medium term (4 to 10 years) either adequate existing infrastructure or funding for adequate infrastructure to support development of the land is identified in a Long-term Plan.

The current planning and infrastructure barriers mean that the short-term demand is unable to be met. In the LTP there is insufficient 'infrastructure ready' land to meet the 20% competitiveness margin required by the NPS-UD in both the short and medium term. Tables 1 and 2 below show the shortfall based on different assumed levels of intensification/greenfield development. Also included is the impact if Te Tumu and Tauriko West infrastructure investment does not occur, and greenfield growth is not enabled. The investment decisions to enable growth are outlined in the Significant Capital Expenditure Decisions section.

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Infrastructure Strategy (2021-2051)

Table 1: Shortfall assuming 15% intensification, 85% greenfields

	Estimated Dwelling Shortfall		
	Short term (1 – 3 yrs)	Medium Term (4 – 10 yrs) with Te Tumu & Tauriko West	Medium Term No Te Tumu & Tauriko West
Projected Dwellings (Citywide)	3,590	7,880	7,880
City Shortfall	580	460	3,460
City Shortfall including NPS-UD Competitiveness Margin (+20%)	1,300	2,030	5,030

Table 2: Shortfall assuming 25% intensification, 75% greenfields

	Estimated Dwelling Shortfall		
	Short term (1 – 3 yrs)	Medium Term (4 – 10 yrs) with Te Tumu & Tauriko West	Medium Term No Te Tumu & Tauriko West
Projected Dwellings (Citywide)	3,590	7,880	7,880
City Shortfall	220	-330	2,670
City Shortfall including NPS-UD Competitiveness Margin (+20%)	940	1240	4,240

Infrastructure Strategy (2021-2051)

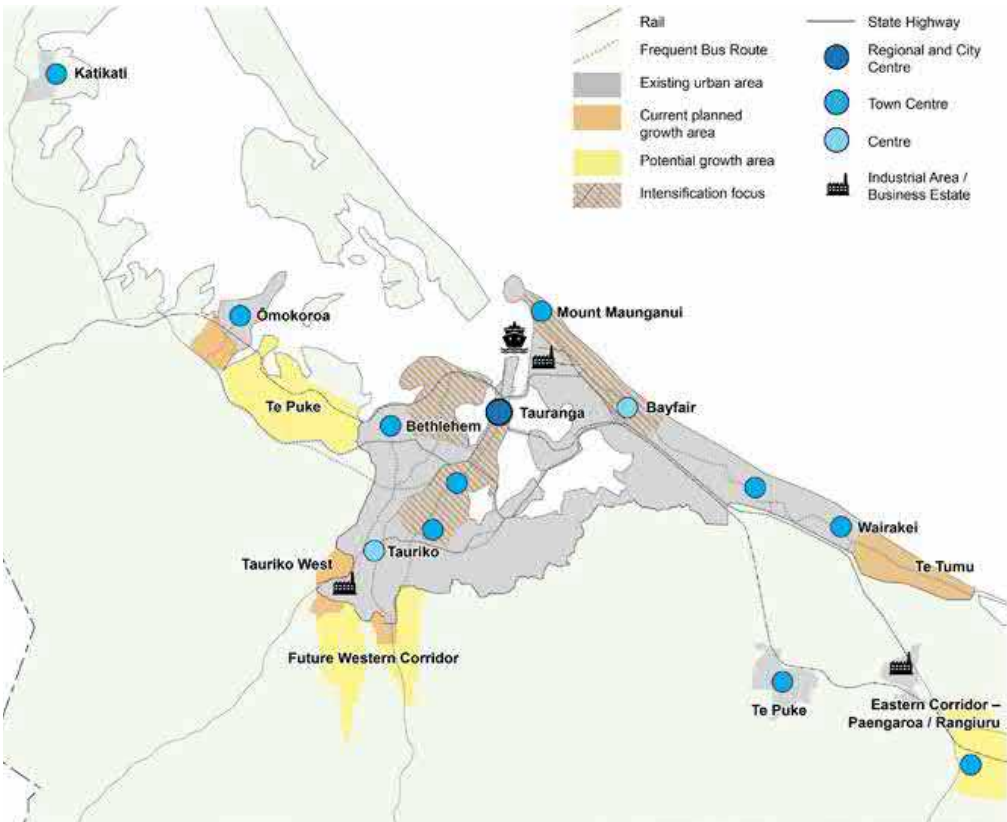


Figure 1: Planned and potential urban growth areas⁵

⁵ Draft SmartGrowth Joint Spatial Plan / Urban Form and Transport Initiative

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Infrastructure Strategy (2021-2051)

Proposed changes to the City Plan

The City Plan provides the rules for how people can build or develop the land they own in our city. Changes to the City Plan are required to ensure that we are able to manage and respond to the challenges and issues that the City faces. Council has recently released three proposed plan changes. Plan Change 26 has been progressed to enable greater housing choice and residential density in existing urban areas, including additional height around the city periphery and along the Te Papa peninsula. Plan Change 27 proposes a rule framework to reduce the risk of flooding from intense rainfall in Tauranga. Plan Change 30 is a technical change to improve the efficiency and effectiveness of the earthworks provisions.

Transport

The Western Bay of Plenty Transport Systems Plan (TSP) was endorsed by Council in September 2020 and adopted by the project partners Waka Kotahi, Bay of Plenty Regional Council, Western Bay of Plenty District Council, Port of Tauranga, KiwiRail, Priority One and Tangata Whenua.

The TSP supports UFTI and its Connected Centre Programme. In so doing, it focuses on generating a noticeable shift from cars onto public transport, improving safety, providing reliable travel times including freight journeys, and creating better walking and cycling connections.

Through the TSPs development a prioritised programme of activities (policy; infrastructure; services) has been identified. Moving forward there will be further

development of the TSP Implementation Plan including more detailed scoping of the prioritised activities (e.g. priority business cases; policy initiatives; implementation activities) and the funding and resourcing to support this.

Over the next ten years we will focus on delivering a safer and more reliable transport system that provides better travel options. This is needed to support the planned growth of the City in places like Te Papa, Tauriko and Te Tumu. The activities will include public transport priority (e.g. on key routes like Cameron Road to Tauriko), improved and more connected walking and cycling networks (e.g. within suburbs and between key parts of the City) and new roading infrastructure (e.g. accesses into growth areas) to enable planned growth. We will also develop an improved policy framework (e.g. Travel Demand Management; Parking Policy) that supports urban form and transport outcomes identified by UFTI and the TSP.

Social infrastructure

Council adopted the Community Facilities Investment Plan (CFIP) which synthesises existing community facilities' strategy, recent needs assessments and feasibility studies, taking into consideration the broader strategic context of growth, community wellbeing and financial constraints.

The plan seeks to ensure we provide the right facility, in the right place, at the right time to meet our community's current and future demand for libraries, community centres, indoor courts, aquatic facilities and active reserves (sports fields). It also includes provision for the planning of new strategic and cultural assets that are not part of the core network and for the master-planning of

Baypark. It does not include funding for the construction of the facilities that may be identified through the planning phase.

The plan takes a network approach for each facility type, considering the evolution of the network as we move over time from a city of 150,000 people to 200,000+. It seeks to provide a balance between locality, accessibility and economies of scale. For areas where intensification is proposed such as Te Papa, specific consideration is also given to the need to support a growing population and changing needs. Understanding where deficits are in the network and the likely flow on effects from diminished or increased provision allows us to provide a good level of service, balanced with cost-effectiveness and future-proofing.

The plan proposes a similar set of investments to the previous LTP, but with significant changes to timing and cost as a result of updated growth projections and revised cost estimates. Key contributors to this are delayed growth in the Western and Eastern Corridors, greater levels of projected growth within the existing city (particularly around the city centre and Te Papa), delays to the anticipated redevelopment of key existing facilities, land acquisition and access issues, and construction cost escalation.

Infrastructure Strategy (2021-2051)

Climate change, natural hazards and creating resilient infrastructure

Understanding our carbon footprint and the potential actions to move toward zero carbon is a key focus for Council over the coming years. This includes a Sustainability stocktake and developing a Sustainability Action Plan. We will also maintain a watching brief on the recommendations of the Climate Change Commission. We recognise that these are likely to have significant implications for how Council operates and what that means for design, procurement, and investment in our assets.

Climate Change

The Bay of Plenty's climate is changing, and these changes will continue for the foreseeable future. The Climate Change Response (Zero Carbon) Amendment Act 2019 mandates that government at all levels develops and implements clear and stable climate change policies that:

- contribute to the global effort under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels
- allow New Zealand to **prepare for, and adapt to**, the effects of climate change.

Tauranga will experience more frequent high-intensity rainfall events in the future due to climate change. By 2040 cyclonic rainfall intensity is expected to increase and seasonal rainfall patterns are expected to change;

with summer and autumn all likely to have higher rainfall and spring projected to experience a reduction of up to 11%⁶. Sea levels are projected to rise based upon considered representative concentration pathways (RCP) by between 0.6m (RCP2.6) and 1.59m (RCP 8.5H+) over the next 100 years (and beyond), with storm surge and sea level rise combining to increase the threat of inundation and coastal inundation and erosion⁷.

In addition to the expected higher frequency of heavy rainfalls, it is expected that by 2090, the time spent in drought ranges from minimal change through to more than double depending on the climate model and emissions scenario considered. More frequent droughts are likely to lead to water shortages, increased demand for irrigation and increased risk of wildfires. Droughts are likely to increase in both intensity and duration⁸.

Bay of Plenty Regional Council commissioned NIWA to analyse projected climate changes for the Bay of Plenty Region and potential impacts of climate change on some of Bay of Plenty's environments and sectors. This report addresses expected changes for 24 different climate variables out to 2100 and draws heavily on climate model simulations from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report. Tauranga City relies on the above information produced by NIWA and the direction set through the Regional Policy Statement for use in climate change considerations.

Natural Hazards

There are a number of natural hazards that Council must consider for current and future communities. In addition to those hazards noted above (sea level rise, inundation and flooding from intense rainfall) we must also plan for tsunami, earthquakes, liquefaction, landslide and coastal and inner harbour erosion.

Natural hazard susceptibility mapping has been completed or is in the process of being completed for these hazards. Web viewers have been created to enable the community to understand susceptibility to those hazards, and potential effects on land.

To understand Natural Hazard risk, Council has undertaken a Citywide Risk Assessment. This process follows the Bay of Plenty Regional Policy Statement Methodology and assesses the current and future risk of damage to buildings, lifelines, critical buildings and loss of life to a range of natural hazard events, which includes the effects of sea level rise.

As part of new greenfield growth projects and intensification projects, work is underway to understand the outcomes of natural hazards susceptibility mapping and risk assessment. The Regional Policy Statement requires all new development (greenfield, intensification and at a development site level) to achieve a low level of risk, taking into account the effects of climate change.

⁶ <https://www.mfe.govt.nz/climate-change/likely-impacts-of-climate-change/how-could-climate-change-affect-my-region/bay-of>

⁷ Tauranga Harbour extreme sea level analysis. National Institute of Water & Atmospheric Research (NIWA).

⁸ <https://www.mfe.govt.nz/climate-change/likely-impacts-of-climate-change/how-could-climate-change-affect-my-region/bay-of>

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The low level of risk is required to be achieved for buildings, loss of life and lifeline outage times. This approach aims to build in long term resilience to natural hazard events for all new urban growth areas, however sets a high bar to natural hazards planning and resilience provision. As a result, the process to achieve a low level of risk adds complexity to the delivery of new urban development.

As noted earlier we have publicly notified Plan Change 27 which responds to flooding from intense rainfall. This is particularly relevant in terms of overland flow paths for existing and proposed developments.

Tauranga City Infrastructure Resilience Project

Our city, people, houses, infrastructure and other assets could potentially be impacted by a number of natural hazards identified above. Council began the Infrastructure Resilience Project in 2017 with a view to improving our infrastructure and land use planning in regard to the impacts from climate change and natural hazards. The project to date has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. A number of these projects can be integrated with previously forecast renewals and upgrades. It is intended that the projects will, over time, create genuinely resilient infrastructure across the city.

A key milestone in the project was the identification of potential "at risk" assets and determining appropriate risk reduction measures (i.e. mitigation) to improve resilience and identify costs for prioritisation and inclusion into the 2021-31 LTP. The identified projects will add

security to our planned infrastructure investment; build robustness and rapid recovery principles into our assets; and integrate future proofing into asset design and construction, including the renewal of existing assets.

All hazards used in the Infrastructure Resilience Project are spatially mapped within GIS to show each hazard in terms of different return periods and time horizons. An example is inundation, this hazard is mapped with 50-year, 100-year and 500-year return period storm events and each of these are mapped with sea-level rise projections for 2080 and 2130 which are the current, 50-year and 100-year scenarios. This mapping provides an extensive database for analysis and use in determining risk.

Locations where multiple assets are potentially exposed to multiple hazards have been identified and the risks analysed. To achieve this the hazard maps are overlaid on the asset databases in spatial GIS software. The resulting intersections identify risk "hot-spots" where multiple assets are impacted by multiple hazards. Hotspots are established as projects to be investigated. These are location-based projects rather than asset-based. Each project addresses all assets and all hazards within its boundary.

For all identified projects a concept design of mitigation measures has been carried out. As the projects were geographically based this provided an opportunity to explore options that completely removed assets from hazard zones as well as straight forward strengthening or new material options. The risk factor was re-evaluated in the post-mitigation condition therefore providing a risk rating before and after the mitigation.

Where specific items of major infrastructure are already under evaluation, such as treatment plants and reservoirs, they have not been included in the above project work as they are covered in terms of consideration of resilience improvement individually by the asset owner. As project concept designs are developed in detail there is the ability to reconsider the option put forward, the solution proposed or consider alternative solutions such as adaptive approaches, or removal outright (i.e. retreat).

The key findings are as follows:

- 315 projects across the City have been identified as mitigating natural hazard risks to infrastructure;
- The 315 projects include 30 projects that have been presented with two options for mitigation;
- Many projects integrate with previously forecast renewals and upgrades which are already part of Councils' asset management program;
- 24 projects indicate that long term solutions may require the removal of infrastructure from those areas (i.e. adaptation, or relocation may be more appropriate strategy than defence strategies via construction improvements);
- The estimated cost of the core Resilience Program is \$693 million over 30 years; and
- Opportunity exists within the transportation activity for Waka Kotahi NZTA funding.

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Three waters legislative reform and what it might mean for Tauranga

There is a significant level of change to the legislative framework for the management of the three waters. The current legislative framework for waters is extensive and includes the Health (Drinking waters amendment) Act, the National Policy Statement for Freshwater Management (NPS-FM), and National Environmental Standards for Freshwater Management (NES-FM).

It is also a changing environment with the Three Waters Review being undertaken by the Minister of Local Government which has led to the Three Water regulatory reform currently underway and the preparation of the Essential Freshwater Plan by the Minister for the Environment. Other changes include the repeal of the Resource Management Act which may have implications for renewing Council's water take consents, management of natural hazards and other water related aspects. It should be noted that this LTP has been prepared under the assumption that Council will retain ownership of Water Supply and Wastewater infrastructure assets.

Essential Freshwater Programme

The NPS-FM was significantly amended in August 2020 with other legislative changes provided to support swifter change processes for regional policy statements and plans. The concept of Te Mana o te Wai (introduced in 2017 and clarified in 2020) is fundamental and a significant shift in thinking from the past:

'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'.

This concept recognises that there is a hierarchy for the health and use of water and forms the basis of the objectives of the NPS-FM:

- a) first, the health and well-being of water bodies and freshwater ecosystems
- b) second, the health needs of people (such as drinking water)
- c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.

Three Waters Reform

Taumata Arowai has been established through the Water Services Regulator Act 2020. Taumata Arowai is the new regulator responsible for drinking water safety and regulation and oversight of the regulation and management of wastewater and stormwater networks.

From late-2021 Taumata Arowai will administer New Zealand's drinking water regulatory system. This will promote drinking water safety and help build and maintain capability among drinking water suppliers and across the wider industry.

Taumata Arowai will be enabled through the enacting of the Water Services Bill. This Bill is an omnibus Bill that will repeal Part 2A of the Health Act 1956 and replace it with a stand-alone Act to regulate drinking water. There are also amendments to the Local Government Act 2002

and other Acts. The Bill provides Taumata Arowai with the authority to prepare standards and rules with which water suppliers must comply.

The next stage of reform involves creation of new water entities. Rather than being managed by numerous local authorities, separate water entities will be created to manage and operate water activities.

The Department of Internal Affairs undertook an extensive information gathering exercise and analysis to better understand of the current state of the three waters related asset base, the condition of the assets, the operating environment, commercial and financial arrangements and the forecast investment plans. This investigation and review have led to the proposal to establish four publicly owned entities to take responsibility of drinking water, wastewater and stormwater infrastructure across New Zealand. Further legislation is expected to support the formation of water entities into the future.

The reforms are expected to create significant change for the organisation. The three waters component of council are responsible for a large proportion of the Council's debt. The removal of this debt off Councils balance sheet would allow council to fund other projects for the city.

It is noted that the information provided above, is subject to change with the legislative processes still to be finalised.

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Council's approach to asset management

Council aims to achieve best practice asset management in order to meet the agreed levels of service for the community and our customers. Planning and understanding the needs and wants of our communities is a key part of our approach to asset management and to address the identified issues and challenges. Council has a coordinated approach across the entire lifecycle of our assets. We understand that poor asset management and asset failures lead to risks and poor outcomes for our community. We have comprehensive asset management plans for water supply, wastewater, stormwater, transportation, spaces and places, property and sustainability and waste. We review and update these plans every three years to inform the Long-term Plan and ensure that we are meeting the intended outcomes for our community.

Our approach includes a maturity analysis every six years with the last one completed in 2016. The analysis is undertaken in accordance with the ISO 55000 International Asset Management Standard and International Infrastructure Management Manual (IIMM). The results of the 2016 analysis indicated a maturity ranging from core to intermediate level (approximately 60% to 75%) across the seven assessment areas. Our target for maturity is an intermediate to advanced level (approximately 85%) for the critical activities (water supply, wastewater, stormwater and transportation) and as such improvements have been progressed since 2016 to achieve a higher level of maturity in the next assessment.

A significant part of our asset management approach is to operate, maintain and manage the assets we already have. Our renewals planning includes the collection of an extensive amount of asset data, including, as-built information, maintenance costs, failure analysis, and condition assessments. This data informs our forecasts and renewals strategies to ensure we are renewing assets at the optimum and most cost effective (right) moment (time).

The risks of delay in renewing assets at the optimal point in time include an increased probability of a significant failure, higher maintenance and operational costs, an increased probability of not meeting levels of service and creating a backlog of renewals. Assumptions regarding the renewals can be found in the appendices.

Infrastructure Strategy (2021-2051)

Significant capital expenditure decisions

Meeting the needs of our growing communities is driving the required investment in infrastructure across the city and into the identified greenfield development areas. The scale and rate of growth has meant that although our population has grown quickly the investment has not kept pace. This means that the decisions we need to make are based on meeting the needs of our growth communities whilst also trying to provide for the people that already live here.

The various planning studies all build on the concept of creating well-serviced, connected communities to enable communities to thrive. Collectively these and other plans emphasise:

- the need for greater transport choices
- the need to invest in housing intensification
- the need to invest in facilities, not just transport corridors and pipes
- the need to future-proof investments in long-life capital assets
- the need to be resilient to climate change and other natural hazards.

The significant decisions that Council expects to make, when we expect to make them, and the estimated cost, are set out below. In many cases the principal options that underpin these decisions have already been considered in the various planning documents. This means that there is often a delay between the timing of the actual decision and when the capital investment

occurs. This is illustrated in the decisions that have been made in SmartGrowth, UFTI and other key planning documents and the indicative construction timing included in the Long-term Plan. The capital projects that have been included in this strategy and the Long-term Plan indicate Council's preferred option in addressing the issues that the city faces. The dollar figures provided are inflated.

The five key proposals set out below reflect Council's preferred option to address the significant issues that the city faces over the coming years. As noted above, this option has been developed taking into consideration the various options and decisions that are reflected in the planning documents that support this strategy e.g. UFTI, SmartGrowth, the TSP and the CFIP.

Council recognises that there are potential challenges with the delivery of the capital programme. To address these, it is proposed to improve and increase our organisational capacity through the improved recognition of risk and contingency in capital project costs; strengthened leadership and focus within our core activities on capital programme and outcome management; and increased staff numbers across planning, project delivery and procurement to ensure that we have the required capacity. A new capital programme assurance division has been created to oversee the capital programme to ensure efficiency and quality of approach to procurement, contracting and delivery.

Council's preferred option

The preferred option is made up of the following key proposals:

Key proposal 1: Residential and business land supply investment

The supply of zoned and serviced residential and business land is critical to the city. As outlined earlier the identified growth areas include Tauriko and the western corridor; Te Tumu and the eastern corridor; and Te Papa intensification. There is also a need to invest in city-wide infrastructure that is required to service all new growth.

The LTP includes the following investment in these areas:

- \$407 million in Tauriko and the western corridor over ten years. This includes \$205 million of transport investment and \$83 million related to community facilities (see key proposals 2 and 3 below for further details)
- \$478 million in Te Tumu and the eastern corridor over ten years. This includes \$164 million of transport investment and \$36 million related to community facilities. There are also substantial investments in community facilities in the eastern corridor planned for the years immediately after the LTP period
- \$696 million for Te Papa intensification over ten years. This includes \$441 million of transport investment and \$89 million related to community facilities
- Direct investment in the city centre, described below, is not included in the Te Papa intensification total but will have flow-on benefits to the peninsula. Similarly, the proposed \$103 million investment in the city-wide Memorial Park aquatics and indoor sports facility is not included in the \$696 million total despite being located in the Te Papa peninsula

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- Investment in city-wide infrastructure is predominantly related to upgrades and capacity improvements in the water and wastewater networks. These improvements will enable the development of 35,000 new homes across the city, including those in the new growth areas and through intensification of existing areas as detailed above, by providing sufficient safe drinking water and sanitation services in ways that protect the natural environment.

Additional expenditure is also included over the 30 years of the Infrastructure Strategy. The LTP includes \$168 million for the development of the Waiāri water supply, including completion of stage 1 and then further staged development, and \$196 million for further development of the Te Maunga wastewater treatment plant and associated assets.

Key proposal 2: Transport investment

Traffic congestion and the way and ease that people and goods move around are key challenges for the city. As outlined previously the TSP was endorsed by council and other project partners in October 2020 seeks to provide for safe, sustainable and efficient movement of people and goods around and through the city.

The TSP takes a network system approach and supports both greenfield development and increased intensification of the existing urban footprint. The TSP includes a prioritised investment programme, agreed by all of the partner agencies.

That investment programme, and other transport investments proposed by council, are expected to lead to the following positive outcomes:

- population and business growth is supported by a multi-modal transport system
- increased levels of public transport and active travel will deliver health and environmental benefits
- safety risks are addressed, and crash rates will reduce, in turn encouraging further participation in active travel modes
- improved accessibility and amenity will support quality urban form in activity centres and supporting business growth.

The LTP includes \$1.98 billion of investment in transport movement solutions. These totals include the \$1.21 billion of projects identified in the first ten years of the TSP for which council is the lead or partner agency.

Key programmes:

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
15th Avenue / Turret Road corridor	\$63.1	\$0.0	\$63.1	2022-2027
Hewletts Road / Totara Street / Hull Road sub-catchment	\$157.1	\$0.0	\$157.1	2022-2028
Bus infrastructure (inc Park n Ride)	\$112.5	\$63.3	\$175.8	2022-2051
Accessible streets, including walkways and cycleways	\$171.3	\$94.3	\$265.6	2022-2050
Te Tumu and eastern corridor growth projects*	\$164.0	\$89.2	\$253.2	2022-2051
Tauriko and western corridor growth projects*	\$205.3	\$881.6	\$1,086.9	2022-2041
Te Papa intensification (including Cameron Road, and Transport Hub)	\$441.4	\$88.7	\$530.1	2022-2051
Local Road and Transport Renewals	\$179.2	\$806.4	\$985.6	2022-2051
Local Roads Safety and upgrades	\$88.7	\$12.6	\$101.3	2022-2051

Note - * these investments are also included in the residential and business land supply totals (key proposal 1)

In addition, there are some significant investments included beyond the ten years of the LTP. These include:

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- Construction of the first part (Tauriko Business Estate to State Highway 36) of the western corridor ring-road (\$131 million)
- Construction of the Greerton area transport hub (\$27 million).

It should be noted that much of council's investment in transport outcomes assumes cost-share funding availability from Waka Kotahi NZTA. If that funding is not available, positive outcomes will be diminished.

Key proposal 3: Community facilities investment

Significant investment in community facilities is intended to:

- provide for facilities on both sides of the harbour, enabling communities easier access and reducing cross-city transportation movements
- catch up on under investment over recent years, so better servicing existing communities and the 36,000 people who have arrived in the city in the last 10 years
- replace end-of-life facilities that no longer provide the level of service that the community expects
- secure land now for future community facilities to be fully developed beyond the ten years of the LTP.

Key elements of the proposed investment in community facilities include:

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
City centre community spaces and library [^]	\$66.2	\$0.0	\$66.2	2022-2025
Development of a community centre in the western corridor*	\$14.6	\$0.0	\$14.6	2028-2031

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Development of a library in the western corridor*	\$15.3	\$0.0	\$15.3	2028-2031
Development of a new active reserve and associated facilities in the west of the existing urban area	\$56.4	\$0.0	\$56.4	2024-2027
Development of a new active reserve in the western corridor*	\$12.3	\$0.0	\$12.3	2029-2031
Development of sportsfields and associated facilities	\$26.4	\$33.3	\$59.7	2022-2034
Memorial Park to City Centre Pathway	\$19.0	\$0.0	\$19.0	2022-2026
Parks developments and upgrades	\$62.4	\$20.4	\$82.8	2022-2051
Public spaces and amenity improvements in Te Papa	\$70.7	\$5.5	\$76.2	2023-2041
Re-development of the Memorial Park aquatics facility	\$52.2	\$0.0	\$52.2	2022-2026
Re-development of the Memorial Park indoor sports facility	\$54.2	\$0.0	\$54.2	2027-2029

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Strategic land purchases for future community facilities in both the eastern and western corridors*	\$57.6	\$0.0	\$57.6	2024-2029
Development of community centres in existing urban areas (Te Papa excl City Centre)	\$18.5	\$0.0	\$18.5	2027-2031

Notes:

* these investments are also included in the residential and business land supply totals (key proposal 1)

[^] = this investment is also included in the city centre investment totals (key proposal 4)

In addition, there are some significant investments included beyond the ten years of the LTP. These include:

- Development of an indoor pool, indoor sports centre, community centre, library, and an active reserve in the eastern growth corridor (total of \$87 million)
- Development of an indoor pool and indoor sports centre in the western growth corridor (total of \$59 million).

Key proposal 4: City centre investment

The Tauranga city centre is the heart of the city and sub-region and, with the Port of Tauranga, arguably of the wider Bay of Plenty region. Investment in the city centre is required to support the revitalisation of the city centre and to promote economic growth. It is expected that civic investment in the city centre will lead to further private investment as the investment and development community regains confidence in the city centre.

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The proposed investments in the city centre are intended to replace aging, end-of-life facilities and to create modern and engaging facilities and public spaces.

Key elements of the proposed investment in the city centre include:

- Community spaces and library - \$66.2 million
- Strand extension boardwalk replacement and associated streetscape - \$6.4 million

Key proposal 5: Resilience

As outlined earlier the resilience project identified a programme of 315 projects intended to improve the resilience of the city's core infrastructure against individual or combined natural hazards. The proposed investment through the LTP focuses initially on high-priority projects relating to water supply trunk main resilience.

Over the ten years of the LTP the total proposed investment in infrastructure investment projects is \$314 million.

Key projects include the following:

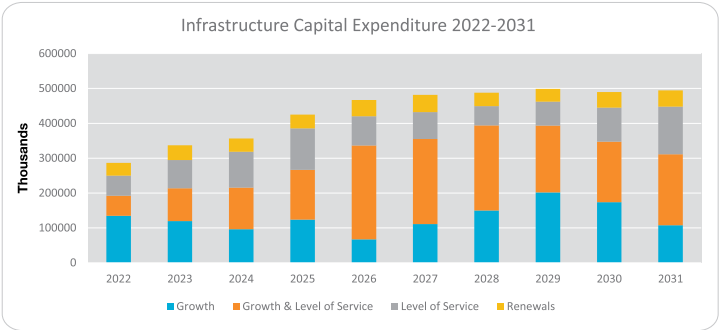
- Joyce WTP Raw Water Inlet Slip Mitigation along Pyes Pa Rd Raw supply to treatment plant subject to slips in multiple places \$41 million
- Water supply, sewer and stormwater - Tauranga Hospital. Slopes and inundation around Hospital and Historic Village area \$3.2 million
- Oropi WTP and Joyce WTP PW supply Trunks. Both water supply mains pass through multi-hazard locations \$37.5 million
- Chapel Street Bridge \$42.7 million

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Indicative estimates for the Council’s projected capital and operating expenditure

The following graphs set out estimates of overall capital and operating expenditure for the next 30 years for the whole of Council. The financial information includes the most likely scenario that Council is proposing as part of the LTP. These figures have been adjusted for inflation.

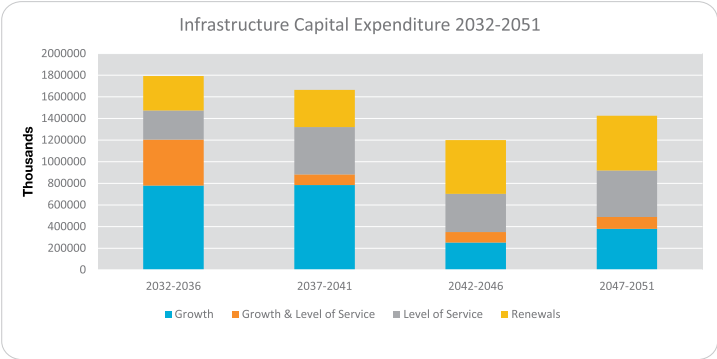
Indicative capital expenditure



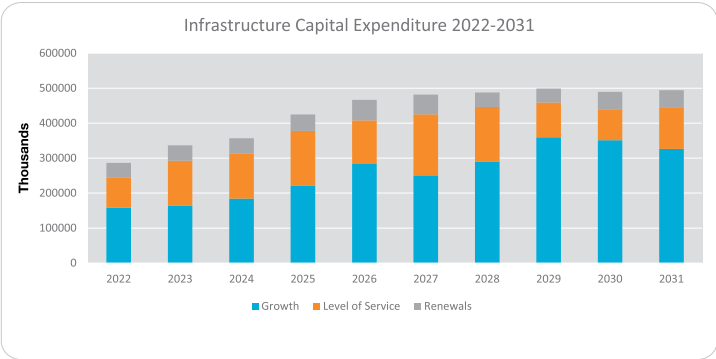
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Indicative capital expenditure

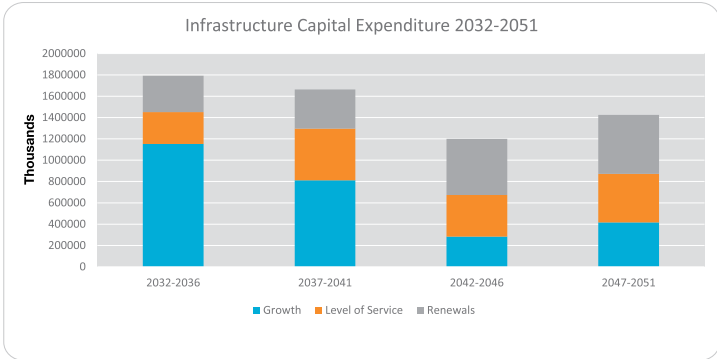


Indicative capital expenditure

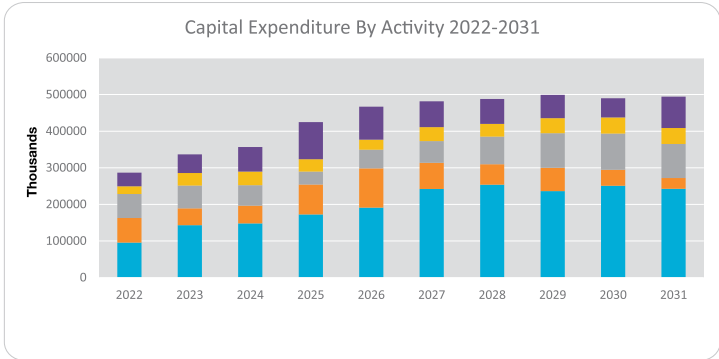


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Indicative capital expenditure



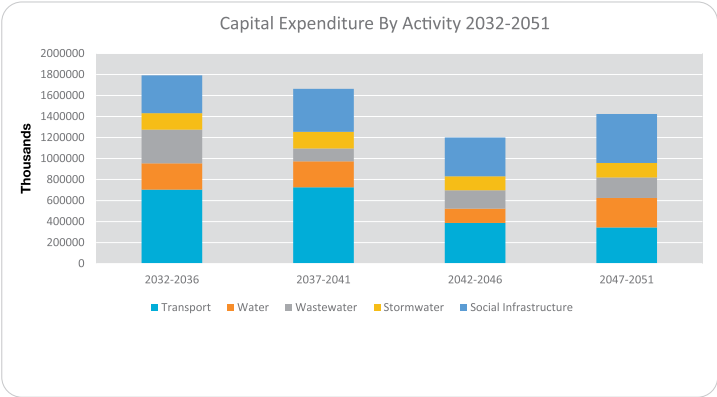
Indicative capital expenditure



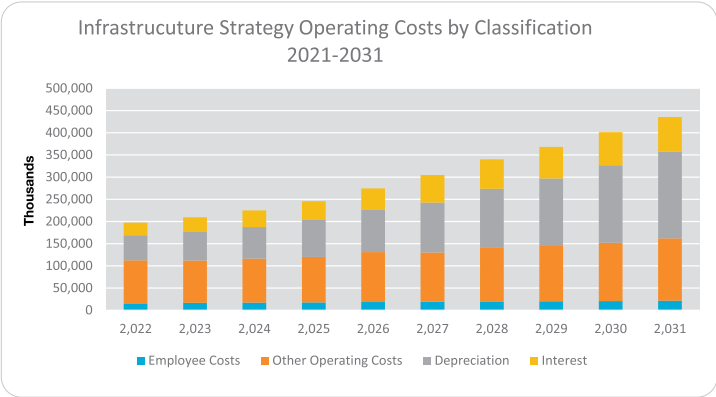
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Indicative capital expenditure

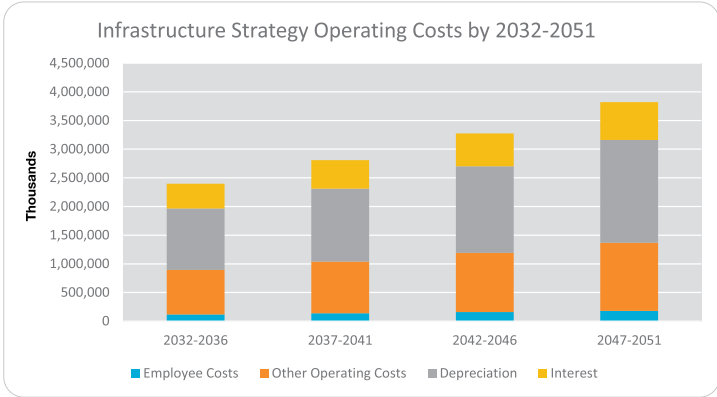


Indicative operating expenditure

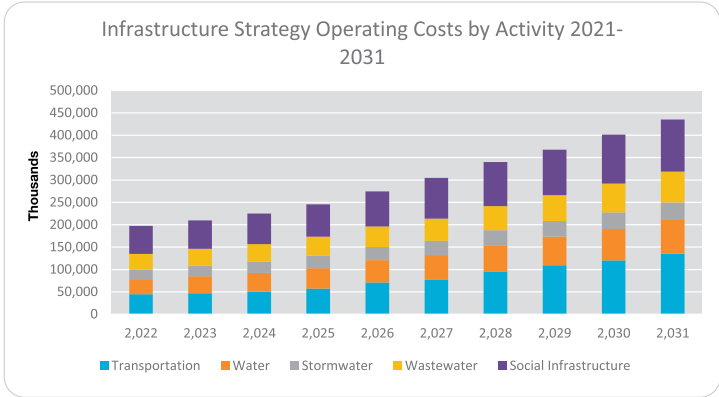


Infrastructure Strategy (2021-2051)

Indicative operating expenditure



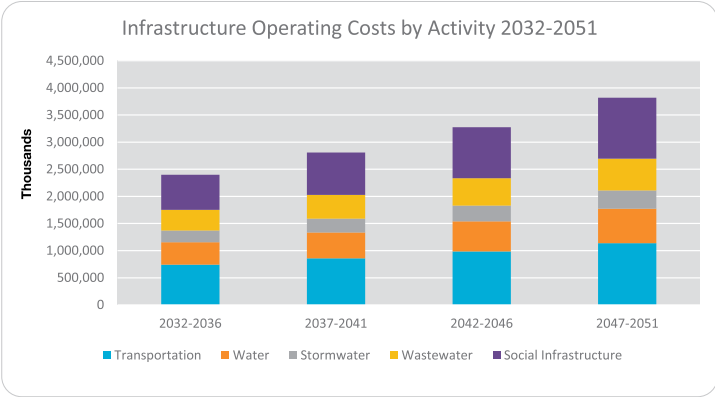
Indicative operating expenditure



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Indicative operating expenditure



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Water supply

Council is committed to supplying a resilient and sustainable water supply, including protection against contamination and increasing storage across the network.

Tauranga's water supply comes from the Tautau and Waiohoro Streams and is treated at two treatment plants - Oropi and Joyce Road. A third source from the Waiāri stream will be treated at the Waiāri water treatment plant currently being constructed (due for completion in 2022). Planned growth in Te Tumu will be supplied from the Waiāri water treatment plant, and planned growth in the Western Corridor (Tauriko West and areas to the south of this) will be supplied from the Joyce Road water treatment plant.

Tauranga City uses an average of 43,700 m³ of water per day and in summer this can rise to 58,000 m³ per day. The average total water supply consumption per person per day is about 256 litres with an average residential consumption of about 180 litres per person per day.

Due to population increases, development growth, increased demand in the coastal zone and the effects of climate change, the consumption of water has increased significantly. Water demand management strategies (e.g. universal metering, large water user's policy, water conservation education, water loss minimisation) have been successfully implemented over a number of years. However, no further significant reductions in water use from these measures and initiatives are anticipated in the short term. Further per capita water reductions could be realised due to intensification, ongoing educational initiatives, rainwater harvesting, and working with industry to optimise water use and reuse.

To ensure we are heading in the right direction with the infrastructure we need for water supply, we commissioned a 30 year Water Supply Strategy. The strategy built on recent calibration data, growth studies and demand assessments, the likely changes in national policy, headroom assessments, consenting and supply

risks, refinement of our levels of service and demand and supply opportunities.

A number of challenges were identified by the strategy which are outlined below:

- Meeting the intention and requirements of the NPS-FM. Priority is now given to freshwater health, water for people and the other uses
- Freshwater sources (surface and groundwater) in the Western Bay of Plenty have been identified as overallocated, meaning that the amount of consented water takes is above a sustainable level
- Council's water take consents set out conditions which help to mitigate any negative effects on the environment. With the consents for the water take from the Waiohoro and Tautau Streams expiring in 2026 we will need to demonstrate how we will meet the requirements in the NPS-FM including Te Mana o Te Wai. The re consenting of the existing water takes poses a significant risk to the water supply strategy beyond 2026 if the water takes are reduced substantially from existing levels
- Based on current per capita water demand levels and future population growth projections and allowing for the possible reduction in surface water takes after 2026, a new water source may be required within the next 30 – 40 years
- Increased droughts due to climate change
- Critical infrastructure located in areas prone to multiple natural hazards or far from supply
- Expectation of "zero carbon" emissions. All raw water is pumped from the source streams to the treatment plants
- Location of water sources in the WBOPDC and the requirement of the Water Service Bill to have a source water risk management plan.

There are a number of actions that we need to take to respond to these challenges:

- Improve understanding of ecological and cultural freshwater health
- Establish Tangata Whenua partnership for management of freshwater
- Active management of how much water is actually being used for residential, commercial, and industrial activities
- Efficient use management and better understanding and management of water loss throughout the network
- Improve understanding of linkages between wastewater and stormwater management on water supply needs. This could potentially include grey water reuse options, and the use of stormwater for non-portable purposes
- Exploring new water sources
- Establishment of water pipelines to form a ring network, to improve supply resilience. It would also include the establishment of pipe linkages around the whole city, so that water can get from any water source to any part of the city
- Relocation and upgrades of critical assets to reduce vulnerability to natural hazards
- Explore regional growth supply and servicing with WBOPDC
- Investigate and implement energy consumption and carbon emission initiatives.

We also have a number of projects underway that support the safe and efficient supply of drinking water across the city.

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The Western Corridor Water Supply Study is intended to identify the preferred water supply trunk network to service the western growth area, including Tauriko West, Lower and Upper Belk, Keenan, Joyce and Merrick Road areas. Some of these areas have been confirmed by the SmartGrowth Partnership for urbanisation while others are potential long-term growth options. A core consideration for this study is the staging to service the various planned and potential growth areas over time. The western corridor is and will be serviced by the existing water take at Joyce Road.

As part of this work it has become apparent that the city's water supply is under more pressure than previously understood. This will largely be relieved when the Waiāri water supply comes on stream – currently scheduled for 2022. Further investigations through the 30 year Water Supply Strategy identified the critical pieces of work to address this issue with the identified projects included in the LTP.

Servicing additional growth areas in the western corridor is constrained in the short-term due to availability of water resources from our existing water takes and treatment plant capacity until the new water take from Waiāri and all related network upgrades have been carried out. This may also have implications for the ability to accommodate large water users.

In the eastern corridor the Papamoa and Mount suburbs are currently being supplied with water from the Joyce Treatment Plant. The extension of the Waiāri water supply all the way to the Mount is critical to take off pressure on the Joyce supply network so capacity can be reallocated to service growth in the western corridor.

Council also received water reform stimulus funding for an amount of \$15 million to be applied across the three waters, which will be used for asset management, improvement and renewals which have not been funded via the current or future LTP.

⁹ As at 1 July 2020

Key projects/programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Waiari Water Treatment Plant Capital	\$168.2	\$0.0	\$168.2	2022-2029
Te Papa Intensification - Water upgrades Cameron Road	\$63.3	\$0.0	\$63.3	2022-2027
Eastern Corridor - Water supply upgrades and new main to Te Tuma to support growth	\$33.7	\$117.3	\$151.0	2022-2051
Western Corridor - Water supply upgrades and new mains to support growth	\$64.2	\$372.4	\$436.6	2022-2051
Citywide - Water supply upgrades	\$33.5	\$32.8	\$66.3	2022-2051
Water Renewals	\$105.8	\$295.7	\$401.5	2022-2051

Water Supply Assets

Asset ⁹	Number
Treatment Plants	2
Reservoirs	17
Pump Stations	6
Pipes	1,303km
Connections	117km
Water meters	58,825
Backflow protection	
• Testable	3,639
• Non testable	57,229
Hydrants	5,550
Valves	12,157

Critical assets

The Water Supply Asset Management Plan includes a detailed assessment of the criticality of individual assets within the water supply network. The most critical assets within the network are:

- the Joyce Road and Oropi Road river intakes, raw water rising mains, treatment plants, storage reservoirs and associated trunk mains;
- pump stations and associated trunk mains at Cambridge Road, Sherson Road, Waikite Road, Oropi Road, Ohauiti Road and Kaitemako Road; and
- reservoirs at Mangatawa, Mount Maunganui, Cambridge Road, Eastern, Waikite, Ohauiti, Kaitemako and Poplar Lane, and the trunk mains to and from these reservoirs.
- extremely critical mains are those defined as mains pipes with a diameter bigger than 350mm.

All critical assets are generally performing as required and are considered to be reliable. However, the Water

Infrastructure Strategy (2021-2051)

Supply Strategy has identified several issues which we are looking to address. These issues include the effects of peak summer demand on the Joyce Road water treatment plant, undersized pipes from the Joyce Road plant, and potential pressure issues in parts of the city.

Renewals and replacements

We use numerous sources of data to inform our renewals programme. Based on this information we expect that the renewals for water supply over the next 30 years will be approximately \$401.5 million. There have been cost escalations in the renewals budget due to health and safety requirements, traffic management, project risks experienced during upgrade projects and geotechnical issues.

The 19 reservoirs that service the city were constructed between 1956 and 2019/20. As part of the Reservoir Asset Renewal program, condition assessments are done on the reservoirs which are inspected on a five-year cycle, with between one and five reservoirs being inspected each year. Issues arising out of these inspections are then prioritised and maintenance undertaken to match the renewals budget.

The current focus for the renewal of pipes is on aging asbestos cement pipes and replacing the remaining galvanised iron pipes. However, there has also been failures in larger diameter PVC pipes. We are actively monitoring the performance of these mains and have taken corrective actions to improve operational conditions (variable speed drives). Additional funding for some renewals and upgrade of these mains was included in the capital budget.

There is a provision in the LTP for continuing water meter renewals, with about 60% of the original 40,000 meters having been replaced. The balance is to be replaced in the next 3 years.

Responding to growth in the demand for services

Population growth and increases in commercial and industrial activities creates additional demand for water supply services, and in particular the volume of water that needs to be supplied. Demand for services can also be influenced by climate change, types of developments, customer expectations, charging regime, emerging technology (such as low-flow appliances) and customer education.

Effective planning and the provision of assets is required to provide the required water supplies when and where our community needs them. As noted above, dependant on water demand initiatives, there may be a need to find a new water source within the 30 years that this strategy covers. Capacity throughout the rest of the network including treatment plants, reservoirs and the distribution system will also need to be addressed.

Water demand initiatives that we have had in place include a public education programme introduced in 1997 and the installation of water meters on all residential and business properties (completed in 2002) and the introduction of a large water user policy in 2019. Water use restrictions have also been imposed over the past few summers due to treatment plant capacity and source water stream constraints.

Planned increases or decreases in levels of service

There are increases in levels of service relating to the resilience of some elements of the network. The Water Strategy has identified a range of levels of service to test in terms of the costs associated with meeting them. This includes levels of service for water pressure, restrictions and water demand. This testing will take place as part of Phase 2 of the Water Strategy.

Public health and environmental outcomes

Clean, safe drinking water is one of the foundations of a healthy community. There are a number of ways in which we protect public health, including:

- high quality water as defined by the Ministry of Health Drinking Water Standards for New Zealand (2008) and the Public Health Grading of Community Drinking Water Supplies (2003) guideline
- using micro-filtration as leading international technology at treatment plants, to produce high quality water
- preventing cross contamination of the supply system through a robust backflow protection programme
- mitigating the risks of contamination to the water supply through Water Safety Plans.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the water supply activity in the following ways:

- Catchment management and protection to reduce the risk of water supply contamination
- Providing service storage reservoirs to increase resilience against network outages
- Maintenance contracts that provide for rapid, quality responses to issues
- 48 hour storage at average flow
- Network flexibility to manage outages through interconnected trunk mains

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Infrastructure Strategy (2021-2051)

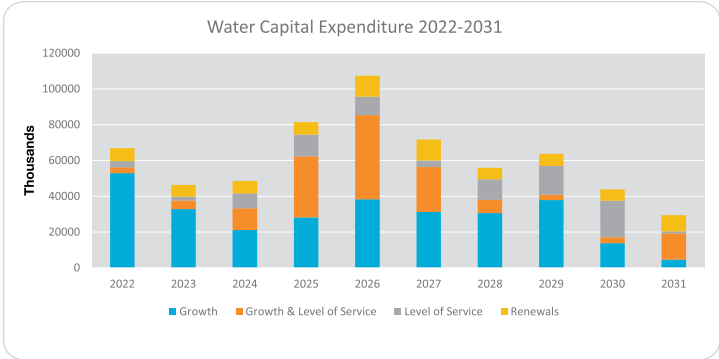
- Utilises more than one surface water source (stream)
- Upgrading a number of reservoirs for resilience against seismic events
- Ongoing maintenance of assets which prevents failure
- Standby generation at the treatment plants
- Telemetry system with alarm triggers to improve reaction time and prevention of issues.

Indicative forecasts of capital and operating expenditure

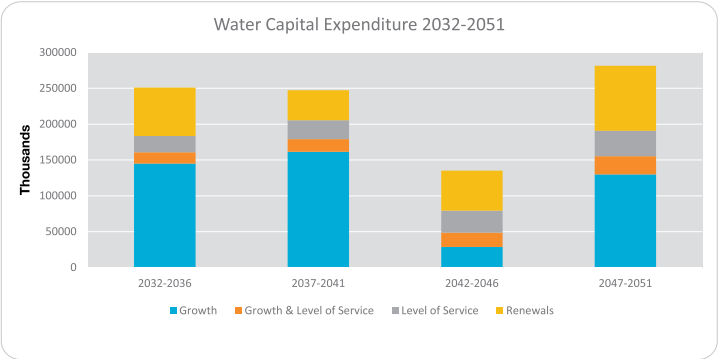
The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Infrastructure Strategy (2021-2051)

Capital expenditure



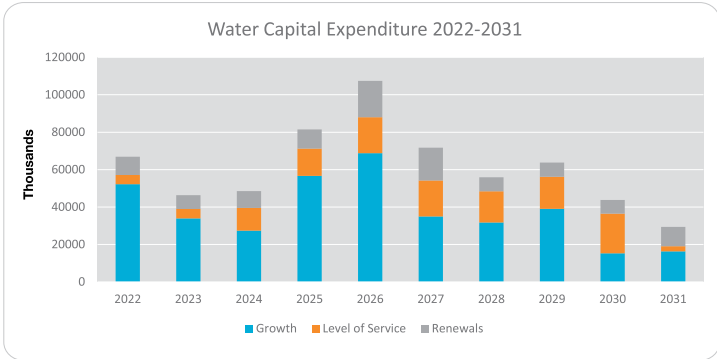
Capital expenditure



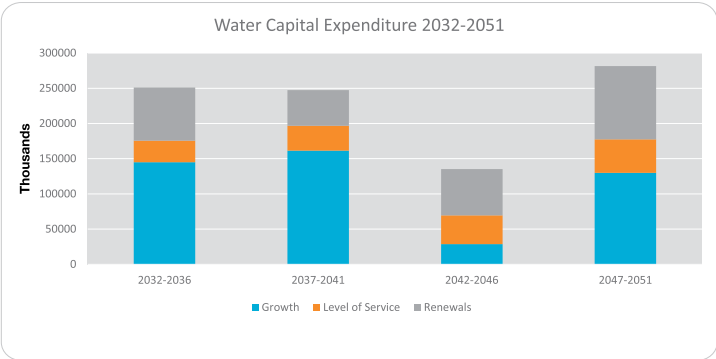
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Infrastructure Strategy (2021-2051)

Capital expenditure

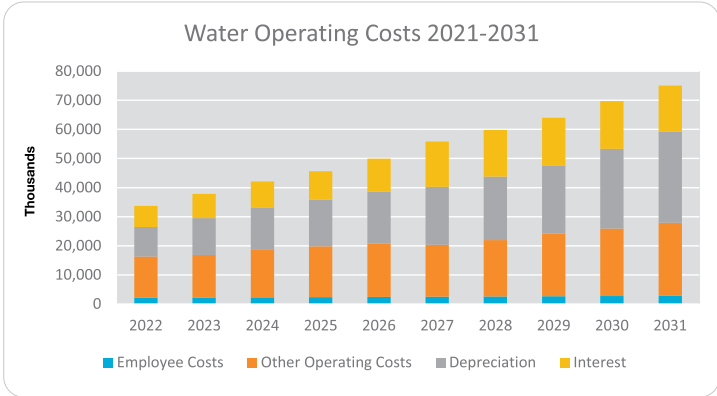


Capital expenditure



Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



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Wastewater

Council is committed to supplying a resilient wastewater network. Wastewater from the southern and western parts of the city, and Omokoroa, is treated at the Chapel Street Wastewater Treatment Plant (WWTP). The eastern part of the city (the Coastal Strip) is served by the Te Maunga WWTP. The Southern Pipeline provides network flexibility for flows between treatment plants, while the Council site at Te Maunga will provide for growth expansion.

In 2019/20 we treated 11,400,000 cubic metres of wastewater. The average amount of wastewater produced per person per day is approximately 225 litres.

In 2005, Council was granted a 35 year consent for wastewater discharge from the ocean outfall. Treated effluent from both WWTPs is directed through wetlands, ponds and an ultra-violet treatment unit at Te Maunga before being pumped out to sea through a 950m long marine outfall off Papamoa Beach.

The Te Maunga ocean outfall is a critical component of the public wastewater network, currently providing Tauranga's only means of treated wastewater disposal. It is in poor condition (both landward and marine sections) and cannot physically withstand the pressures required to deliver the consented maximum discharge rate of 900 L/s. Increasing wastewater flows due to growth are also raising the average daily volumes and peak flows are placing further pressure on the outfall system. These constraints mean that Council must, to build resilience and reduce the likelihood of failure, upgrade the landward section and undertake a review into the future of the marine section. The landward upgrade has commenced, and, dependent on the outcome of the review for the

new marine section, placeholder costs for construction currently sit in 2033.

The review of the marine section of the outfall is part of the Wastewater Programme Business Case (PBC), following the Treasury's Better Business Case framework. The PBC will enable Council to take a long term, system-wide approach, considering investment in both network, plant and the outfall system (including the marine section). A long list of potential programme options (alternatives) will be considered against a broad range of criteria, taking into account environmental, cultural, and economic outcomes. The PBC will provide a short list of programme options for further analysis. The long and shortlist are likely to include both infrastructure and non-infrastructure responses.

To ensure we are heading in the right direction we have prepared a 30 year Wastewater Strategy for both the treatment plant and the network.

A number of challenges were identified by the strategy which are outlined below:

- avoidance of direct discharge of wastewater from the network to rivers, streams and coastal waters (including Te Awanui/Tauranga Harbour)
- uncertainty of extent, location and timing of urban growth
- sufficient network capacity for additional flows to cater for a growing population
- management and disposal of biosolids
- preventing the infiltration of excess water into the wastewater network to preserve the capacity reserved for future growth
- critical infrastructure located in areas prone to multiple natural hazards

- expectation of "zero carbon" emissions
- managing network overflows in order to protect public health, freshwater and marine environments
- affordability of network maintenance and upgrades to cater for both growth and climate change
- compliance with new regulatory requirements.

There are a number of actions that we need to take to respond to these challenges:

- Improve understanding of ecological and cultural aspects of the health of fresh and sea water
- Strengthen partnership with Tangata Whenua through the Wastewater Management Review Committee and Te Rangapu
- Effective data and information on growth and network performance
- Adaptive network management approach, which reviews the wastewater programme based on latest information every three years and re-builds the strategic model to support decisions every six years
- Improve understanding of linkages between wastewater, water supply and stormwater management. This includes the impacts of a potential reduction of water demand, and improved stormwater flow management to reduce the infiltration of stormwater into the wastewater system
- Prioritized investigations to determine best response e.g. infiltration reduction, enhanced storage, increased network capacity

Infrastructure Strategy (2021-2051)

- Relocation and upgrades of critical assets to reduce vulnerability to natural hazards
- Investigate and implement energy consumption and carbon emission initiatives
- Robust and meaningful stakeholder engagement with community
- Continued relationship building with Tangata Whenua.

We also have a number of projects underway to support an efficient and sustainable wastewater network across the city.

The Eastern Corridor wastewater programme will progress a concept to renew and upgrade the existing wastewater trunk network (including pump stations) from the boundary of Te Tumu to the Te Maunga wastewater treatment plant. In addition to accommodating growth in the eastern corridor, existing operational and renewal issues will also be addressed.

The Western Corridor Wastewater Study identifies the preferred trunk network (including pump stations) to service the western growth area, including Tauriko West, Lower and Upper Belk, Keenan, Joyce and Merrick Road areas. The network would connect to the Southern Pipeline via Maleme Street, Greerton. A core consideration for this study is the staging to service the various planned and potential growth areas over time.

Key projects/programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Eastern Corridor - Wastewater trunk line and upgrades to support growth (inc Te Tumu)	\$207.8	\$164.5	\$372.3	2022-2051
Western Corridor - Wastewater trunk line and upgrades to support growth (inc Belk Plateau)	\$21.4	\$65.4	\$86.8	2022-2036
Te Maunga Wastewater Treatment Plan - upgrade to support growth	\$194.9	\$145.9	\$340.8	2022-2035
Te Papa Intensification - Wastewater upgrades Cameron Road	\$12.7	\$0.0	\$12.7	2022-2025
City Wide - Wastewater reticulation upgrades	\$62.0	\$0.0	\$62.0	2022-2031
Wastewater Renewals	\$113.1	\$360.4	\$473.5	2022-2051

Wastewater assets

Asset ¹⁰	Number
Treatment plants	2
Ocean outfall	1
Mains gravity pipes	1,130km
Rising mains	104km
Pump stations	226
Manholes	17,532

Critical assets

The Wastewater Asset Management Plan includes a detailed assessment of the criticality of individual assets within the wastewater network. The most critical assets within the network include:

- the Chapel Street and Te Maunga wastewater treatment plants and ocean outfall system;
- Memorial Park, Maleme Street, Judea, Opal Drive, Bethlehem, Totara Street, McDonald Street and pump stations;
- trunk mains and rising mains greater than 450mm in diameter, including the Southern Pipeline mains, servicing the Tauranga Hospital, and mains in proximity to, or crossing, rail lines, state highways or the harbour and estuaries.

A number of critical assets require further investment to ensure ongoing performance and reliability including the Te Maunga plant, ocean outfall, and Opal Drive pump station.

Renewals and replacements

The renewals strategy for the wastewater network includes planned replacements (based on critical asset monitoring and condition assessment), rehabilitation and run-to-failure. Proactive indicators include targeted

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Infrastructure Strategy (2021-2051)

and routine CCTV surveys, asset attributes such as age, environment and type of use. Reactive indicators are a result of breaks, blockages and overflows.

One of the issues that is affecting the renewals programme for wastewater includes the deterioration of assets. There has been a need to rehabilitate pipes at only 50% of their design life due to soft ground conditions, asbestos cement (AC) and concrete pipes not living up to the expectations due to hydrogen sulphide gas attacks and risk of failure of modified poly-vinyl chloride rising mains.

Challenges have also been identified with several pump stations failing to meet storage requirements and pump operating hours. This has implications for the management of heavy flows due to weather events but also from increased flows due to intensification and greenfield developments.

An annual average investment of almost \$6 million is required to renew the assets comprising the wastewater pipes network. This figure includes network assets such as wastewater mains, service lines, rodding eyes, valves, odour control assets and manholes.

Responding to growth in the demand for services

Population growth, development of new residential areas and an increase in commercial and industrial activities increases the demand for wastewater services and the volume of wastewater that needs to be treated and disposed of.

The demand for the services can also be influenced by climate change, the type of development, customer expectations, charging regime, emerging technology and customer education.

Effective planning and the provision of assets is required to meet the needs and expectations of our community.

This includes the provision of adequate capacity in the network and includes the upgrade of the Te Maunga WWTP to increase its capacity to treat the additional flows and loads from its current catchment and those being transferred from the current Chapel Street catchments through the Southern Pipeline.

Key upgrades and newly required infrastructure have been identified through the Eastern and Western Corridor studies. In addition, we have identified several projects through our network modelling, which have been included in the LTP.

Planned increases or decreases in levels of service

There are increases in levels of service relating to the resilience of some elements of the network. The 30 year Wastewater Strategy has identified the need for a level of service review to be undertaken looking at the capacity of the network. The intention of the review would be to create a performance based level of service rather than one that is based on a static engineering design standard. No decision has been made regarding the timing of this review.

Public health and environmental outcomes

The wastewater system conveniently and safely removes the wastewater produced in households, commercial, industrial and public buildings and allows it to be treated before disposal to the environment. In doing so, contemporary wastewater systems are a key contributor to maintaining public health and environmental protection, and so enable urban communities to grow and thrive.

Environmental outcomes are set out in the conditions of Council's discharge consent. In addition, Council and Tangata Whenua representatives sit on the Wastewater Management Review Committee. One of the functions

of the committee is to make recommendations regarding the physical measures and initiatives to address or compensate for actual or potential effects of the wastewater scheme.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the wastewater network in the following ways:

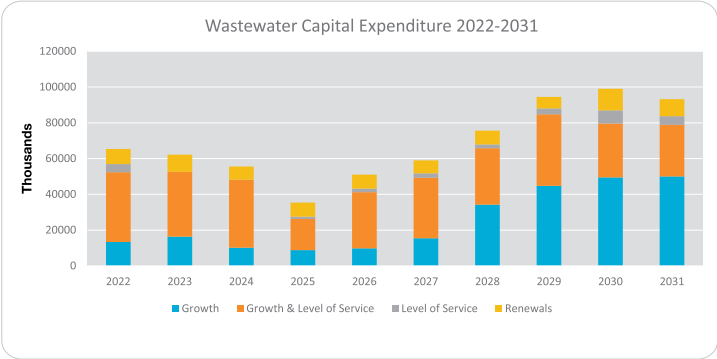
- the Southern Pipeline provides network flexibility for flows between treatment plants
- telemetry system to improve reaction time and prevention of issues
- ongoing maintenance of assets which prevents failure
- maintenance contracts that provide for rapid, quality responses to issues
- standby generation at the treatment plants.

Infrastructure Strategy (2021-2051)

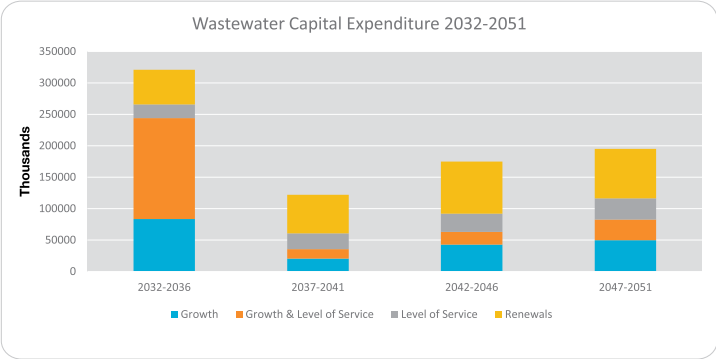
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure



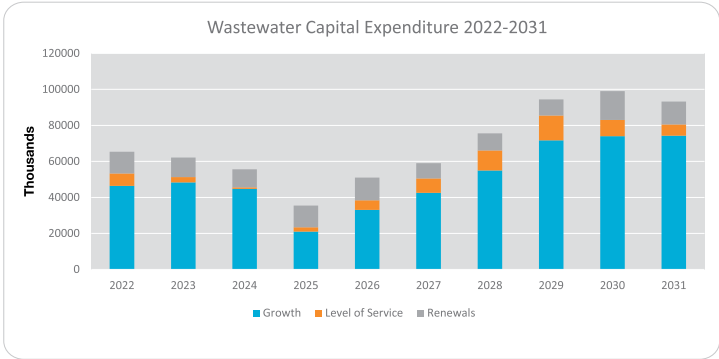
Capital expenditure



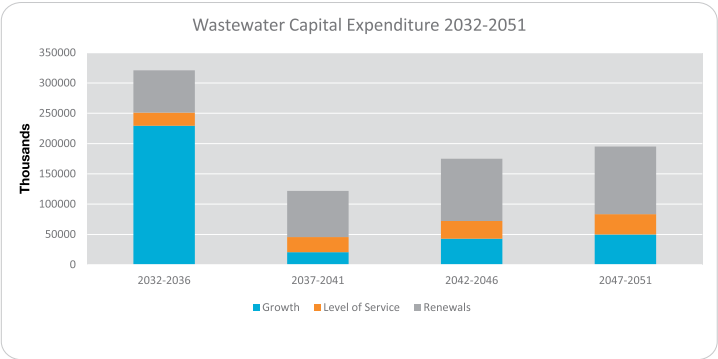
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Infrastructure Strategy (2021-2051)

Capital expenditure

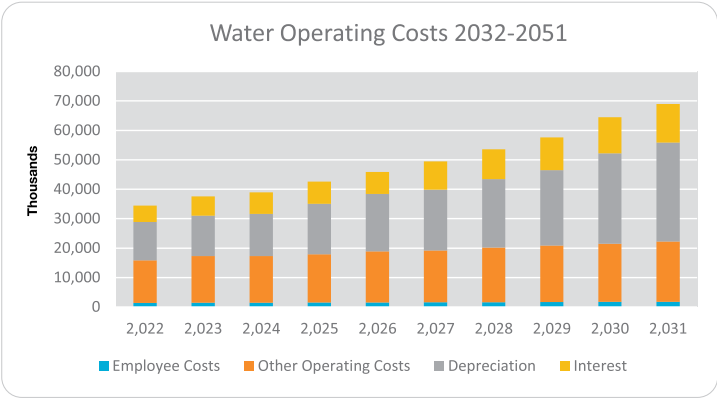


Capital expenditure

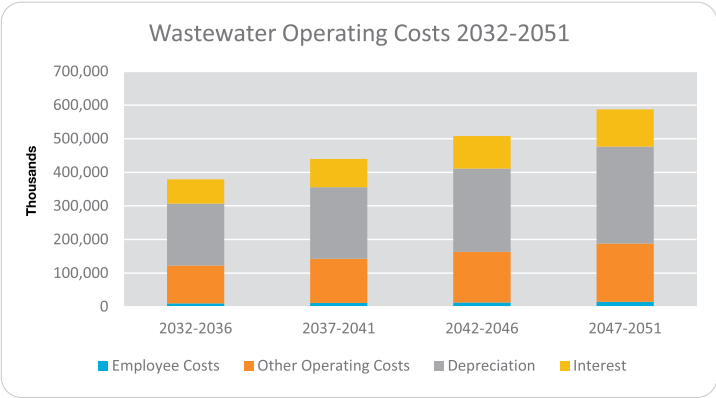


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



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Infrastructure Strategy (2021-2051)

Stormwater

Stormwater is the water that runs off surfaces such as houses, roads, driveways and footpaths during rain events. Council manages stormwater in an environmentally acceptable way to protect public health and safety whilst managing the effects of population growth. Council is looking to provide sustainable long-term solutions acknowledging Te Mana o te Wai and respecting the values Tangata Whenua place in water resources.

The city's urban stormwater network is interlinked with Tauranga's natural waterways, conveying and treating stormwater before it enters the streams, rivers, harbour and coast. Most of the Tauranga catchment's soils drain well, meaning that in some suburban residential areas stormwater mainly discharges into the ground via soakage.

The main flooding and stormwater issues have tended to occur within older, established areas of the city constructed prior to 1990 where a low level of service has been provided. Most development in the city over the past 20 years has been designed to cope with a current 50 year ARI storm event. Since climate change is 'shifting' ARI and the frequency and intensity of events, this presents a risk on performance of infrastructure and level of service. It is expected that low lying suburbs and those near the coast, harbour and streams will be more vulnerable to the impacts due to climate change.

As noted earlier, Plan Change 27 has been publicly notified. The purpose of the plan change is to ensure that future land use, subdivision and development within Tauranga is planned to be resilient to flooding. The plan change introduces a new rule framework to the Tauranga

City Plan to manage the effects of flooding from intense rainfall on people, properties and infrastructure. We have also included a programme of works to address flood risk.

Council has three 35 year consents, two granted in 2009 and one in 2012, that authorise existing stormwater structures and discharges from across the city. Council has also developed city-wide catchment management plans that are updated every five years that outline the management of likely stormwater and stormwater quality issues. These have been submitted to the Regional Council and provide a programme of renewals and maintenance of existing stormwater infrastructure.

To ensure we are heading in the right direction we have commissioned a draft 30 year Stormwater Strategy. We want to work on reversing the environmental degradation that has occurred; support growth through proactive stormwater planning activities; and adapt, be flexible and be open to changes in management approaches as new knowledge or information becomes available.

A number of challenges were identified by the strategy which are outlined below:

- delivering the aspirations of our community
- shifting to maintaining and improving freshwater quality, not just minimising effects
- "Integrated management" as a new responsibility for territorial authorities
- changing standards for stormwater treatment and conveyance
- intensification partly limited due to flood hazard constraints
- increased heavy rainfall events and sea level rise, increase of flood risks and number of houses and

other infrastructure potentially affected by flooding

- existing infrastructure not designed to today's standard (e.g. dams and pipes/flow paths down escarpments)
- expectation of "zero carbon" emissions.

There are a number of actions that we need to take to respond to these challenges:

- improve our understanding of ecological and cultural freshwater health
- continued relationship building with Tangata Whenua and Te Rangapu
- set up partnership with Tangata Whenua for management of freshwater
- review of Council's policies and provisions for freshwater management
- establishment of blue-green network with multiple purposes
- improve understanding of linkages between wastewater and stormwater management
- develop robust local specific stormwater rule framework for new and re-developments
- increase infrastructure resilience over time
- reduce the number of houses and social infrastructure in flood-risk areas over time
- embrace adaptive pathway planning, which keeps future options for adjusting to a changing climate open
- work with natural flow paths and using filtration to ground, where possible to utilise natural ways of managing stormwater
- investigate and implement energy consumption

Infrastructure Strategy (2021-2051)

and carbon emission initiatives.

Managing stormwater in the Tauriko West Urban Growth Area requires a comprehensive stormwater consent. The consent will guide how developer manage stormwater with the required infrastructure costs to be met by the developers. Stormwater management must meet the requirements set out in the NPS-FM and the National Environmental Standard for Freshwater Management. There is a strong focus on the protection and enhancement of wetlands and streams which has implications for the urban footprint that may be accommodated in this area.

In the Te Tumu Urban Growth Area we are preparing a Stormwater Strategy with landowners to guide the philosophy and implementation of stormwater management in Te Tumu. Most of the infrastructure will be delivered by developers, with the exception of the Kaituna Overflow which is to be delivered by Council. The overflow will be integrated into the development to provide amenity and recreational values as well as flood management.

During the development of the Te Papa Spatial Plan high level studies of the existing stormwater network, catchments and overland flow paths were undertaken. Further stormwater work will likely be required to enable development to be realised in some areas. This may include rerouting overland flow paths and/or using existing and new open space networks to reduce flood prone areas and contribute to the amenity of the area.

We are also progressing a project on large dam safety upgrades across the city. This project has arisen due to proposed new dam safety regulations.

Key projects

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
Eastern Corridor - Stormwater projects and upgrades to support growth (inc Te Tumu)	\$29.30	\$100.70	\$130.00	2022-2051
Western Corridor - Stormwater projects and upgrades to support growth	\$34.80	\$0.00	\$34.80	2022-2031
Te Papa Intesification - Stormwater upgrades Cameron Road and new development priority	\$90.10	\$107.40	\$197.50	2022-2049
City Wide - Stormwater upgrades	\$90.70	\$238.60	\$329.30	2022-2051
Stormwater Renewals	\$14.70	\$27.40	\$42.10	2022-2051

Stormwater Assets

Asset ¹¹	Number
Pipes	769km
Manholes	13,981
Pump stations	6
Open drains	118km
Culverts	11.7km
Soak holes	277
Treatment devices e.g. rain gardens, proprietary devices	47
Stormwater ponds/wetlands	96

Critical assets

The Stormwater Asset Management Plan has been updated to include the criticality of pipes in the stormwater network. Mains pipes with a diameter of 1,500mm and bigger are deemed as extremely critical (approximately 11km of the network). Stormwater pipes located at the port and airport is also assessed as extremely critical

Renewals and replacements

Our renewals programme is based on a significant amount of data and evidence including asset age, inspections and condition surveys. We use Powerplan AIO decision support software to process the data and create the renewals programmes. A new renewals budget for stormwater treatment assets have been created during this LTP process. For the 30 years of this strategy there is a proposed renewals budget of \$35.7 million.

There have been increases in renewal costs driven by increased traffic management costs and unit rate increases for materials and labour.

¹¹ As at 1 July 2020

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Infrastructure Strategy (2021-2051)

We have an ongoing programme for the cleaning and maintenance of stormwater assets. This programme ensures that the ponds can operate as designed to reduce flooding and accommodate the discharge of contaminants.

Responding to growth in the demand for services

Property development across the city has increased the area of impervious services and with increased rainfall places additional pressure on the existing stormwater network. Council has reviewed and amended the design rules in the Infrastructure Development Code to partially address this issue. Other responses include the changes proposed in Plan Change 27, which implements a impervious surfaces rule for many of our residential areas. Exceeding the impervious rule requires resource consent to consider how the development mitigates the effects of any additional stormwater runoff.

As Tauranga intensifies, further investigation is proposed to identify where additional work may be needed to mitigate legacy flooding issues. As mentioned above, the Te Papa Spatial Plan considered stormwater at a high level and further work is proposed. Initial budget is proposed for capacity upgrades across the city as part of this LTP. This is to consider how the upgrading of infrastructure and/or creation of improved flow paths and open space can mitigate flood risk in existing suburbs as well as benefit other outcomes such as amenity and connectivity.

Planned increases or decreases in levels of service

New infrastructure builds as part of land development are required to design a primary network (pipes or other form of conveyance) for the 1 in 10 year ARI rain event. The overall stormwater system, including safe provision for flow of water overland, is required to be designed for a 1 in 100 year storm. Recent changes to the City Plan and

Infrastructure Development Code now require increased design for climate change.

Some older established parts of Tauranga have not been designed to cater for stormwater in this way. Councils programme of intervention in existing established areas is based on a 'Safety to Persons' approach adopted as part of the Long-term Plan 2015 – 25. This targets areas where the combination of depth and velocity in a large rainfall event is greater than 0.4 m²/s which poses a risk to people's safety. Prioritised projects to address these risks have included purchase of at-risk property and infrastructure to reduce the hazard. There is no change proposed to this level of service. Budget in the LTP is provided to complete projects identified as required to achieve this safety based Level of Service.

Council will however be investigating further opportunities to improve network capacity in existing established areas. Initial budget is proposed for investigating opportunities for capacity upgrades across the city as part of this LTP. This is to consider how the upgrading of infrastructure and/or creation of improved flow paths and open space can mitigate flood risk in existing suburbs as well as benefit other outcomes such as amenity and connectivity.

Public health and environmental outcomes

The waterways, harbour and coast are places for food-gathering, recreation and enjoyment for all Tauranga residents and visitors. Urban stormwater from residential and business properties, roads and car parks has impacted water quality and the health of the receiving ecosystems. Water quality, ecosystems and mahinga kai have declined, and the mauri of the water has been degraded. While some of Tauranga's streams have excellent water quality and ecosystem health, many have fair or poor water quality¹².

Waterways can be contaminated with industrial wastewater and runoff, road and car pollutants, human

and animal faeces, sediment, nutrients, and litter. Council has a pollution prevention programme, along with other education programmes in the community, where staff work directly with commercial and industrial property owners to improve their onsite stormwater practices.

As noted above, we have identified a range of responses to address these challenges.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the stormwater network in the following ways:

- change to cater for 100 year ARI including climate change (more intense rainfalls and sea level rise) for flood management (instead of 50year existing)
- shift to utilising open systems, including natural waterways, for the conveyance of flows. These systems are much more adaptable than pipe networks
- maintenance contracts that provide for rapid, quality responses to issues.

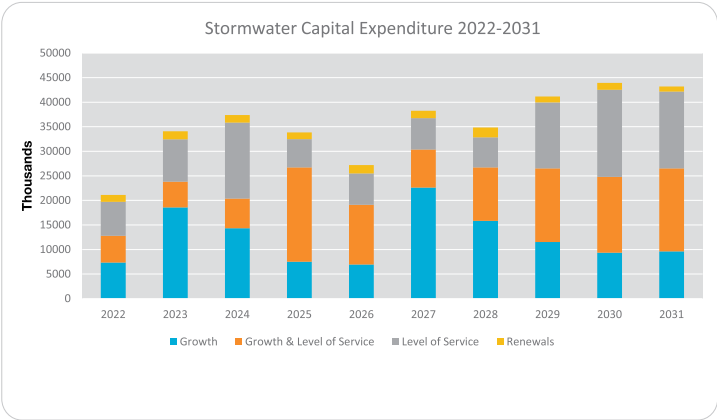
¹² Bay of Plenty Region River Quality, Land, Air, Water Aotearoa. <https://www.lawa.org.nz/explore-data/bay-of-plenty-region/river-quality> (14 September 2020)

Infrastructure Strategy (2021-2051)

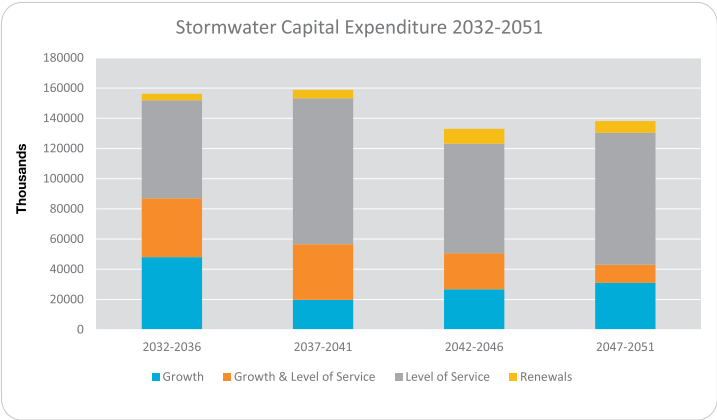
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure



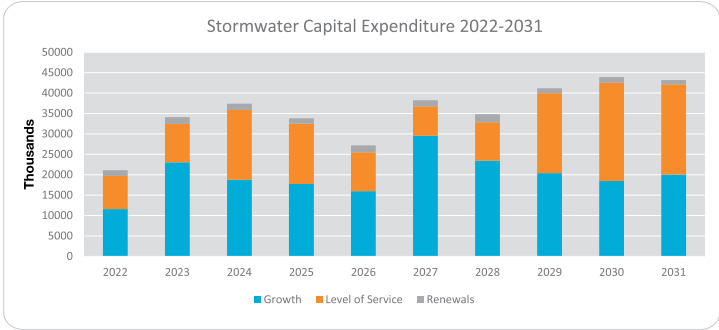
Capital expenditure



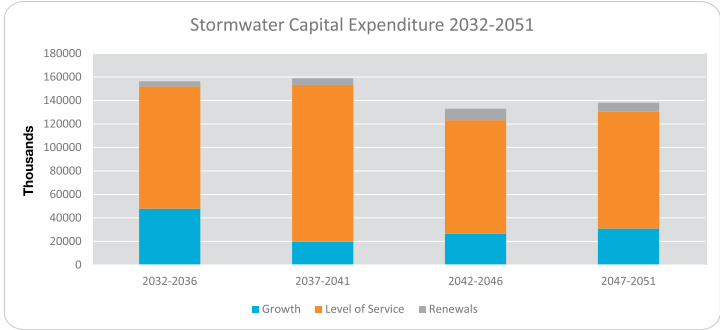
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Infrastructure Strategy (2021-2051)

Capital expenditure

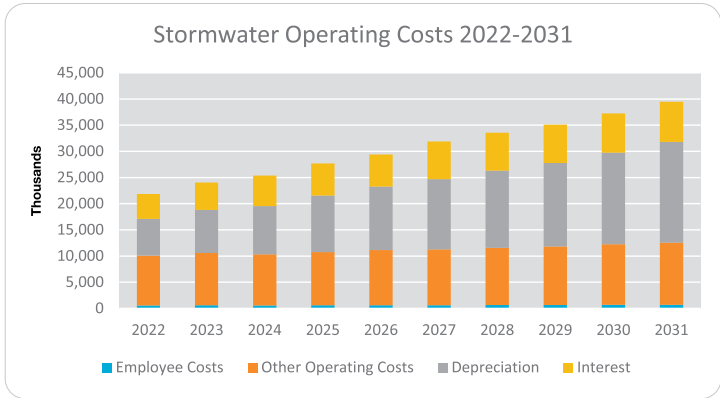


Capital expenditure

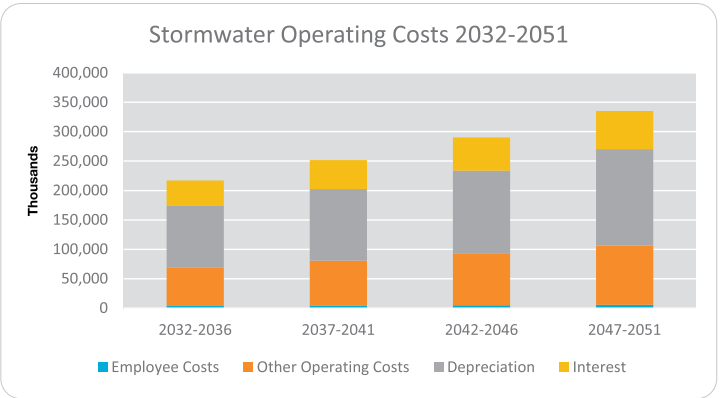


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



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Infrastructure Strategy (2021-2051)

Transport

Over the last 30 years, Tauranga's strategic transport network has been developed through a joint Council and Waka Kotahi investment programme aligned with SmartGrowth. The investments made in the State Highway network have supported the efficient movement of freight, in turn supporting the economic growth of the city and in particular the Port of Tauranga and associated industries. Significant investment has been made into the local road network to support residential and economic growth as well as leveraging the investments made by Waka Kotahi NZTA.

As noted above, the Western Bay of Plenty Transport System Plan (TSP) has been adopted. The TSP identifies and proposes changes and improvements needed to provide a safe, sustainable and reliable transport system, over the next 30 years. The TSP provides a co-ordinated approach to investment across the transport network. The TSP takes a system wide approach to supporting urban development and improved transport outcomes. This includes research, policy development, projects that are ready to implement and the development of business cases for the more complex issues and corridors e.g. Turret and 15th Avenue or the Hewletts Road sub area.

The key goals of the TSP include:

- Dedicated lanes and priority at key intersections will allow buses to move past queued traffic and ensure bus services are frequent, reliable and get people where they need to go
- Existing freight corridors on SH29, Takitimu Drive, Hewletts Road, SH29A, Takitimu North Link and

the Tauranga Eastern Link will continue to connect the Port with the Eastern Bay, Rotorua and upper North Island

- A network of safe cycling, walking and personal mobility routes will allow people to reach their local shops, schools, parks and neighbouring communities within 15-30 minutes
- Once public transport, walking and cycling becomes the norm, less carparking will be needed and parking costs should encourage people to use those other options
- Giving people a range of transport choices, and the ability to live close to where they work, will also help reduce transport carbon emissions over time and improve our environment.

PORT OF TAURANGA

Considerable growth in commercial traffic is projected. Heavy commercial vehicle traffic growth is estimated to increase on all state highway routes that run through Tauranga and connect to the wider region and the upper North Island. For example, between 2018 and 2043 heavy commercial vehicle traffic growth on SH2/Takitimu Drive of 74%, on SH2 North/Te Puna of 63%, SH29/Kaimai of 64%, and SH2/Otamarakau of 38% is estimated¹³.

The Port of Tauranga is a nationally significant international gateway and New Zealand's largest port by volume. The port handles 32% of all New Zealand cargo, 37% of New Zealand exports and 41% of all shipping containers. In 2019/2020 the port handled just over 24.8 million tonnes of cargo¹⁴.

Although the Port is of economic importance to both Tauranga and New Zealand, it does have an impact on the locally funded road network. This includes congestion, impacts on the road surface and on other road users, including cyclists.

The Bay of Plenty Mode Shift Plan Regional Framework (MSP) provides an overview of the region's challenges and direction with regards to mode shift. It brings together in one place the existing key policies, strategies and plans relating to mode-shift from Council and our partners. We will continue to complete and implement the projects that we have responsibility for.

Initial discussions are underway regarding the potential for rapid rail between Hamilton and Auckland. While the project is in an early scoping stage of development its understood that the Government intends to investigate four possible options ranging from extending electrification of the existing route to building a new rail alignment alongside the existing corridor. These initial discussions have included signals to investigate extending rapid rail to Tauranga.

There are a number of transport projects underway to support the structure planning process for Te Tumu Urban Growth Area and the eastern corridor. This includes the Papamoa Eastern Interchange (PEI) and Te Okuroa Drive.

A staged delivery of the full Cameron Road corridor project is underway. The project is focused on achieving improved multi-modal outcomes and enabling quality intensification outcomes on the Te Papa peninsula. Investigations are also underway to determine what other

¹³ Regional Freight Flows Study, UFTI, 2020

¹⁴ Port of Tauranga Annual Report 2020

Infrastructure Strategy (2021-2051)

infrastructure can be renewed or upgraded at the same time.

The current stage focusses on delivery in the short to medium term (out to 10 years). The section of Cameron Road from Harrington Street to Seventeenth Avenue will be constructed first. Funding of \$45 million for this project has been provided by the Crown Infrastructure Partners (CIP).

In addition to Cameron Road multimodal project, investment is proposed within and around the city centre and Te Papa to enable and encourage mode shift to walking and cycling, and also improve access by public transport. This includes improvements to enhance safety, accessibility, functionality and attractiveness for all users.

Key programmes

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
15th Avenue / Turret Road corridor	\$63.1	\$0.0	\$63.1	2022-2027
Hewletts Road / Totara Street / Hull Road sub-catchment	\$157.1	\$0.0	\$157.1	2022-2028
Bus infrastructure (inc Park n Ride)	\$112.5	\$63.3	\$175.8	2022-2051
Accessible streets, including walkways and cycleways	\$171.3	\$94.3	\$265.6	2022-2050
Te Tumu and eastern corridor growth projects*	\$164.0	\$89.2	\$253.2	2022-2051
Tauriko and western corridor growth projects*	\$205.3	\$881.6	\$1,086.9	2022-2041
Te Papa intensification (including Cameron Road, and Transport Hub)	\$441.4	\$88.7	\$530.1	2022-2051
Local Road and Transport Renewals	\$179.2	\$806.4	\$985.6	2022-2051
Local Roads Safety and upgrades	\$88.7	\$12.6	\$101.3	2022-2051

Note - * these investments are also included in the residential and business land supply totals (key proposal 1)

¹⁵ Based on the 2018 valuation

Transport assets

Asset ¹⁵	Number
Road pavement	600km (94% urban, 6% rural)
Footpaths	780km
Streetlights	11,956
Traffic controls	2,483
Kerb and channel	1,069km
Bridges	12
Pay & display machines	107
Retaining walls	735
Street signs	15,690

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Infrastructure Strategy (2021-2051)

Critical assets

The Transportation asset management plan includes a detailed assessment of the criticality of individual assets within the transportation network. The most critical assets within the network include the following:

Roads/Streets including:

Totara Street, Welcome Bay Road, Cameron Road, Chapel Street, Cambridge Road, Devonport Road, Domain Road, Eleventh Avenue, Fraser Street, Fifteenth Avenue, Girven Road, Golf Road, Hull Road, Maunganui Road, Oropi Road, Parton Road, Tara Road, Totara Street, Waihi Road, Ngatai Road, Ocean Beach Road, Otumoetai Road, Papamoa Beach Road, Levers Road, Carmichael Road, Mayfield Lane.

ONRC Classification	Bridge	Embankment	Retaining Walls
Regional	Chapel Street Bridge, Welcome Bay Road, Turret Road Bridge		Chapel Street
Arterial	Oropi Road Bridge/Culvert, Waihi Road	Oropi Road, Pyes Pa Road, Waihi Road, Turret Road/Hairini Bridge	Devonport Road, Waihi Road, Fifteenth Avenue
Primary Collector		Cambridge Road, Beaumaris Boulevard, Welcome Bay Road, Otumoetai Road, Ngatai Road	
Other	Matua Access Bridge		

Renewals and replacements

Our renewals programme is based on a significant amount of data and evidence including a two-yearly full network survey, 3D profiles of the road surface, inspections and condition surveys. We use the RAMM database to process the data and create the renewals programme.

There has been an increase to the renewals budget with a total of \$1,073.1 million (or \$1.073 billion) for the 30 year period. This budget recognises the need to ensure the network maintenance remains at an affordable level into the future. Under investment in the past has used up the asset life and without the proposed increase we anticipate pavement failures and a high level of reactive maintenance such as potholes and pavement failures.

Assets in some areas are expected to deteriorate at an increased rate due to the additional strain put on our infrastructure by Tauranga's rapidly growing population. Other factors include new contracts generally increasing by 40 percent nationally, while Temporary Traffic Management (TTM) related costs have grown by approximately 20 percent. Labour and material costs have also increased by 10 to 15 percent. Improved data from the Road Efficiency Group is also leading to growing administration costs to support these improvements. From current projections it's likely that required rehabilitation will need to be deferred in some cases. In the long run this would lower our level of service and potentially result in greater cost, with more assets needing replacement before reaching their expected useful life.

The renewals programme may also be affected by the level of funding that we receive from Waka Kotahi NZTA. This includes meeting the costs associated with pavement rehabilitation, with the cost of rehabilitation being far higher than simply resurfacing a road. From a road resurfacing point of view funding levels will be enough to maintain our level of service, however from a pavement rehabilitation our backlog will increase, and failures associated with these roads will reduce our level of service (as noted below).

Infrastructure Strategy (2021-2051)

Responding to growth in the demand for services

There are a number of ways in which the transport activity is affected by the growth throughout the City. It includes the construction of new assets to service greenfield development, reduced safety, increased congestion and reduced travel time reliability and increased maintenance and renewal costs.

Responding to the changes in demand has implications for our renewals programme (as outlined above) but also a significant impact on the proposed capital expenditure programme. The key projects to address the implications of growth are provided above.

Planned increases or decreases in levels of service

Levels of service are expected to decrease, with a rapidly growing population putting additional strain on our network resulting in increased asset deterioration and more congestion at peak times. This combined with reduced funding from Waka Kotahi will make it difficult to maintain our current level of service.

There are increases in levels of service relating to the provision of cycleways and walkways, bus infrastructure and other multi-modal solutions, together with the resilience of some elements of the network.

Public health and environmental outcomes

The way we plan for and manage the assets that provide transport choices across the city has implications for our health and wellbeing. We know that currently there is a preference for travel by private vehicles which does not support positive health or environmental outcomes.

This private vehicle preference has also led to Tauranga's per capita transport related emissions being higher than Wellington and Dunedin. These issues have been considered in UFTI and the TSP, with projects and actions identified to address and improve these outcomes for our community including investment in cycleways and multimodal transport.

Resilience

As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the ongoing operation of the transport network in the following ways:

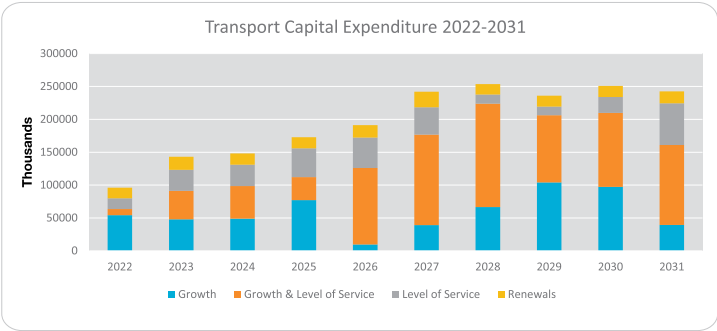
- regular inspections of our critical assets including bridges, embankments and retaining walls
- routine maintenance of drainage assets.

Infrastructure Strategy (2021-2051)

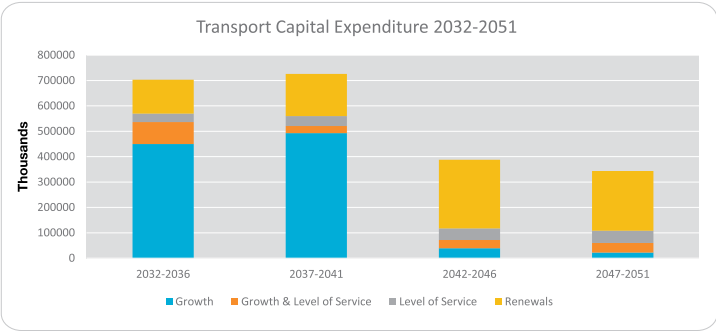
Indicative forecasts of capital and operating expenditure

The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure

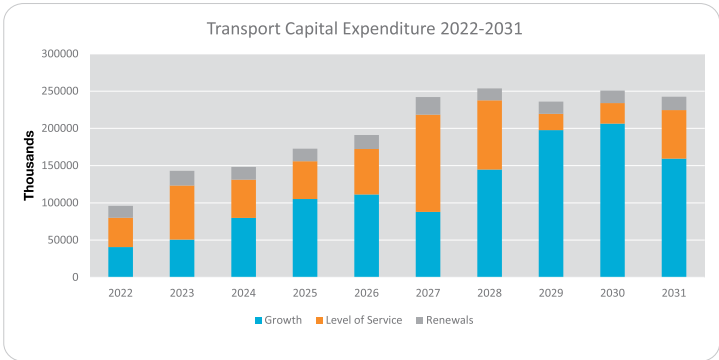


Capital expenditure

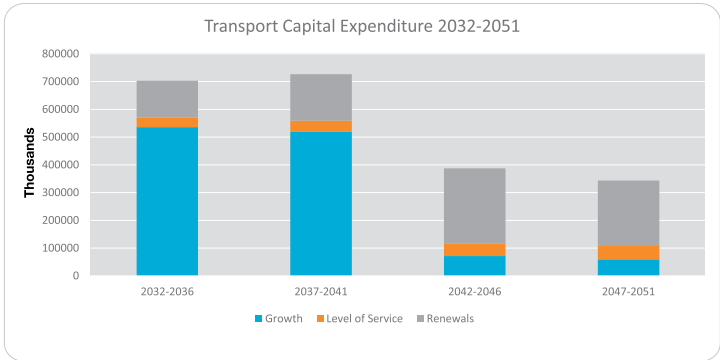


Infrastructure Strategy (2021-2051)

Capital expenditure

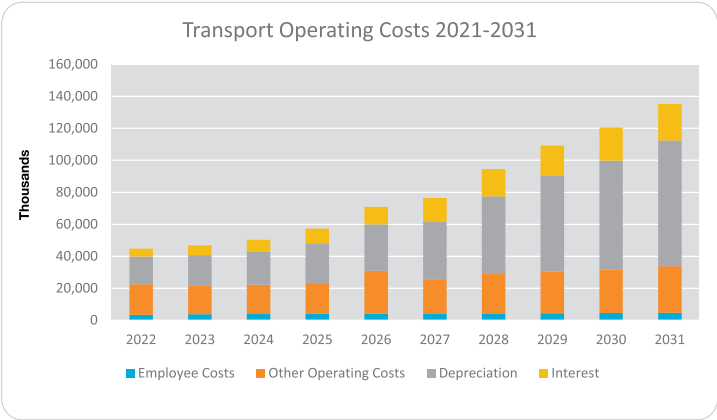


Capital expenditure

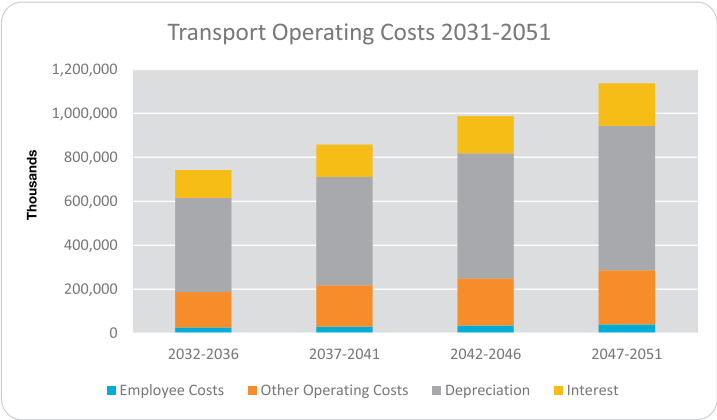


Infrastructure Strategy (2021-2051)

Operational expenditure



Operational expenditure



Infrastructure Strategy (2021-2051)

Social infrastructure

Social infrastructure includes parks and reserves, libraries, pools, community centres, indoor sports centres and halls. They are places for us to connect, to learn, to play and stay healthy. They contribute to the development of successful, accessible centres. They provide safe and inclusive spaces that allow cultural expression and provide opportunities for people of all ages and backgrounds to be inspired and to thrive. They are integral to our future planning, and our ability to achieve good place-based outcomes for all of our communities across the city.

As noted above, Council adopted the Community Facilities Investment Plan (CFIP) which seeks to ensure we provide the right facility, in the right place, at the right time to meet our community's current and future demand for libraries, community centres, indoor courts, aquatic facilities and active reserves (sports fields). It also includes provision for the planning of new strategic and cultural assets that are not part of the core network and for the master-planning of Baypark.

To support the above outcomes, Council is preparing spatial plans for key growth areas, including the completed Te Papa plan and future plans for the Mount Maunganui/Arataki and Otumoetai/Brookfield areas. The Te Papa Spatial Plan identified the city centre, Gate Pā, Merivale and Greerton as key focus areas for future growth and, accordingly, provides for greater emphasis of social infrastructure in these areas. UFTI and the Te Papa Spatial Plan also recognise the sub regional role the city plays in terms of social infrastructure and the need to provide for the cities growing and diverse population needs.

CFIP does not cover our extensive network of passive reserves, renewals and minor upgrades of existing assets or 'single-use' facilities that are brought to Council

for consideration by community groups. These will be managed in accordance with the Tauranga Reserves Management Plan, Mauao Historic Reserve Management Plan the Parks Asset Management Plan and Property Asset Management Plan.

Council protects and enhances the natural areas and landscapes within the city, promoting awareness and understanding of nature and encouraging activity on Tauranga's excellent parks and open space network. This includes our playgrounds, trees and gardens, the boundaries of streams and the harbour, cycleways, walkways and our beautiful beaches.

Bay Venues Limited (BVL) is a Council Controlled Organisation (CCO) that's owns and/or manages twenty-four facilities comprising five aquatic facilities, a Stadium and ancillary buildings at Baypark, one large contemporary multi-purpose recreation and event centre, two indoor sports recreation facilities, three community centres, two community share facilities, eight community halls and a high performance sports training centre. BVL offers a broad range of leisure and event products, services and programmes.

The priority projects include a redeveloped Central Library, a redeveloped Aquatics Facility at Memorial Park, provision of a new active reserve in the Bethlehem area and Ohauiti Reserve, along with land acquisition to enable provision of new facilities in the Western and Eastern Corridors in the 2030s.

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Infrastructure Strategy (2021-2051)

Key projects

	2021-31 (mil)	2032-51 (mil)	Total (mil)	Years
City centre community spaces and library [^]	\$66.2	\$0.0	\$66.2	2022-2025
Development of a community centre in the western corridor*	\$14.6	\$0.0	\$14.6	2028-2031
Development of a library in the western corridor*	\$15.3	\$0.0	\$15.3	2028-2031
Development of a new active reserve and associated facilities in the west of the existing urban area	\$56.4	\$0.0	\$56.4	2024-2027
Development of a new active reserve in the western corridor*	\$12.3	\$0.0	\$12.3	2029-2031
Development of sportsfields and associated facilities	\$26.4	\$33.3	\$59.7	2022-2034
Memorial Park to City Centre Pathway	\$19.0	\$0.0	\$19.0	2022-2026
Parks developments and upgrades	\$62.4	\$20.4	\$82.8	2022-2051
Public spaces and amenity improvements in Te Papa	\$70.7	\$5.5	\$76.2	2022-2041
Re-development of the Memorial Park aquatics facility	\$52.2	\$0.0	\$52.2	2027-2029
Re-development of the Memorial Park indoor sports facility	\$52.2	\$0.0	\$52.2	2022-2026
Strategic land purchases for future community facilities in both the eastern and western corridors*	\$57.6	\$0.0	\$57.6	2024-2029
Development of community centres in existing urban areas (Te Papa excl City Centre)	\$18.5	\$0.0	\$18.5	2027-2031

Notes:

* these investments are also included in the residential and business land supply totals (key proposal 1)

[^] = this investment is also included in the city centre investment totals (key proposal 4)

Social Infrastructure assets

Owned/managed by Council

Asset	Number
Sports facilities (active reserves)	21
Community and Arts Centre (Baycourt)	1
Minor community facilities	14
Community share facilities	2
Grandstand (Domain)	1
Libraries	4
Mobile Library	Visits 42 locations every fortnight
Utility buildings	22
Commercial and residential land	13
Parks land provision	1,579 ha
Street trees	24,202
Planted beds	294,346 m ²
Playgrounds	109
Walkways	108km
Cemetery and Crematorium	1
Public toilet provision	90 facilities

Owned/managed by Bay Venues Limited

Asset	Number
Aquatic facilities	5
Community Halls and Centres	11
Indoor Sports facilities	5
Trustpower Stadium	1
University of Waikato Adams Centre for High Performance	1
Pavilions	3

Long-term Plan Amendment 2021-2031

Infrastructure Strategy (2021-2051)

Critical assets

As noted in the relevant asset management plans for our social infrastructure, these assets are not considered critical when considering lifeline utilities.

Renewals and replacements

We have a renewals and replacements programme to ensure that the assets in our park and reserves meet the expectations of our community e.g. playgrounds, seating, walkways and cycleways. The proposed renewals budget for this strategy is \$360.3 million.

Over a number of years, financial constraints have led to deferred investments in new facilities, particularly the redevelopment of facilities in the Te Papa peninsula, which has become both a key growth area and an area where successful redevelopment and accessibility is integral to the long-term functioning of the city's transport network and network of centres. It is recognised that significant further deferral risks facilities failing and would undermine the objectives of the Te Papa Spatial Plan and Urban Form and Transport Initiative. As outlined in the significant capital expenditure section there are a number of projects intended to renew or replace some of our social infrastructure assets.

Responding to growth in the demand for services

The CFIP has been developed to provide the basis for decisions on community facility investment priorities, the staging of those investments and as the basis for long-term planning in the context of growth and demographic change. It is informed by demand assessments, catchment and network analysis, feasibility studies and updated cost estimates. The CFIP does not include the passive reserves which are required to implement the Tauranga Reserves Management Plan.

Where facilities are well-placed, well-designed and in decent condition they are very popular. Some of our older facilities, notably the Central Library and Memorial Pools, are nearing the end of their useful lives and are not fit-for-purpose to meet the growing and changing demands of our population. Previous and projected rates of population growth are such that even our more recent major facilities such as the Trustpower Arena and Baywave are under demand pressure. Baywave was built in 2006 when our population was 107,000; it is now estimated to be over 151,000.

Delayed growth in the Western and Eastern Corridors eases the investment pressure for new facilities in those areas. However, purchases of land in those areas remain important to ensure we can provide those facilities in due course and at the lowest price.

We also work with Sport New Zealand, regional sports organisations and local clubs to monitor trends and understand what may happen with different sporting codes into the future. Investigations continue to determine the opportunities and suitability of co-locating sporting codes to make the most efficient and effective use of physical spaces.

New growth areas will continue to provide new parks for the local community and an ongoing programme of maintenance and development will ensure that parks within existing urban areas continue to be high quality, accessible, safe and engaging places for our community.

Planned increases or decreases in levels of service

The Open Space Level of Service Policy and the Active Reserves Levels of Service Policy provide clear direction on Council's approach to the provision and management of the network. The levels of service are primarily driven by quality, accessibility and function of open spaces relative to existing and future population needs, and in the

case of active reserves, the demand for sportsfields by sporting codes.

Engagement with hapu and key stakeholders for the Tauriko West Urban Growth Area is underway regarding the structure plan, rezoning proposals, enabling road works and the realignment of State Highway 29. Formal plan change notifications under the RMA are anticipated in late 2021. This may also result in changes to the Open Spaces Level of Service Policy. There may also be changes to reflect the outcomes of similar discussions with hapu and key stakeholders in Te Tumu Urban Growth Area.

Based on the decisions in the LTP there are likely to be increases in the levels of service over time, across a range of social infrastructure including libraries and pools. The CFIP includes a work programme for development of new facilities (key steps, timing and funding) and to review network demand and supply to inform future LTP planning and identify current gaps in level of service information for community facility provision. Also as noted in the CFIP, arts and culture facilities are included in order to inform a discussion on options for Council's role and level of service in the provision of these facilities.

Public health and environmental outcomes

The provision of quality, accessible and fun spaces contributes to the health and wellbeing of our communities. It also creates positive environmental outcomes by providing walkway and cycleway networks across the city, encouraging the use of these rather than vehicles.

We continue to protect natural spaces and processes through planting and maintaining our green infrastructure. This has positive biodiversity outcomes and wider environmental benefits.

Infrastructure Strategy (2021-2051)

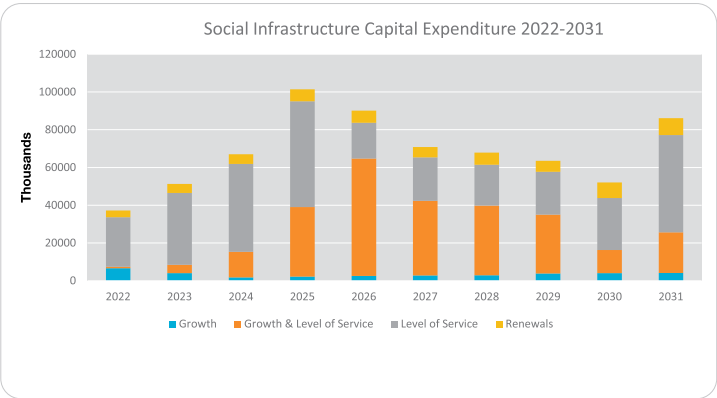
Resilience

- As outlined above Council has identified potential hazard prone assets throughout the city and 315 potential mitigation projects have been scoped and costed. In addition to this project, resilience is incorporated into the operation of our social infrastructure in the following ways:
- coastal walkways are regularly checked for storm surge damage
- retaining walls in the inner harbour are maintained.

Indicative forecasts of capital and operating expenditure

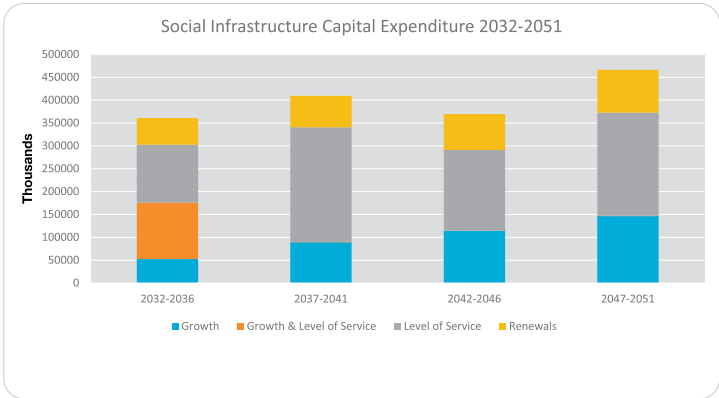
The following graphs illustrate the indicative forecasts of capital and operational expenditure for the next 30 years, adjusted for inflation.

Capital expenditure

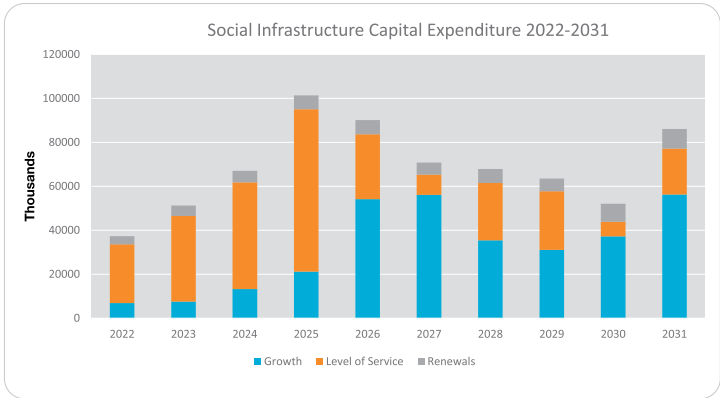


Infrastructure Strategy (2021-2051)

Capital expenditure

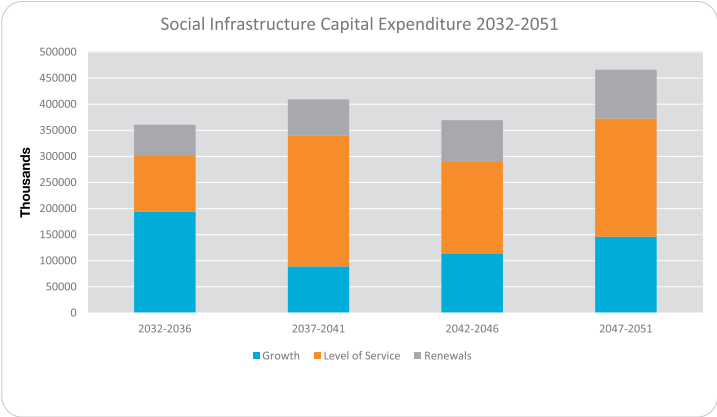


Capital expenditure

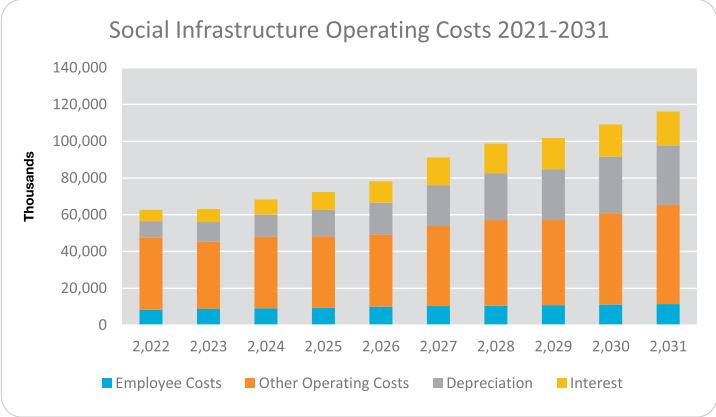


Infrastructure Strategy (2021-2051)

Capital expenditure

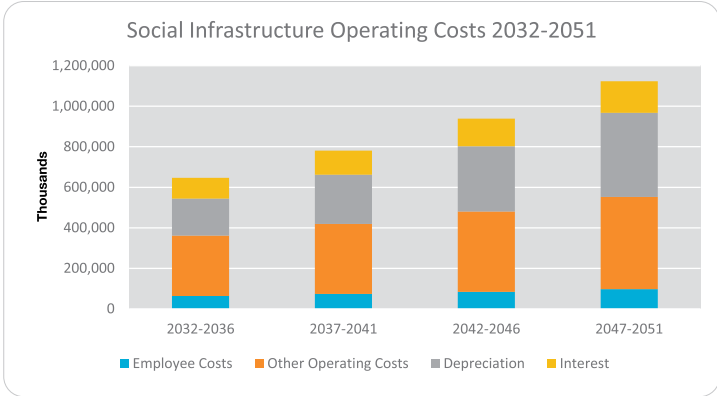


Operational expenditure



Infrastructure Strategy (2021-2051)

Operational expenditure



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Infrastructure Strategy (2021-2051)

Assumptions

Significant forecasting assumptions

There is a suite of significant assumptions that underpin the Long-term Plan (see Section 07). These assumptions are one of the foundations of the Infrastructure Strategy. Assumptions regarding growth, levels of service, the useful lives of assets and the depreciation method are also included in the significant forecasting assumptions.

Assumptions on the renewal of assets

Assets are renewed when they fail to meet the required level of service. The monitoring of asset condition, reliability, capacity and efficiency during planned maintenance inspections and operational activity identifies non-performing assets. Indicators of non-performing assets include structural failure, repeated asset failure (breaks, faults), ineffective and/or uneconomic operation and unsafe conditions for the public.

Council takes into account when it is no longer economic to continue repairing the asset (i.e. the annual cost of repairs exceeds the annualised cost of its renewal). An economic consideration is the co-ordination of renewal works with other planned works such as road reconstruction. Council actively utilises new technologies, which reduce the direct and social costs of repair works. This may also occur when an asset becomes obsolete due to changes in technology.

The risk of failure and associated environmental, public health, financial or social impact justifies proactive action (e.g. probable extent of property damage, health and

safety risk). Where such assets are identified (critical assets), proactive inspection is undertaken to determine asset condition at a frequency appropriate to the risk and rate of asset decay.

The level of uncertainty with these assumptions is high with assets that are underground or that cannot be visually inspected, or condition assessed. Above ground assets are inspected for deterioration, structural issues and poor condition. The uncertainty with such assets are less than with underground assets or inherent structural deficiencies. The impact of failure of these assets can be significant, especially where extreme and high criticality assets fail, impacting a large portion of the population or some critical customers. Specific comments are set out below.

WATER SUPPLY

Collection Assets

There are some significant renewals and upgrades for raw water assets planned in the next few years. These are extremely critical assets and the assumptions with their upgrade has a high level of uncertainty due to pipes being underground, with resilience issues identified in some areas. The location of the pipes is in a rural area next to the road and therefore accessibility should not be too problematic, although traffic management will be required in some areas. The impact, if a renewal of these pipes is unsuccessful, will be significant as some of them are a single supply to the water treatment plants and the linked community downstream.

The renewal of other intake and collection assets will be less uncertain, with a lower impact, due to a redundancy in assets e.g. water pumps and motors.

Treatment Assets

Significant technology and capacity upgrades (replacement of membrane filter systems and technology) will occur in the next few years. The uncertainty with these projects are medium. Although new technology will be implemented the systems are proven and operational at other treatment plants. There are less hidden and unknown uncertainties due to the assets being visible and above ground. The impact will be high, and a significant portion of consumers will be impacted if supply to them is disrupted. There are redundancy options with both plants being able to provide water to the storage reservoirs in both supply areas. The Waiāri Water Supply Scheme will be in production by that stage as well.

Storage, Pumping and Management Assets

The uncertainty of performing the various renewal and upgrade projects for this asset group (pump stations and control valves) is medium as most of them are above ground and in reasonably accessible areas. The impact of failure will be more localised but may impact a larger area for some booster pump stations. Due to the structural aspect for storage reservoirs and some of the locations and ground conditions they are located in, the uncertainty will be elevated (high). The impact of these assets, when they are out of service can be significant, as they may service large populations and commercial areas. The uncertainty will be mitigated by the engineering studies and structural inspections performed to monitor and manage their condition and performance. Risks at the reservoirs are mitigated by a structured programme of ongoing reservoir renewals and seismic upgrades.

Infrastructure Strategy (2021-2051)

Distribution Assets

There are a large number of projects planned for distribution or network assets in the next thirty years. Due to the underground nature of the pipe assets and the challenge to determine their condition effectively there is a high level of uncertainty with the performance of these assets. The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects. Where these assets are located in these challenging locations the impacts of project failure is high due to significant populations or commercial and industrial activity being disrupted. The size of the assets will also play a large role in the downstream effects if the asset becomes unserviceable. The assets e.g. trunk mains and extreme and high critical mains are a case in point. Smaller diameter mains mainly service a smaller area with a more localised impact. Valves, hydrants and service lines are normally renewed as part of the mains pipe.

The uncertainty with other above ground assets are less e.g. hydrants, water meters and backflow protection devices. There are also preventative maintenance programmes and more effective condition assessment strategies in place to monitor the condition and performance of these assets. The impact when a backflow device fail may be significant if the water supply for an area is contaminated.

WASTEWATER

Conveyance Assets

Due to the underground nature of the wastewater

conveyance pipe assets and the challenge to effectively assess their condition in some instances, there is a high level of uncertainty with the execution of the renewal projects. The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects. Added operational issues like toxic effluent, H₂S gas and the depth of some assets contribute to the complexity and uncertainty to perform renewal projects effectively. CCTV condition assessment are performed on targeted areas and assets to identify possible renewal candidates, prior to failure.

Where these assets are located in these challenging locations, the impacts of project failure is high due to the disruption of a significant number of customers or commercial and industrial activities. The size of the assets and their criticality will also play a large role in the downstream impacts if the asset becomes unserviceable e.g. trunk mains and pipes in proximity to hospitals, fire stations, schools etc. Smaller diameter mains mainly service a smaller area with a more localised impact.

Storage, Pumping and Management Assets

In this asset group there is a mixture of underground assets e.g. storage tanks, rising mains etc. and above ground assets e.g. pump stations, odour beds etc. With the underground assets there is a high level of uncertainty based on the unknowns e.g. asset condition, ground condition, proximity of other unknown utilities, the toxicity of sewage, H₂S gas etc. The impacts of failure of these assets are medium to high depending on the criticality, the magnitude of population and businesses impacted by such a failure.

The uncertainty with pumps stations and other above ground assets is less, because of effective condition and performance management programmes. These assets are mostly located in areas where the work can progress without too much disruption. The impacts for failure are medium to high. Some critical pump stations are key to the network operation and if they are out of action, large numbers of residential, commercial and industrial customers will be impacted. Redundancy is built into the assets and network to mitigate and minimise these catastrophic interruptions.

Treatment and Outfall Disposal Assets

Uncertainty with the above ground treatment assets is of a low level. The performance and condition of these assets are regularly monitored and managed. Redundancy is built into the system to ensure that critical processes will not be easily disrupted. Tauranga has two treatment plants so the interruption of operations will have a high impact on the large customer base of each of the plants. The implementation of the Southern Pipeline ensured that some redundancy was built into the system and that flows could be directed to the plant most suited for the treatment of the effluent.

The ocean outfall is an underground asset and the uncertainties connected with these assets is relevant to this pipe line too. The uncertainty is somewhat simplified with the outfall being dedicated to the transport of treated water. The environmental risks linked to the operation and renewal of this pipe elevate the level of uncertainty to another level.

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STORMWATER

Conveyance Assets

The conveyance pipe network and assets are mostly underground assets. The network is fairly young but there are capacity issues in the network that result in ponding or flooding during storm events. The challenge is to effectively assess the condition of these pipes and assets. The level of uncertainty with the performance of the renewal projects for most areas are low to medium due to the age of the network and the knowledge of where problem areas are located (flood modelling). The ground conditions, location in commercial and industrial areas and the uncertainty about other utilities e.g. gas pipes, power cables, broadband fibre cables contribute to an increased level of uncertainty with these projects in these identified areas. CCTV condition assessments are performed on targeted areas and assets to identify possible problem assets, prior to failure. The impact if these assets fail or project are unsuccessful can be high if properties are flooded or damaged by ponding of stormwater.

The uncertainty with pumps stations and other above ground assets is less, because of effective condition and performance management programmes. These assets are mostly located in areas where the work can progress without too much disruption. The impacts for failure is medium to high. Some critical pump stations are key to the network operation and if they are out of action, large numbers of residential, commercial and industrial customers will be impacted. Redundancy is built into the assets and network to mitigate and minimise these catastrophic interruptions.

Flood Protection and Treatment Assets

There are gaps in the information kept on flood protection and treatment assets and therefore the uncertainty about the renewals of these assets are medium to high. These assets are normally not renewed, and some are periodically maintained e.g. open drains, stop banks, flow paths etc. to ensure they still provide the service level they were constructed for. The impact in case of failure may be high as property may be flooded or damaged.

Renewal expenditure is work that restores an existing asset to its original level of service, i.e. capacity or the required condition. These broadly fit into the following work categories as follows:

- Rehabilitation involves the repair of an existing asset, or asset component. Rehabilitation does not provide for a planned increase in the operating capacity or design loading. It is intended to enable the assets to continue to be operated to meet the current levels of service.
- Replacement may be like for like with regards to capacity but will always consider the asset capacity to determine if upsizing is needed.
- Renewal strategies provide for the progressive replacement or rehabilitation of individual assets that have reached the end of their useful life. This is managed at a rate that maintains the standard and value of the assets as a whole. This programme must be maintained at adequate levels to maintain current levels of service and the overall quality of assets.

Information specific to each asset area is outlined below.

WATER

Collection assets

The renewal strategy for Water Supply Collection Assets (water intakes, raw water mains, pump stations and raw water reservoir) is based on performance, maintenance, and breakdown records, as well as in situ inspections, and in some cases, the review of original designs and testing of materials. The actual renewal decisions are based on this information. The remaining life is calculated in Powerplan based on expected life of the individual assets, condition information and failure data.

Treatment assets

The renewal strategy for Water Supply Treatment Assets (water treatment plant, treated water reservoirs etc.) is based on performance, maintenance, and breakdown records, as well as inspections, and in some cases the review of original designs as well as testing of materials.

Water Treatment Plants

Renewals are undertaken as a result of performance record analysis, excessive maintenance requirements or defects discovered during preventative or reactive maintenance.

The heart of our water processing plant is the Continuous Micro Filtration (CMF) units. There are 1,872 filter units in the two plants. These high value items have a life expectancy of 5 to 7 years depending on water quality and installation location.

Routine evaluation on the performance and condition of

Infrastructure Strategy (2021-2051)

the plants is undertaken in the first instance by Council staff and secondly by a contractor providing a technical support service. These interventions assist in keeping the plants in optimal condition.

The timing of the membrane change out during the course of the renewal year is based on the results of the annual plant performance tests and also considers any operational constraints (e.g. scheduled maintenance, seasonal demands, etc.), and this assists with planning the timing of the renewal. The decision criteria are set to minimise renewal costs (by delaying the change out) while minimising the risk of imposing water restrictions on peak days because of operational constraints.

A key challenge that is being worked through is the unexpected cracking of the membrane plants head and manifold blocks. Council staff monitor the units for leaks and for key operational parameters to ensure that the treatment integrity is not compromised.

Both plants still face the challenge of a reduced expected life of the headblocks and manifolds – parts that surround and hold the membranes. The original 25 years has been reduced to 15 for the Nylon 6,6 material type.

Treated Water Reservoirs

The treated water reservoirs are part of a routine inspection programme under which all Council Water reservoirs are either inspected and cleaned underwater or drained and taken out of service for inspection and cleaning on a rotation schedule to identify physical condition by a Structural Engineer specialising in such structures.

The regime of reservoir inspections has identified renewal work at a number of these structures. Although full replacement of certain reservoir structures is many years

away, the need to renew components that restore full serviceability of these assets (such as replacement of column heads, floor jointing, etc.) has been identified during inspections.

Storage, pumping and management assets

The storage, pumping and management assets include storage reservoirs, pump stations, control valves e.g. pressure release valves, air valves, non-return valves etc.

The renewal strategy for storage reservoirs is based on regular in situ condition inspections performed by a structural engineer. Full replacement of certain reservoir structures and assets may be many years away, but the need to renew components (e.g. column heads, floor jointing, etc.) that restore full serviceability of these assets are identified during these inspections.

The renewal strategy for water stations (that contain the pumping and network management assets e.g. control valves) is based on regular condition inspections as well as performance, maintenance, and breakdown records. Repairs and renewals are identified during these investigations.

Distribution assets

The overall objective is to renew assets at the right point in time, maximising the economic return without compromising continuity of supply or resulting in LOS breaches.

The following criteria are used to identify assets for renewal:

- Age and condition profile
- The level of on-going maintenance
- The economic lives of the materials used

- The criticality of the asset
- Activity, financial and customer risks.

PowerPlan Renewal Planning Modelling Process

The renewal process for water supply distribution assets including mains, valves, hydrants and service lines are performed utilising the PowerPlan modelling software.

The major phases of the process are:

- Identify the risks – Identify and assess the risks that impact on the deterioration of mains pipes. The various issues, e.g. age, material or pipe type issues, soil conditions, installation issues, etc., are taken into consideration when risks are identified and assessed. Issues considered during this process include health and safety issues with galvanised pipe, deterioration of older AC pipes, corrosive soil types, etc. Failure modes are identified through analysis of the failure data and maintenance history.
- Calculate the remaining life – Determine the remaining life by analysing the temporary and permanent factors impacting on the useful life of the assets. Assess the impact of any condition data on the useful life of the assets.
- Schedule renewals events by using the PowerPlan modelling tool based on age, expected life and condition. Adjust the planning year due to unplanned circumstances, e.g. transportation programme, early failure, etc.
- Determine the priority of each renewal event identified in a renewal year by criteria such as material type, age, criticality, failure risk, failure history, condition, etc.

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- Detailed investigation of the mains pipes on the priority list. Investigate each main pipe individually in terms of condition, failure, performance, and viability for renewal. Develop a project list of mains to be replaced for the next three years.

Valves and Hydrants

Renewal strategies for valves and hydrants are treated as integral components of the pipe assets, i.e. they are renewed at the same time. The valves, hydrants and service line assets have been linked to the respective mains they are connected to in PowerPlan and therefore incorporated into the renewal unit rates. Defective valves and hydrants are repaired or replaced under reactive maintenance on an as-required basis.

Water Meters

The approach for a domestic water meter renewal strategy is based on proactive (model) and reactive processes. The proactive process for manifold meters considers a combination of economic age and throughput criteria, where replacement is indicated by the model when the theoretical point (where the revenue lost exceeds the cost of renewal) is identified for various meter cohorts.

Non-manifold and larger water meters in Council's fleet are annually reviewed, where renewals prioritisation is established using a two phased approach. The first phase is based on throughput analysis, age and meter type (suitability e.g. Automatic Meter Reading (AMR) requirements). The second phase further narrows down the priority 1 meters requiring renewal by assessment and weighting of number of times total throughput threshold

has been exceeded, meter type, meter over 20 years of age and service line association.

The reactive strategy targets individual water meters that are damaged or that malfunction and are identified as part of the meter reading process. Smaller manifold meters are replaced under reactive maintenance; larger meters are repaired, refurbished, and recalibrated or replaced.

Backflow Prevention Devices

Dual check valves within Non-testable backflow devices are replaced under the water meter replacement programme for the water meter they are associated with. The bulk of non-testable backflows are 20mm in size and the expected life is 15 years.

Testable backflow devices are tested annually, and maintenance carried out as a result of failed tests. The faulty components are replaced as a maintenance expenditure. A rehabilitation programme was implemented to ensure that testable backflows are rehabilitated when required by supplier standards, in order to maintain effective operation and mitigation of contamination risks.

Replacement would occur where the device reaches an age of 30 years. Most of the testable backflows are approximately 20 years old.

WASTEWATER

Conveyance assets

Council uses a number of indicators to monitor pipe asset performance, condition and renewal needs, these can be split into proactive and reactive indicators:

Proactive:

- Targeted CCTV surveys for identification of gravity mains for renewal based on poor condition and risk of failure
- Routine CCTV surveys
- Database (Accela and PowerPlan) interrogation resulting in identification and investigation of assets based on asset attributes such as age, environment, type of use, criticality, etc.
- Database (Accela and PowerPlan) interrogation based on historical work orders and CCTV records resulting in investigation of assets with excessive maintenance requirements or poor CCTV rating.
- Investigation of Inflow & Infiltration through changes in pump station run hours during rain events, identification of materials / asset types that are prone to inflow problems and further investigation of these.

Reactive:

- Investigation of breaks, blockages and overflows, once root cause is established, investigation of similar assets to identify whether problems are one-off or symptomatic.
- Dynamic model also used to monitor present and future performance of pipe and pump station assets.

PowerPlan Renewals Modelling Process

The renewal process for Wastewater conveyance assets including mains, manholes and service lines are managed using PowerPlan modelling software. The major phases of the process are:

Infrastructure Strategy (2021-2051)

- Identify the risks – Identify and assess the factors that impact on the deterioration of assets. The various issues, e.g. age, material or pipe type issues, soil conditions, installation issues, etc. are taken into consideration when factors are identified and assessed. Issues considered during this process include deterioration of concrete mains pipes due to gas (H₂S) attack, the age and condition issues of GEW pipes, expected life issues of mPVC pressure mains etc. Failure modes are identified through analysis of the failure data and maintenance history.
- Calculate the remaining life – Determine the remaining life by analysing the temporary and permanent factors impacting on the useful life of the assets. Temporary factors are issues related to the installation of a number of pipes or issues with the performance of a specific material type. Permanent factors are typically the location of a specific soil condition e.g. peat or sandy soils, receiving gravity mains from rising mains, corrosive industrial areas, groundwater impact etc. The impact of any condition data will have priority in the calculation on the expected useful life of the assets.
- Schedule renewals events by using the prioritisation functionality in PowerPlan modelling software based on age, material type, failure data and condition. The CCTV condition assessments play a significant role in determining the expected useful life for wastewater mains. CCTV data from the ReticManager database is uploaded into PowerPlan to provide condition information for modelling purposes. Council are also using a

customised scoring methodology for defects and observations identified with CCTV, to determine if gravity mains pipes are candidates for renewals or just patch repairs.

- Adjust the planning year due to unplanned circumstances, e.g. roading programme, early failure, etc.
- Detailed investigation of the mains pipes on the priority list. Investigate each main pipe individually in terms of condition, failure, performance and viability for renewal. Develop a project list of mains to be replaced for the next three years.
- Determine the optimum construction or renewal methodology to be followed for each main to be replaced, e.g. open cut renewal or utilising any of the trenchless technologies, etc.

Pump Stations

Routine Inspections and investigation

A renewals strategy was developed in Powerplan using pump running hours and average running costs as indicators to prioritise pumps and pump stations for renewals investigations. Condition inspections and investigations play a major role in this decision process.

Annual inspections and investigations are undertaken on all pump stations. Major pump station components such as pumps are occasionally identified for replacement as a result of these inspections. However, this programme is primarily maintenance focused and mechanical and electrical components tend to be renewed in small steps as small components are replaced under maintenance. That is, they are constantly renewed under maintenance rather than occasional replacement of major components.

The asset condition records from these inspections are also used to determine future planned maintenance and renewal work. Consultant investigation contribute to the renewals decisions.

Obsolescence

Occasionally, changes in technology or in the market-place result in components which have served adequately in the past being no longer suitable or available. This is evident in the telemetry system (which includes radios and controllers) used to monitor and control each pump station.

One of the current suppliers of the telemetry radios stopped producing the units, so an alternative system was selected. Presently, stations are being progressively updated to this new system and the removed units provide spares for stations using the obsolete radios. Obsolescence of any of these components requires re-engineering to the Council's standard design.

Long Term Renewals

A forward looking programme is followed for long term pump station renewals. The strategic wastewater model is used to inform the LTP for renewals and upgrades of pump stations. A programme for identification and replacement of critical assets was developed. Dual rising mains on some critical pump stations was implemented. A storage assessment related to growth is currently underway.

Treatment Plants

The renewal programme for the wastewater treatment plants is a three-year rolling programme based on routine inspections of plant and equipment. The renewals are also managed via the Powerplan renewals modelling software.

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It is proposed to move more towards predictive renewal programming of major plant and equipment based on refined diagnostic techniques over the next three years.

Approximately 25% of assets are past their renewal date and are currently in use in the treatment plants. Roughly only 4% of assets are due for replacement in the next three years based on their expected base lives. About 20% will be due for replacement in the next four to ten years, with the balance (50%) due for renewal after ten years.

Some plant assets are simply run until failure, their performance isn't necessarily impeded and in fact replacing would possibly require some shutting down of sections of the plant that are required to run 24/7. Therefore, for less crucial assets, replacement does not occur until failure and built in redundancy is relied on. At this point, the failed asset is repaired or replaced. This ensures the economic life of the asset is maximised, value for money and least disruption to the process.

The more critical assets are generally not run to failure with additional condition-based monitoring being undertaken - vibration monitoring, visual inspection, monitoring of insulation resistance in windings, online temperature monitoring and leak detection for seal failure. These assets again are used to maximise the economic life, but replacement is planned prior to failure.

STORMWATER

Conveyance assets

While renewals and capital works have separate drivers, many projects are a combination of both. As a result of growth and the progression of best practice, levels

of service and environmental protection, assets are frequently upgraded, rather than just replaced when they reach the end of their physical life or demand exceeds capacity.

As described earlier in this section, the conveyance network (mains, manholes, service lines etc.) is a relatively young asset (average age of approximately 24 years), with the oldest pipes just halfway through their expected lives. On the basis of the current age and condition profiles of the stormwater assets it is unlikely that any significant renewal programmes will be required over the next ten to twenty years. CCTV condition inspections are conducted where required and assets are replaced where the condition is poor, and the required levels of service can't be delivered.

Flood modelling has been performed for all catchment areas in Tauranga city and renewal works has been targeted for areas where the levels of service cannot be delivered, or capacity have to be increased.

Flood protection and treatment

Most of the stormwater control, treatment an attenuation asset are naturally occurring or engineered land features (such as wetland areas), earthworks (e.g. ponds) or non-asset solutions (e.g., secondary overland flow paths). Works required on assets of this nature are therefore managed as either maintenance works or, should improvements be undertaken, capital works.

A renewals budget has been initiated in the LTP for stormwater treatments assets e.g. treatment devices e.g. rain gardens, storm filters etc. and other applicable treatment assets e.g. soakage modules and systems.

TRANSPORT

The operations of Tauranga's transportation network are managed by Council, whereas the maintenance of our transportation network is undertaken by Council's maintenance contractor.

Significant renewal programmes of work are described in methodology statements for each asset type typically a methodology will include:

- Data collection and preparation – All Faults data may be sourced and RAMM condition rating, data surveys etc.
- Data analysis and scenario modelling – modelling (e.g. dTIMS) is used to optimize total investment levels, comparing a range of renewal versus maintenance cost scenarios to find the lowest total cost option.
- Field validation and model alignment
- Outcome verification
- Final programme formulation

As the transport asset is used over the years, its condition and performance is monitored to ensure that the asset is replaced at the most cost-effective time. To help in this assessment the Council:

- Uses asset age information to identify assets for more detailed assessment
- Monitors the performance of assets to help identify where there might be issues
- Undertakes physical inspection and technical condition testing assets
- Use customer complaints to identify asset failures

Infrastructure Strategy (2021-2051)

- Uses the Bay of Plenty Regional Traffic Model to predict future traffic demand, levels of service and asset improvement requirements
- Uses asset condition and performance information to develop maintenance and renewal programmes to ensure expenditure on assets is done at the most cost-effective time.

The Road Assessment and Maintenance Management (RAMM) database is used to hold and manage our transport network asset information.

As part of the Road Efficiency Groups (REG) annual Asset Management Data Quality Report (2019/20), Tauranga City Council scored 84 compared to 79 the previous year. The asset data held in RAMM is a good state and improving. There are robust processes in place to maintain our asset data, enabling us to easily identify and address data quality issues to continually improve our asset data.

SOCIAL INFRASTRUCTURE

Note that this only includes information on the assets that Council owns and manages. It does not include the assets owned and managed by Bay Venues Limited.

PARKS AND RESERVES

Operation and Maintenance Strategies

Parks and Reserve's operations and maintenance strategy is to provide access, regular inspections for safe operation and condition through facilities and maintenance contracts. The contracts are quality assessed by Parks and Recreation team with support from council's Asset Information Team.

Sea lettuce collection is managed on a reactive basis (by the Parks Co-ordinator Harbour & Environment) and is jointly funded by TCC and the BOP Regional Council.

Public toilets are cleaned and maintained by contractors. Property Services tendered and manages the contract (TC21/13). on behalf of Parks & Recreation. The contract has specifications for maintenance including type, frequency, reporting, etc.

Street lighting is unmetered, and the power company is updated monthly with regards to any changes in asset number and type. The power company then bill appropriately according to the lamp type, number of each type and time used. The power company measure time used as the power company turn the street lighting circuit on and off. Transportation maintain Street lighting as part of their maintenance contract. This arrangement enables the most experienced and appropriate contractor to maintain the assets at a competitive contract price. A financial authority has been set up to allow the roading engineer access to the Parks and Recreation GL code for simplification of payment.

Renewals and Capital Strategies

Assets are acquired through vesting of new infrastructure or council funded to meet growth or renewal of existing assets. The Growth issues are addressed within the TCC 30 year infrastructure Plan. Parks assets are recorded within the asset management database (ACCELA). The asset information is stored as individual components detailing condition and expected remaining life. Assets are regularly condition assessed to establish current condition. The data base reports through RIVA where asset information showing what needs to be renewed and an estimated cost. Three yearly valuation exercise

confirms the replacement cost. Once reviewed a completed list of renewals is developed.

OTHER SOCIAL INFRASTRUCTURE

The Property Services Team manages buildings and leases to maximise opportunities and delivering levels of service expected by the community at a cost affordable to the rate payers of Tauranga. Properties are acquired for strategic reasons that need to be managed in financially prudent ways until the strategic purpose makes use of the property.

We will do this by:

- Understanding each property asset, its purpose and the likely holding period
- Support Council Business units and community by providing property expertise in property management and maintenance
- Awareness of local property issues and opportunities and how council can support outcomes
- Knowledge of property and reserve legal requirements to ensure leases are fair and compliant
- Planning for resilience when undertaking maintenance and capital work
- Enabling change within growth areas of the city
- Appropriately recognise known cultural, heritage, archaeological and ecological values

Infrastructure Strategy (2021-2051)

Issues to be addressed include:

- Environmental matters, implications of climate change requiring resilience adaptations and growth
- Properties response to the identified problems is to consider environmental sustainability and resilience when undertaking maintenance, renewals and new capital works
- Growth will be addressed in conjunction with Strategic Development Team and managing existing leased buildings to current demand factoring in fractional occupation in the modern

digital age.

Data reliability

WATER

Overall Confidence Data Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Raw Water Intakes including Pumps		•		
Raw Water Reservoirs		•		
Raw Water Mains	•			
Microfiltration Treatment Plants		•		
Treatment Plant Reservoirs		•		
Distribution pipes and associated assets (Pipes, Hydrants, Valves)	•			
Water Meters	•			
Backflow Protection Devices	•			
Distribution Reservoirs	•			
Water Stations (Pumps, Auto Valves, etc.)		•		
Land occupied by WS assets		•		
Catchment Land		•		
Resource Consents	•			

Infrastructure Strategy (2021-2051)

Asset Group	Grade	Comment
Collection Assets e.g. raw water intakes, pipelines and reservoir	A to B	Information about the raw water mains are highly reliable and accurate. Information about the intakes and raw water reservoir are reliable and has been improved the last few years
Pumping, Management and Storage assets e.g. water pump stations, reservoirs, automated valves, bulk meters	A to B	Location, material and quantity data is highly reliable with a high confidence in accuracy. Age, performance, condition, criticality data is reliable with a good level of accuracy.
Treatment Plant assets e.g. mechanical and electrical assets e.g. pumps, motors, membrane filters etc.	A to B	Information about the location, material and performance is highly reliable. Age, quantities and condition is reliable but can be improved e.g. criticality data and unit rate information
Distribution assets e.g. pipelines, water meters, backflow protection devices,	A to C	Information about age, material, quantity is highly reliable and very accurate. Location, performance and criticality information is reliable for decision making. The condition data on some of these assets can be improved e.g. service lines and some mains pipes.

WASTEWATER

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Pipes		•		
Laterals		•		
Manholes		•		
Pump Stations		•		
Treatment Plants		•		
Oxidation Ponds			•	
Wetlands		•		
Outfalls			•	
Resource Consents	•			

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Asset Group	Grade	Comment
Conveyance assets e.g. pipelines, manholes, service lines etc.	A to C	Information about age, material, quantity is highly reliable and very accurate for pipe assets. Location, performance and criticality information is reliable and used for decision making purposes. The condition data on some assets are uncertain and can be improved e.g. some mains pipes, manholes and some service lines.
Storage, Pumping and Management assets e.g. pump stations, chambers, storage tanks, bulk meters	A to B	Location, material and quantity data is highly reliable with a high confidence in accuracy. Age, performance, condition and criticality data is reliable with a good level of accuracy.
Treatment Plant and Outfall assets e.g. mechanical, electrical and outfall assets like pumps, motors, outfall pipeline etc.	A to C	Information about the location, material and performance is highly reliable. Age, quantities and condition is reliable but can be improved e.g. criticality data and unit rate information. Information on the outfall, oxidation ponds and wetlands are uncertain and not very accurate

STORMWATER

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Stormwater Mains	•			
Connections	•			
Manholes	•			
Open Drains		•		
Culverts		•		
Sump Leads	•			
Catchpits	•			
Inlets		•		
Outlets		•		
Overland Flow Paths		•		
Stopbanks			•	

Long-term Plan Amendment 2021-2031

Infrastructure Strategy (2021-2051)

STORMWATER

Overall Confidence Data - Accuracy - continued

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Stormwater Ponds		•		
Wetlands				•
Floodgates		•		
Soakage Modules		•		
Catchpit Filters		•		
Pollutant Traps		•		
Pumping Stations		•		
Resource Consents	•			

Asset Group	Grade	Comment
Flood Protection and Treatment Assets e.g. stormwater ponds, wetlands, overland flow paths, soakage modules etc.	A to C	Information about the location, material and performance of pump stations, floodgates, stormwater ponds and soakage modules are highly reliable. Age, quantities and condition for these assets are reliable but can be improved. Criticality data and unit rate information are uncertain and can be improved. Information on the overland flow paths, wetlands, pollutant traps, and catch pit filters are uncertain and not accurate

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Infrastructure Strategy (2021-2051)

TRANSPORT

Overall Confidence Data - Accuracy

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Pavement		•		
Surfacing	•			
Kerb and Channel		•		
Drainage Facilities		•		
Footpaths	•			
Accessways	•			
Walkways		•		
Protection Structures		•		
Bridges		•		
Retaining Walls		•		
Coastal Structures		•		
Parking Buildings	•			
Car Parks (Off-street)		•		
Pay and display machines	•			
Lanterns	•			
Brackets		•		
Poles		•		
Power Cabling		•		

Long-term Plan Amendment 2021-2031

Infrastructure Strategy (2021-2051)

TRANSPORT

Overall Confidence Data - Accuracy - continued

Asset Type	Highly Reliable	Reliable	Uncertain	Very Uncertain
Traffic Signals		•		
CCTV		•		
Variable Message Signs		•		
Street Signs		•		
Rails and Barriers		•		
Bus Shelters		•		

Asset Group	Grade	Comment
Transportation	A-C	The majority of Council's Transportation data is held in RAMM, with the remainder being captured in Accela. Transportation data is reasonably reliable, with some uncertainty about historic pavements. There are good processes in place for maintaining and improving our Transportation Asset Data.

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SOCIAL INFRASTRUCTURE

Note that this only includes information on the assets that Council owns and manages. It does not include the assets owned and managed by Bay Venues Limited.

Overall Confidence Data - Accuracy

Asset	Number	Confidence	Condition of renewable assets
Sports facilities (active reserves)	6	A Highly reliable (Condition assessed)	2.75
Community Facilities	8	A Highly reliable (Condition assessed)	2.37
Arts Centre (Baycourt)	1	A Highly reliable (Condition assessed)	1.58
Community share facilities	2	B Reliable (Age Based)	Community Managed
Grandstand (Domain) (currently under structural review)	1	A Highly reliable (Condition assessed)	1.83
Libraries	3 + 1 in Civic Buildings	A Highly reliable (Condition assessed)	1.69
Mobile Library	Visits 42 locations every fortnight	N/A	New 2021
Cemetery & Crematorium Buildings	1	A Highly reliable (Condition assessed)	1.7

Key to confidence data for Social Infrastructure

Rank	Description of condition	Portion of life remaining
1	Very good condition	100-55%
2	Good condition – minor defects only	54-30%
3	Fair or moderate condition – maintenance required to return to accepted level of service	29-15%
4	Poor condition – consider renewal	14-6%
5	Very poor condition – approaching unserviceable	5-0%



04

Financial Strategy

Financial Strategy – Now and for the future

INTRODUCTION

The Financial Strategy outlines how we propose to fund and finance the capital investments and services needed for the city over the period of the 2021-31 Long-term Plan (LTP).

It outlines the factors that are expected to have a significant impact on council during the next ten years and the plan to address these issues and work towards the agreed community outcomes which are:

- **We value and protect our environment** – Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it
- **We have a well-planned city** – Tauranga is a city that is well-planned with a variety of successful and thriving compact centres, resilient infrastructure, and community amenities.
- **We support business and education** – Tauranga is a city that attracts and supports a range of business and education opportunities, creating jobs and a skilled workforce
- **We are inclusive** – Tauranga is a city that recognises and promotes partnership with Tangata Whenua, values culture and diversity, and where people of all ages and backgrounds are included, feel safe, connected and healthy
- **We can move around our city easily** – Tauranga is a well-connected city, easy to move around in and with a range of sustainable transport choices.
- **We recognise we are an integral part of the wider Bay of Plenty region and upper North**

Island – Tauranga is a well-connected city having a key role in making a significant contribution to the social, economic, cultural and environmental well-being of the region.

The following factors are expected to have a significant impact on council during the next ten years:

- The impact of population growth and demand for more housing, within the requirements of the National Policy Statement on urban development (NPS)
- The effect of increased population and activity on the city's and the region's ability to function effectively, including managing levels of traffic congestion and safety
- The inadequacy of current infrastructure particularly community and civic facilities as a result of a history of underinvestment and a growing population
- The need to renew and upgrade existing infrastructure to meet government standards and consent requirements and to maintain the level of service provided by this infrastructure
- Investment in resilience of our infrastructure, recognising the effect of natural hazards and climate change.
- Review of three waters services with potential to move to larger (regional or national) entities outside of council.

Most of the above factors affecting the next ten years require significant **capital investment**. A summary of the capital investment requirements are outlined below with further detail of the full ten-year capital

programme provided at the end of this financial strategy. The thirty year capital programme is outlined in the infrastructure strategy.

Associated **operational investment** is required to enable council to meet this step change in capital delivery by building capacity within our organisation and with our contracting partners. Impacts on operational expenditure are also covered later in this strategy.

The large investment requirements come at a time when the council has limited balance sheet capacity to finance new investment. The current debt situation and need for options to enable us to continue to borrow is discussed later in this strategy under **Financial Sustainability**.

The initial LTP proposals to fund and finance the needed investment were based on options currently available to council. We have worked on alternative options for funding and financing with two proposals for use of the Infrastructure Funding and Financing legislation consulted on as part of the LTPA.

Financial Strategy – Now and for the future

CAPITAL INVESTMENT

Infrastructure deficits have been the result of continued growth of Tauranga City for most of the past 30 years which has stretched the capacity of available infrastructure and now requires substantial investment to be delivered by the council, developers and central government.

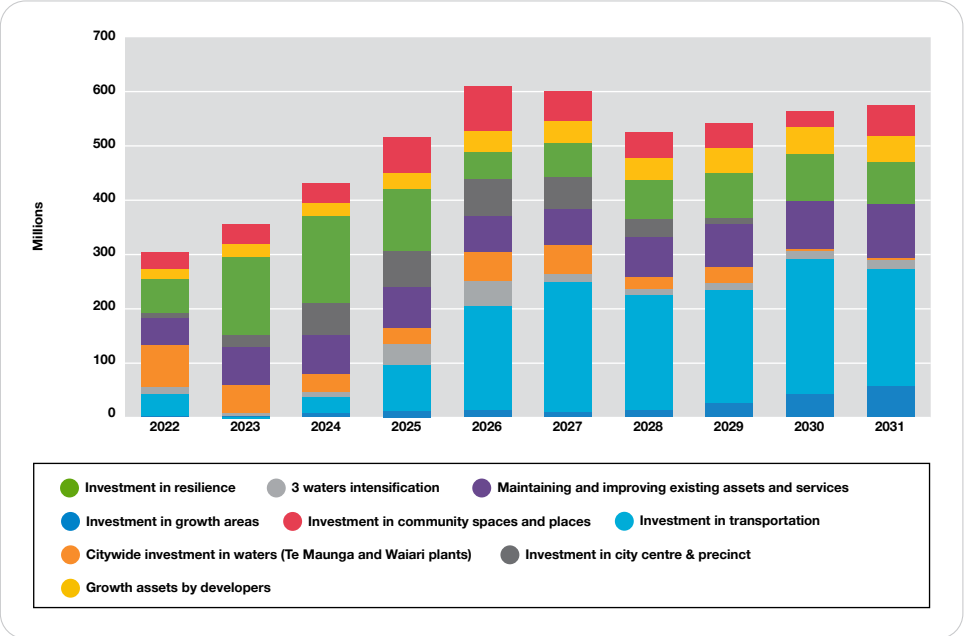
The pressure to cater for population growth and meet national requirements by opening up new areas of land for housing and commercial activity has meant a prioritisation of pipes and roads to enable new growth areas ahead of other investment including our core transportation network and community facilities and amenity.

As a result of underinvestment in these areas over the years, the facilities and places that support the things we do are often old and under capacity and moving around the city is becoming increasingly difficult.

The city's network infrastructure specifically, water supply, wastewater, and transportation are now running at or above capacity and the next ten years sees significant new infrastructure investment required across these networks.

We are proposing a capital investment programme of \$5.0b over the next 10 years. This programme is approximately double the value of the programme proposed in the previous 2018-28 LTP. The capital programme is based on addressing our key challenges primarily through capital investment. The following graphs summarise this capital investment on an annual basis (Graph 1) as well as the total over 10 years (Graph 2).

Graph 1: Capital investment by year and key investment programme



Graph 1 shows that we are ramping up our capital investment each year for the first five years and maintaining a much higher level of capital expenditure through the 10 years of the Long-term Plan. The coloured sections for each year show the amount of spend in each of our key investment programmes.

Financial Strategy – Now and for the future

Graph 2: Capital Investment for whole ten years by key investment programme



Graph 2 divides the total \$5.0b of investment by the key programme. Investment specifically for growth includes investment in new growth areas as well as the vested assets provided by developers directly in these areas. A significant portion of city-wide investment in water supply (Waiari) and wastewater (Te Maunga) upgrades also relates to growth. In the following section we will discuss funding of this investment. The remaining investment benefits people and businesses in Tauranga now while also ensuring we build to enable capacity into the future.

Graph 3 below shows this investment by year by its primary purpose whether it is growth, level of service improvement, renewal, or a combination of purposes. While growth is a major driver of required capital expenditure over the LTP it is not the primary driver. Much of the investment proposed is for the benefit of people who live here now. In particular:

- the provision of community infrastructure which recognises the current deficit of facilities and amenity in a city our size, including investment into the civic precinct
- upgrade of core network assets to meet new standards and expectations
- resilience of our assets recognising hazards and impacts of climate change
- renewal and upgrade of our existing assets as they age

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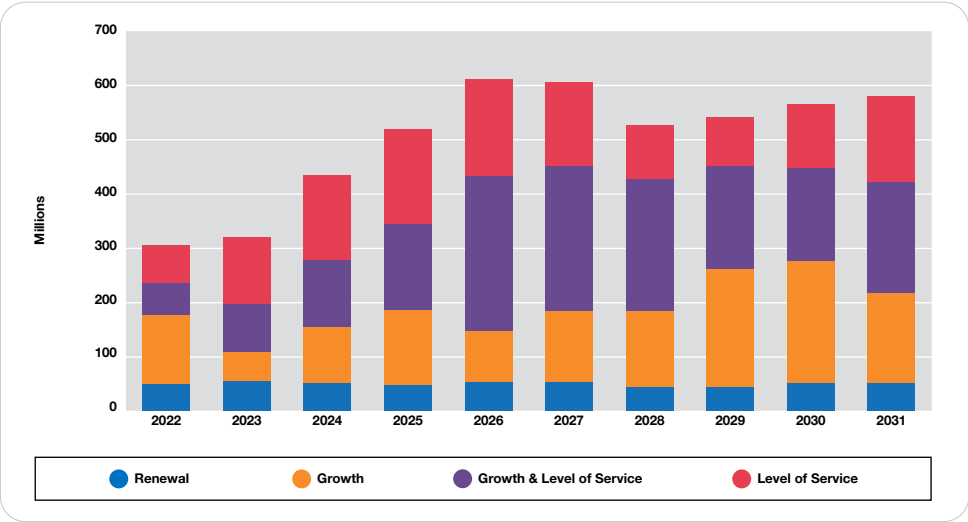
Financial Strategy – Now and for the future

Graph 3 below shows the \$5.0 billion capital programme over the next ten years broadly categorised by type (or purpose).

Projects have been divided into four types or purposes:

- Renewals – ensuring we continue to receive the service we need from our existing assets, which may include fully replacing existing assets
- Levels of service - investing to enhance the opportunities and amenity available to the community or to meet new standards e.g. environmental, safety
- Growth - to cater for a growing population. More detail on population growth and its impacts is included below.
- A combination of the above purposes often drives projects, for example the upgrades at Te Maunga wastewater treatment plant and outfall are to meet growing capacity requirements, to improve water quality and meet consent requirements and to replace and upgrade the existing assets so they will continue to work well into the future. Major investments that provide benefit for people now and in the future are identified in the multicoloured section of the graph

Graph 3 Capital Expenditure by Purpose



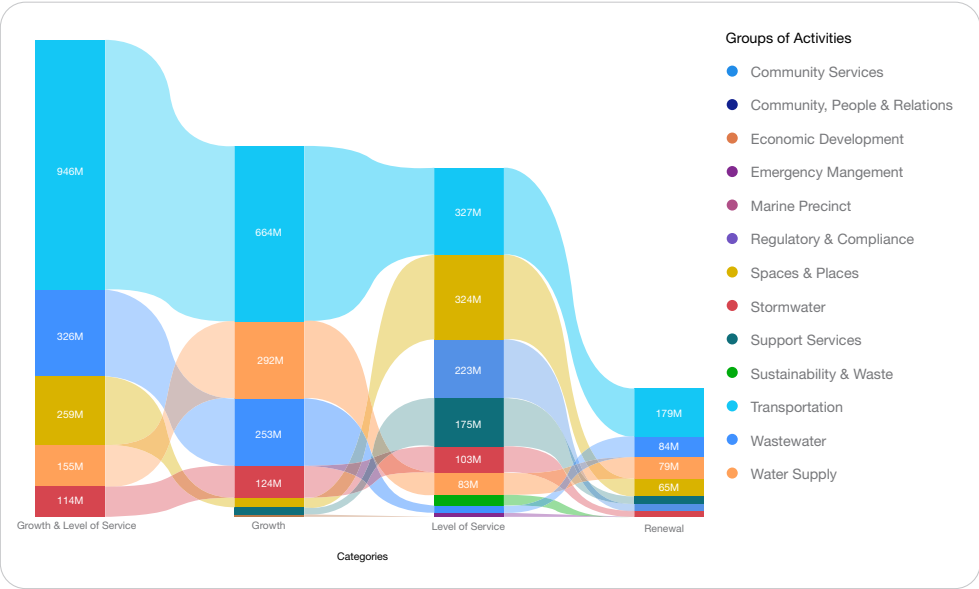
Financial Strategy – Now and for the future

Graph 4 below summarises the total capital spend by group of activity and whether it is for growth, level of service, renewals or a combination of these purposes.

Transportation activity, which is the light blue ribbon, has the highest total capital spend over the ten years and this includes the highest spend on growth projects, level of service projects, renewals, and combination projects.

The second highest spend on growth, renewals and combined purpose projects are in wastewater activity (dark blue ribbon), while the second highest spend on level of service projects is in spaces and places (mustard ribbon).

Graph 4: The total capital programme by groups of activities and type (purpose) of spend



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Financial Strategy – Now and for the future

POPULATION GROWTH A DRIVER FOR NEW CAPITAL INVESTMENT

Tauranga is New Zealand's fifth-largest city and growing fast. In the last 20 years, Tauranga has grown by about 60,000 people. Right now, 147,000 people call Tauranga home. And our city is projected to grow to almost 200,000 people by 2063. By the end of this LTP in 2031, the population is projected to be 160,000. The current rating base is rating base is 60,053 rating units.

The growth in our rating base over the next ten years is assumed to be:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Growth	1.90%	1.80%	1.50%	1.20%	1.00%	1.90%	2.40%	2.30%	2.30%	2.20%
Rating units	60,053	61,134	62,051	62,796	63,424	64,629	66,180	67,702	69,259	70,783

Growth provides benefits

Growth brings with it many benefits for our city in the form of more economic and social vibrancy, more talented people, new businesses, and better-quality jobs. With a larger city comes more choice around amenities like schools, sports and entertainment. We have more people to share the costs of developing and running our city through rates and user fees.

But growth also comes at a cost

- The cost to people in our city comes in the form of high house prices and lack of rental options for lower income earners,
- Increased congestion and crowding of existing amenity such as sportfields and infrastructure such as our roading network, and
- Demand for investment to improve community wellbeing and safe communities.

In managing growth, we want a city that is well planned, with a variety of successful and thriving compact centres.

New Growth Areas

Our approach to growth over the last 20 years has focused mainly on redeveloping rural land for urban purposes. Around 80 per cent of new housing in Tauranga continues to be stand-alone houses in new growth areas. During the next ten years we aim to complete the new growth areas of Pyes Pā West and Tauriko business estate, as well as Pāpāmoa and Wairākei growth areas. We aim to commence new growth areas in parts of Te Tumu and Tauriko West from 2026.

The total capital investment into new growth areas over the next 10 years is \$881m of which \$772m is on core waters and transportation network infrastructure, and a further \$109m on social infrastructure such as pools, libraries and reserves. \$336m of this expenditure is planned for the first three years.

Growth paying for Growth in new areas

Infrastructure to support new growth areas is intended to be funded by development contributions from people developing new growth areas or building throughout the city. However, growth funding normally falls short of requirements because of the long timeframe for collection and uncertainties regarding total costs and collection rates.

The graph in the Debt section that follows shows the amount of growth funded debt projected over the ten years along with the amount of growth debt which has already been agreed by council to be transferred to ratepayer debt over the next ten years due to DC collection shortfalls.

We have now developed financial agreements with developers who directly fund and deliver local infrastructure into the growth areas they are developing. This reduces our cost risk of building new infrastructure and avoids funding this infrastructure through Council debt. We have also amended our approach to costing to better recognise risk and contingency. We are also consulting on a new way of funding infrastructure at Tauriko West which uses the IFF legislation but still maintains the principle that growth pays for growth.

Once infrastructure is in place the maintenance and operating costs of new infrastructure, along with asset depreciation, are covered by all ratepayers.

Financial Strategy – Now and for the future

Growth through Intensification in existing residential areas

While urban expansion ensures more houses, it also creates other issues: dislocation between work and home, and a reliance on car-based travel. As our city gets bigger, we're feeling the pressure that comes from a city sprawling further outwards. The alternative is revitalisation of existing urban centres to accommodate new and more compact housing options within vibrant inner-city communities. Over the next ten years, we are planning to meet demand for 3150 new sections in existing areas. To achieve this level of housing, we will need considerable planning of our existing urban centres. We expect urban enhancement and intensification to require upgrading of some infrastructure as well as amenity development and transportation improvements. The first area for urban intensification has been identified as Te Papa peninsula and \$738m of expenditure is included in this programme. Most of this expenditure is funded through ratepayer loans with some subsidisation from Waka Kotahi NZTA.

Financial Implications of Expected Population Growth

The following tables summarise the costs, both operational and capital, attributed to growth.

Table 1: Capital Expenditure on Growth

	Capital Expenditure funded by Growth (excluding Intensification)									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Growth	113.9	30.5	77.7	109.5	56.1	88.9	98.8	173	176.3	116.9
Growth & Level of Service	26.6	52.7	63.8	19.3	119.3	189.1	198.4	141.9	122.4	149.6
Vested Assets	17.9	23.8	25.6	28.5	37.9	40.7	41.5	46.7	48.1	49.4
Total (Inflated)	158.5	107.1	167.2	157.2	213.2	318.8	338.7	361.5	346.7	315.8

Table 2: Capital Expenditure on Intensification of Existing Areas

	Capital Expenditure funded by Growth (excluding Intensification)									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Mount Intensification	0.1	0.3	0.3	0.3	-	-	0.1	0.1	0.1	0.1
Otūmoetai Intensification	0.1	0.1	0.1	1.4	8.5	0.3	9.3	9.3	9.5	9.8
Te Papa Intensification	30.9	35.3	59.5	149.8	165.5	93.7	44.2	47.4	46.9	65.1
Total (Inflated)	31.1	35.6	59.8	151.5	174.0	94.0	53.5	56.7	56.5	75.0

Table 3: Operating Costs of Growth

Operational Cost of Growth	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Non inflated (\$m)	13.8	16.7	16.9	18.0	25.5	31.6	42.4	48.4	59.2	68.9

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Financial Strategy – Now and for the future

Meeting Enhanced levels of Service

Enhanced levels of service are a key driver for much of the investment proposed in the LTP across transport, community, resilience, 3 waters infrastructure and sustainability and waste.

Environmental expectations include that of iwi, government standards and regulations along with consent requirements. Natural hazards such as erosion and liquefaction are exacerbated by climate change and associated impacts on sea and groundwater levels. We have investigated the risks and implications for our infrastructure and emergency planning processes and have identified projects required to improve the resilience of our city infrastructure.

The capital investment in level of service projects is significant and targeted rates are proposed to maintain transparency regarding this expenditure and the debt retirement required which are discussed further in the section below on funding and financing. Table 4 shows the total costs of new investment to meet enhanced levels of service.

Maintaining Existing Levels of Service - Renewals

The capital costs of maintaining our existing levels of service are represented by our business as usual programme for renewals. These costs are shown in Table 5.

Table 4: Improved Levels of Service

(Sm)	Maintaining Existing Levels of Service - Network Infrastructure									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Transportation										
Level of Service	16.4	32.2	32.5	43.8	46.4	41.7	13.9	13.1	24.2	63.5
Growth & Level of Service	9.2	37.6	52.7	54.5	136.2	161.7	157.4	102.4	112.5	121.7
Total (Inflated)	25.6	69.8	85.2	98.2	182.5	203.4	171.3	115.5	136.7	185.2
Water Supply										
Level of Service	1.0	1.6	6.9	10.8	10.3	3.6	11.5	16.0	20.3	1.1
Growth & Level of Service	3.3	4.8	12.2	34.1	47.0	25.1	7.3	3.1	3.3	14.7
Total (Inflated)	4.2	6.4	19.1	45.0	57.3	28.7	18.9	19.1	23.7	15.7
Wastewater										
Level of Service	4.6	-	-	1.3	2.0	2.4	2.1	3.3	7.3	4.9
Growth & Level of Service	39.0	36.2	38.0	17.4	31.4	33.9	31.5	40.0	30.1	28.8
Total (Inflated)	43.6	36.2	38.0	18.7	33.4	36.3	33.6	43.3	37.5	33.7
Stormwater										
Level of Service	6.9	8.6	15.5	5.7	6.4	6.4	6.1	13.5	17.8	15.6
Growth & Level of Service	5.5	5.2	6.1	19.2	12.1	7.8	10.9	15.0	15.4	16.9
Total (Inflated)	12.4	13.9	21.5	25.0	18.5	14.1	17.0	28.4	33.2	32.5

Financial Strategy – Now and for the future

Table 4: Improved Levels of Service - continued

	Maintaining Existing Levels of Service - Network Infrastructure									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Spaces & Places										
Level of Service	18.1	34.9	27.9	38.9	52.9	47.5	19.1	18.0	19.8	47.4
Growth & Level of Service	0.8	4.5	13.6	36.8	62.1	39.5	36.9	31.2	12.3	21.5
Total (Inflated)	18.9	39.3	41.5	75.7	115.0	87.1	55.9	49.2	32.1	68.9
Community Services										
Level of Service	3.5	7.9	39.5	51.7	33.8	32.8	27.9	10.7	9.5	5.9
Growth & Level of Service	-	-	-	-	-	-	-	-	-	-
Total (Inflated)	3.5	7.9	39.5	51.7	33.8	32.8	27.9	10.7	9.5	5.9

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Financial Strategy – Now and for the future

Table 5: Renewals

	Renewals - Network Infrastructure									
(\$m)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Transportation										
Renewals	16.0	19.7	17.1	16.7	18.8	23.5	15.9	16.5	16.9	18.1
Total (Inflated)	16.0	19.7	17.1	16.7	18.8	23.5	15.9	16.5	16.9	18.1
Water Supply										
Renewals	7.4	6.4	6.9	6.9	11.7	11.6	6.4	6.8	6.2	9.0
Total (Inflated)	7.4	6.4	6.9	6.9	11.7	11.6	6.4	6.8	6.2	9.0
Wastewater										
Renewals	8.3	9.6	7.4	7.9	7.8	7.2	7.7	6.4	12.0	9.5
Total (Inflated)	8.3	9.6	7.4	7.9	7.8	7.2	7.7	6.4	12.0	9.5
Stormwater										
Renewals	1.4	1.6	1.5	1.4	1.7	1.5	2.0	1.2	1.4	1.0
Total (Inflated)	1.4	1.6	1.5	1.4	1.7	1.5	2.0	1.2	1.4	1.0
Spaces & Places										
Renewals	4.1	6.3	11.4	7.1	5.9	4.3	5.5	4.8	7.8	7.7
Total (Inflated)	4.1	6.3	11.4	7.1	5.9	4.3	5.5	4.8	7.8	7.7
Community Services										
Renewals	4.1	3.7	2.7	2.5	2.2	2.2	2.3	1.7	2.1	2.4
Total (Inflated)	4.1	3.7	2.7	2.5	2.2	2.2	2.3	1.7	2.1	2.4

Financial Strategy – Now and for the future

OPERATIONAL REVENUE AND EXPENDITURE

Capital investment flows through to operational costs of depreciation, financing of debt along with the cost of operating and maintaining new assets. The large capital investment also results in higher costs of staff, consultancy and contractor costs as council resources to deliver much larger levels of capital investment.

Our operating budget requirements have increased in response to the need to:

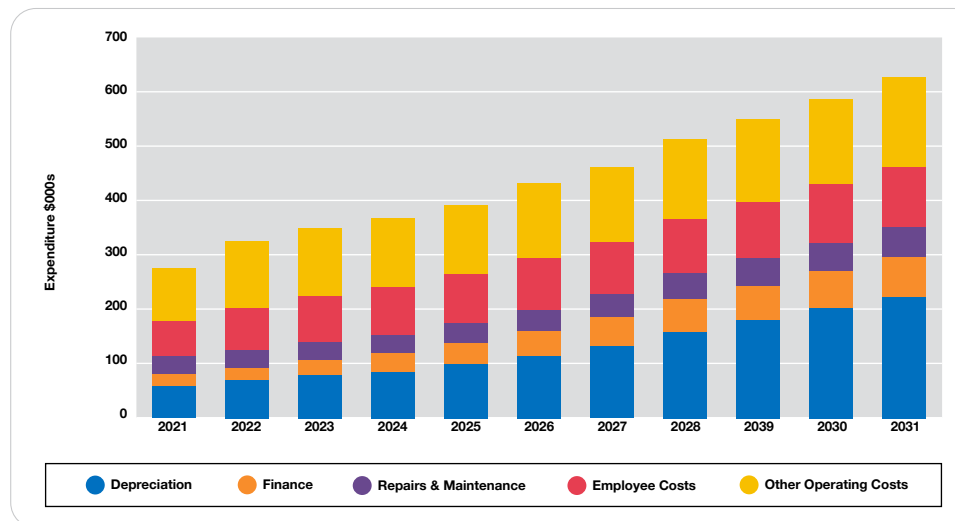
- provide what we need for our community in terms of contracted delivery and maintenance services across the business
- provide for planning for our city and our investments
- provide full household kerbside waste services from 1 July 2021. Previously only kerbside glass collection was undertaken by council with the rest delivered by a number of private waste collection operators.
- ensure adequate digital systems, security and performance (e.g. \$173m capital investment to replace outdated systems and improve systems that interact with our community)
- increase staff budgets to:
 - support the increased capital expenditure and to assure quality
 - meet increased community expectations for improved access, communication and engagement

- meet increased requirements for planning across the city
- attract and retain the very best people - we need to address market movement in salaries and to reverse the salary and training freeze from COVID-19 (note: reversing these temporary savings accounts for \$3.1m of the cost increase from last year)

- replace consultants with salaried staff to assist cost efficiency, adequately resource delivery and retain expertise in-house.

Operational costs over the 10 years are shown in Graph 5 below. In the graph costs have been inflation adjusted. They show the increase in depreciation and financing costs relative to 2021 levels and to other expenditure categories.

Graph 5 Operational Expenditure (inflated) - Operational costs over 10 years

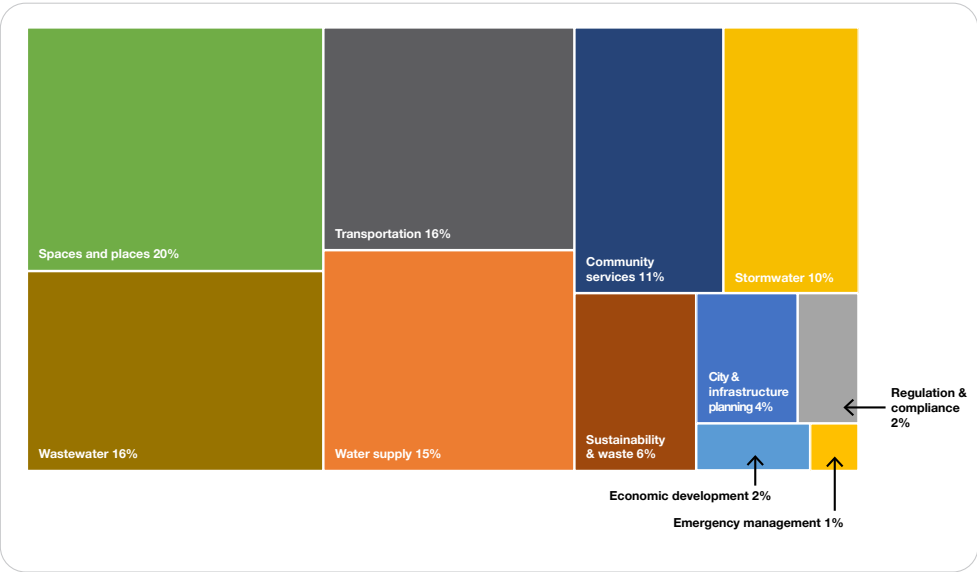


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Financial Strategy – Now and for the future

What our rates pay for

The following graph shows the proportion of rates spent on each group of activities. It shows that three waters, transportation, spaces and places and sustainability and waste, which are our core council services, account for more than 80% of our expenditure.



Financial Strategy – Now and for the future

FUNDING AND FINANCING

The following section considers who pays for the proposed capital investment and operational services. The biggest challenge is how to fund the high levels of capital investment required for the city.

Building Blocks

Tauranga already has high debt levels and under our current borrowing limits we cannot borrow more without first paying down some of our debt. Our approach to this Long-term Plan is to increase rates to pay to retire

some of this debt each year so that we can do more investment.

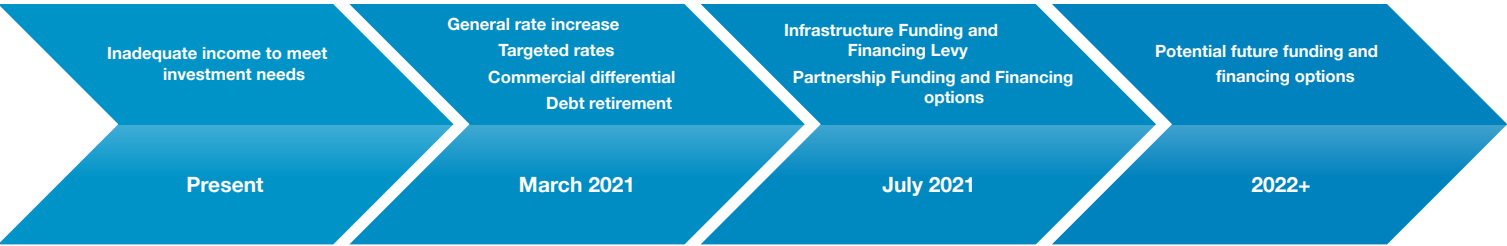
Over time this approach may not be the best way to fund our new investment. We have continued to investigate other options. Two of these options relate to IFF levies for Tauriko West and transport infrastructure are being proposed in the LTPA consultation. They reduce the need for the large amounts of debt retirement proposed from year four onwards and therefore offer a net reduction in the total payments made by ratepayers over this time.

For example, in the LTP we required rate-funded debt retirement of approximately \$0.55b over the Long-

term Plan. This was due to us approaching our overall financial limits. The adoption through the Long-term plan amendment (subject to ongoing analysis) of IFF funding for Transportation and Tauriko West has enabled the reduction of rate-funded debt retirement to \$0.36b. Options to avoid this additional rating burden continue to be a key focus of work going forward.

Work also continues with sub regional partners in order to progress other options. The following diagram shows the timeframe for reviewing other options for funding the large-scale investment rather than relying on rates and user fees and debt retirement. More discussion on future options is included at the end of this document.

Funding Options



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Financial Strategy – Now and for the future

Principles

The financial strategy aims to provide the financial framework underlying the proposed expenditure and funding of the LTP. This financial strategy is underpinned by principles of:

- **financial prudence.** Council services and investment in infrastructure are cost efficient and are an effective way of achieving the identified community outcomes.
- **financial sustainability.** The Council's activities must be financed and funded in a way that ensures Council's financial sustainability over time, in the face of risks and uncertainty.
 - a. Depreciation reserves will be regularly reviewed to ensure the level of funding is appropriate based on long-term renewal profiles
 - b. New funding and financing opportunities will be included within the strategy noting the impacts that these tools may have on both funding and financing.
- **transparency.** People who pay are aware of what they are paying for and can confirm that what is proposed has been provided.
 - a. targeted rates enable rates to be collected for specific services or purposes and revenue collected ring fenced to be spent for those purposes.
- **affordability.** Where services or costs of infrastructure are rates funded that the rates are affordable across the community. Council services

and infrastructure that are funded by rates, user fees or through development contributions are affordable to people wanting to access these services or to develop and build here.

- **fairness and equity.** Consideration is given to who should pay for investments and services, recognising who benefits, creates the need for, or is affected by the service and where possible ensuring they contribute a reasonable share of the costs of that service. This includes:
 - a. Growth pays for growth where practicable, acknowledging growth does not always pay for growth
 - b. Existing ratepayers pay an equitable contribution for the costs of infrastructure
 - c. Rates will be used where benefits can be attributable to wider areas of the community and user fees will be applied where an individual benefit accrues.
 - d. Where benefits are attributable to specific areas or groups in the community targeted rates or levies using the IFF Act will be investigated (subject to timing and resourcing to allow this to occur within this LTP)
 - e. Debt will be used to fund projects that accrue benefits over multiple years i.e. intergenerational equity
 - f. Relationships will be pursued to increase private investment or further investment from government or investments of regional or sub-regional benefit may be appropriately considered

Who Pays for new investment and services in our city?

The financial strategy for the LTP proposes that the right groups pay their share.

Funding Capital Investment

Funding sources for capital expenditure are:

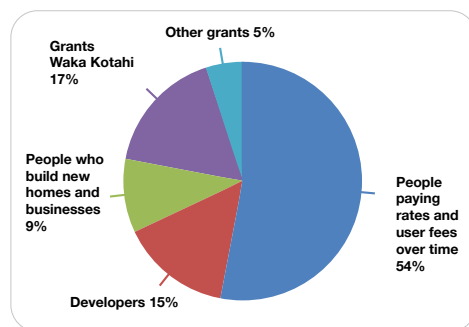
- borrowing, which becomes rates and user fee funded debt with the costs of borrowing and repayment of debt paid through rates and user fees over time.
- development contributions and borrowing which becomes growth debt with the costs of borrowing and repayment of debt paid through development contributions over time.
- subsidies and grants from central government
- Grants from other parties (e.g. community trusts)
- potentially financing and funding agreements made under the infrastructure Funding and Financing Act

Who pays over time for capital investment is therefore:

- people who pay rates and user fees over time (residents and businesses)
- developers
- people who build new homes and businesses here
- Government and other organisations who provide grants and subsidies to us

Financial Strategy – Now and for the future

Graph 6: Who pays for our capital investment



Graph 6 shows that ratepayers, now and in the future, will pay for a lot of the proposed capital investment. Ratepayer funding includes:

- the annual costs of interest to service our debt,
- depreciation charges which over time offset the cost of renewals of assets enable debt to be retired over the life of assets
- specific rate funded debt retirement which has been introduced during this LTP

Developers and people building new houses and businesses will also pay their share of investment to cater for growth. When new areas of land are subdivided, property developers pay development contributions (DCs) for the costs of providing new infrastructure like water and wastewater pipes, roads parks, playgrounds streetlights and community places. These are called local area development contributions. Developers may also deliver some of this infrastructure themselves and

then vest the assets in council as part of the subdivision process.

People who build new homes or commercial buildings also pay DCs for city-wide investments required to support growth. These investments include the new water supply at Waiari and work to extend the capacity of the wastewater treatment network and treatment facilities.

Council is relying on subsidies and grants from other organisations to fund a lot of this expenditure. The transport investment identified in the Transport System Plan (TSP) has been developed in partnership with Waka Kotahi NZTA and our regional partners; the Bay of Plenty Regional Council and the Western Bay of Plenty District Council. We will be relying on these organisations to pay their share of the investment consistent with who benefits from the investment. The subsidies from Waka Kotahi is a key assumption in this Long-term Plan and a reduction or lack of funding for projects would mean these investments could not be undertaken.

A key assumption of this LTP is that most transport investment receives 51% subsidy from Waka Kotahi. They have advised that they are not able to fully fund TCC's Maintenance, Operations and Renewal (MOR) request for 2022-2024. The reduction in Waka Kotahi funding is \$22m less than what was initially requested based on our preferred level of spend, but only \$14m less than budgeted in the draft LTP financials for the consultation. This is because of early indications of funding levels received from Waka Kotahi. The revised funding of \$52m means \$14m less maintenance and renewals work in the next three years. In the overall capital budget this expenditure is adjusted out to later years assuming that the required level of funding will be provided over time during the ten-year period. If not, it would eventually

result in a reduced level of service. While we will be able to deliver the expected level of service under the new contract in year one and two, a lower level of funding may show for example more potholes, less sweeping / cleaning, more chip-seal where asphalt is justifiable, in year 3 to 4 of the LTP unless additional funding is provided by year 4.

There is also risk around the amount and timing of Waka Kotahi investment in the TSP and other externally funded projects. To reflect this uncertainty about funding levels and timing, investment in the first five years has been reduced by \$425m, with this budget moved into the last five years. Further information will be forthcoming over the next months and refined in later years as Waka Kotahi and other external funding providers consider their funding priorities. The capital adjustments included for TSP across all investment options provides flexibility for council to respond to deliverability and funding uncertainty.

Funding Operations

Sources of income for operational expenditure are:

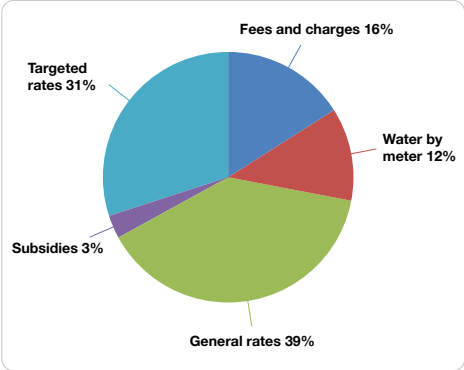
- rates (targeted or general)
- water charges (charged by the volume of water used)
- fees and charges
- subsidies (from central government).

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Graph 7 shows how we fund our operations. Most operating expenditure is funded from rates. The rest is funded from a combination of subsidies and grants and user fees revenue. More detail on rates, user fees and subsidies are covered below.

Graph 7: Funding Operations



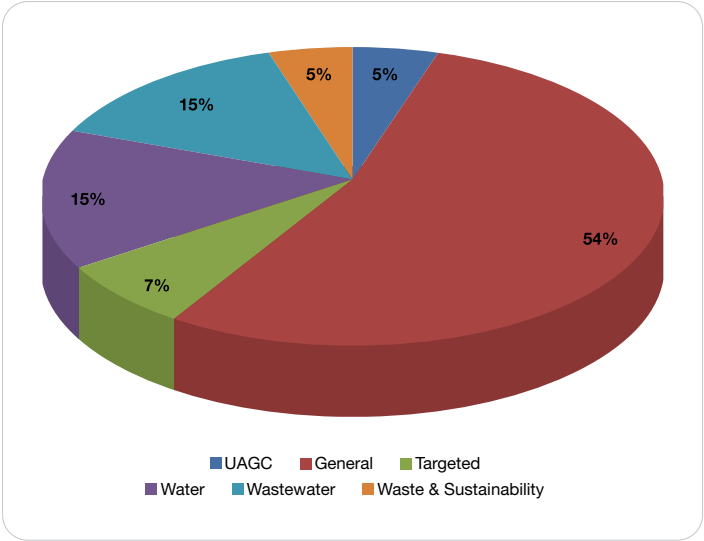
Rates

Each LTP has recognised the need for increased rates in order to continue to fund and finance the needed infrastructure investment in the city. However subsequent Annual Plans have reduced these rate increases.

The upward pressure on rates is significant in the first three years of the LTP reflecting the proposed investment programme and the commencement of debt retirement through rates.

The new kerbside service means that additional rates charges to bring this service in as a council provided service replaces previously payments by households to private operators. On average the council kerbside collection service results in lower costs to households than paying private waste collection services.

The rates structure in 2020-21 was as follows:



This shows a concentration of rates as general rates set on a capital value basis with 10% of all rates set on a uniform basis. The main targeted rates were for wastewater and water supply, with all revenue collected for these ring-fenced to be spent within these activities.

Financial Strategy – Now and for the future

New or Expanded Targeted Rates

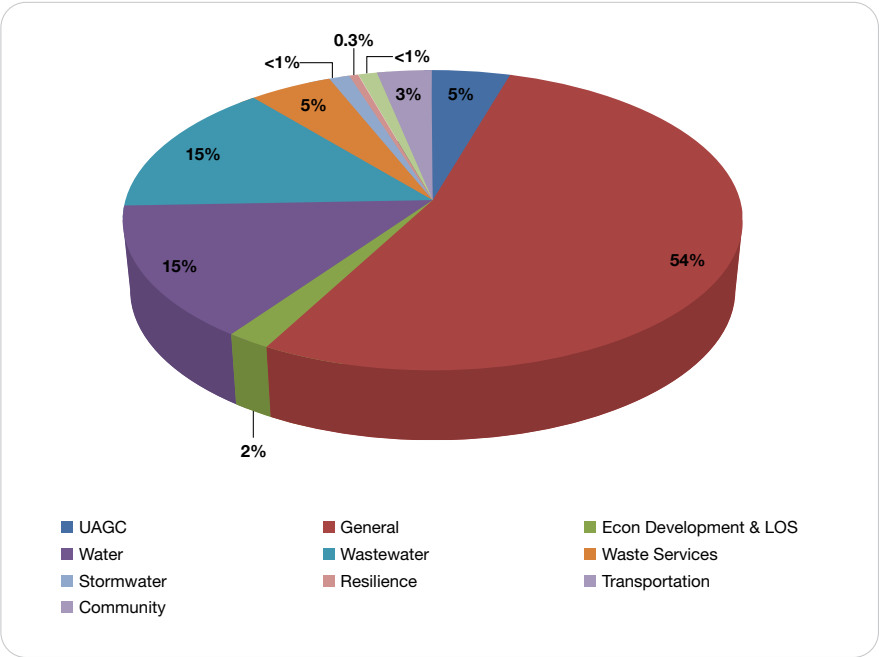
A key funding proposal for this LTP is to move to a greater focus on targeted rates for transparency and accountability and to ring fence funding.

The kerbside waste collection service has also been agreed to be a targeted rate which adds to the existing list. The full range of other minor targeted rates are outlined in the funding impact statement for the LTP.

The proposed introduction of further targeted rates is to support capital investment costs including debt retirement in the areas of:

- Transportation
- Community,
- Stormwater
- Resilience (extending the existing targeted rate which previously covered planning and investigation costs but going forward will cover the costs associated with capital investment)
- Wastewater
- Water supply

The rates structure in 2021-22 with activity specific targeted rates



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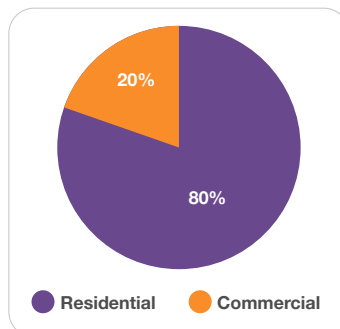
Financial Strategy – Now and for the future

Commercial differential

Currently TCC has a commercial differential of 1.2 meaning commercial ratepayers pay a rate 1.2 times the residential general rate. This was introduced in the last LTP and originally was proposed to move to 1.6 times however feedback from the commercial sector reduced this rate to 1.2 phased in over a three-year period.

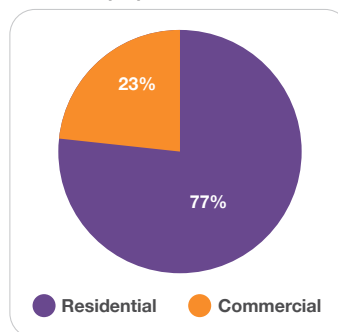
At the current differential level TCC collects 20% of its rates from the commercial sector which is a lower portion of rates than other comparable metro councils with the next lowest being Christchurch at 1.6 times.

Total rates share by commercial and residential: current



The commercial sector has the ability to claim GST and corporate tax deduction for rates paid. A level of 1.6 times is the level that equalises the after-tax payment of rates for both sectors. It is therefore proposed to increase the commercial differential to 1.6. This increases the contribution to the city's rates requirement from the commercial sector to 23%.

Total rates share by commercial and residential: proposed



Fees and Charges

People pay fees and charges for certain services we provide, and these make up 15% of our income. They help cover costs where the benefit of the service is exclusive to a person or property. Some major sources of revenue from user fees and charges are for building and resource consents, parking fees, property leases and airport landing charges. Council's revenue and financing policy explains the rationale for funding and user fees and charges are set and consulted on during the LTP consultation process.

Operational Subsidies

Most operational subsidies are received from Waka Kotahi NZTA to cover 51% of our operating costs of road maintenance and support our business unit resources. Other annual subsidies contribute to costs of specific activities that help to achieve government objectives such as sustainability and waste.

FINANCIAL SUSTAINABILITY

Financial sustainability is the ability of the council to sustain the services to the community and the level of investment it proposes to undertake over time.

Impact on debt

The capital programme now exceeds \$5.0b over the 10 years of this Long-term Plan which means our debt increases proportionately to very high levels. This impacts on already very high debt levels within council.

We are projecting a debt level of over \$635m by 1 July 2021 which is the opening balance of debt for this LTP. Debt increases to \$1.8b by the end of the ten years.

This has led to an infrastructure funding challenge for us. In the absence of other financing tools and, based on maintaining a debt to revenue ratio within LGFA limits, we have based this Long-term Plan budget on the full programme of capital delivery at \$5.0b supported by debt retirement of \$0.55b across the major infrastructure activities of council.

The level of capital expenditure proposed in this Long-term Plan would result in council's debt exceeding LGFA borrowing limits without the addition of rates funded debt retirement, or a substantial reduction in the capital programme. However, with debt retirement our debt levels remain within our borrowing limits.

Rates Funded debt retirement for the LTP

We have calculated rates funded debt retirement in specific infrastructure activities that is required to keep the whole of TCC in a financially sustainable position. Table 6 below shows debt retirement included in the LTP under the proposed activity based targeted rates.

In 2022 \$4.8m of debt retirement is proposed in stormwater and water supply. Debt retirement in

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wastewater commences in 2023 and all three waters activities have increasing debt retirement through to 2026. Without debt retirement, the three waters activities are projected to have unsustainable levels of debt to support the large capital investment required over the ten years of the LTP. The high level of debt and ongoing investment requirement in three waters is expected to need to be addressed regardless of 3 waters reform options.

Debt retirement in **community** activities is also proposed from 2022. The calculation of debt retirement is based around the costs of the substantial new investment required to recover community deficits to date. In the early years it is set to recover the funding and borrowing costs of various expenditure on spaces and places and the new library and civic plaza developments. Later in the ten years, debt retirement charges are increased to cover the costs of investment in community facilities to address existing infrastructure deficits.

The large **transportation** programme proposed for the LTP, requires debt retirement to support the portion not covered by Waka Kotahi NZTA. From 2027 retirement is proposed to cover investment programmes identified by TSP for projects to be delivered later in the LTP.

If some projects are not undertaken, or are delayed, debt would be lower and some of this rates funding would not be required.

As rates funded debt retirement is required to manage council's already large debt levels, the level of rates funded debt retirement would not be required if there was structural reform, such as three waters reform where a large portion of council's debt would be transferred from council to a new entity.

LTPA Funding & Financing Arrangements Using IFF

In the LTPA we adopted two arrangements for IFF funding as an alternative to traditional financing through council's balance sheet. Under the IFF Act a special purpose

Table 6: Revised debt retirement with IFF

Debt Retirement Targeted Rates	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
Stormwater (\$m)	1.3	1.2	1.3	1.3	1.3	1.4	1.4	1.5	1.5	1.5	13.7
Wastewater (\$m)	0.0	2.1	4.2	8.7	13.5	16.1	16.6	17.0	17.5	18.0	113.7
Water Supply (water by meter) (\$m)	3.5	3.6	3.7	6.5	6.7	6.9	7.1	7.3	7.5	7.7	60.5
Transport (\$m)	0.0	0.0	0.0	0.0	0.0	6.5	6.8	7.2	7.6	8.0	36.1
Community (\$m)	2.7	7.2	7.4	4.7	4.8	15.1	15.6	16.0	16.4	16.9	106.8
Resilience (\$m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.3	4.3
Other debt retirement	0.0	0.0	1.2	6.6	0.0	3.6	0.3	0.1	0.0	0.0	11.8
Unfunded Liabilities (\$m)	0.0	1.1	1.2	1.2	1.2	1.3	1.3	1.3	1.3	1.2	11.1
Rates funded debt retirement (\$m) included in targeted rates	7.5	15.2	19.0	29.0	27.5	50.9	49.1	50.4	51.8	57.6	358.0

entity borrows the money for the approved projects. This Crown owned entity controls the borrowing and provides these funds to the entity constructing and owning the assets (normally TCC). These borrowings are repaid over time by charging a levy on the beneficiaries of the projects. These levies will be collected by council on behalf of the entity as a separate item in its rates bill.

Based on our most recent accounting advice, the balance of this borrowing will not be on Council's Statement of Financial Position. We will recognise the initial grant as revenue and the ongoing collection and repayment of this debt to the third party will not flow through Council's Statement of Comprehensive Revenue and Expense.

The two arrangements are for:

1. \$200m financing of a series of transportation projects under the Transport system plan; and
2. \$56m toward funding infrastructure for the new growth area at Tauriko West.

The IFF arrangements mean that council can reduce the amount of rates funded debt retirement from \$550m as proposed in the LTP to \$358m. The revised debt retirement is shown above.

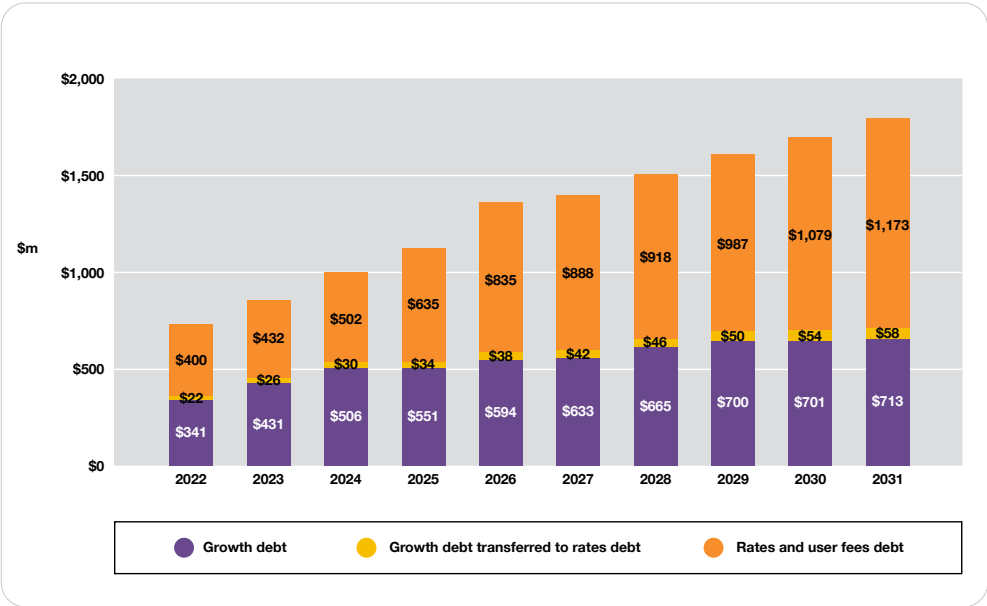
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Proposed debt profile after debt retirement

Graph 8 below shows the total level of debt in each year of the Long-term Plan. Total debt peaks at \$1.9b by 2031

Graph 8: Annual Debt Profile



The portion of development contribution (DC) funded debt for new growth areas increases till 2029 before flattening off even though the growth pressures continue. There are three main reasons for this:

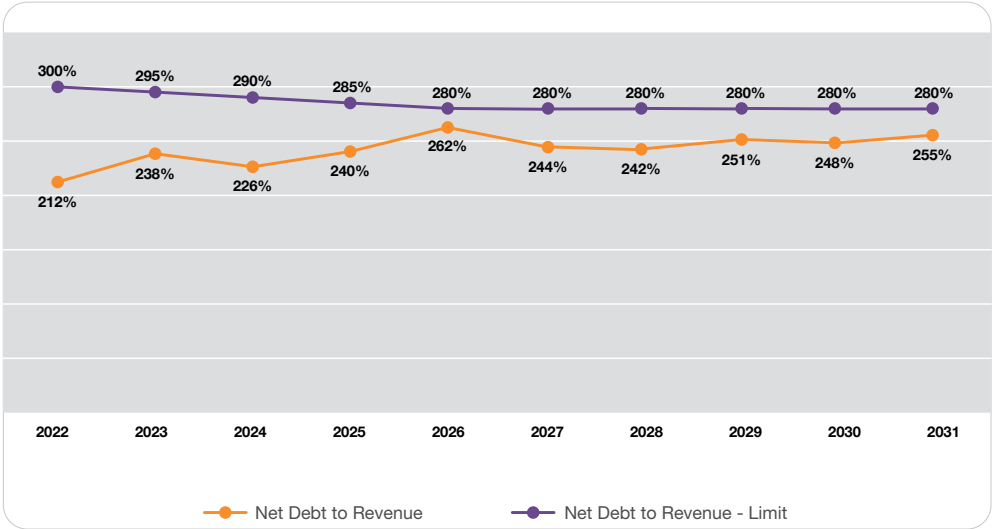
- 1. we have negotiated with developers for the new growth areas that they deliver the local infrastructure as vested assets. This has reduced the amount of infrastructure for these areas that we have needed to fund
- 2. the capital investment to enable new housing through intensification in existing areas is currently identified as loan funded. However, there may be opportunities to directly charge some of this spending to growth once we know more about the projects
- 3. Over time, growth debt would be expected to reduce as development contributions are collected to cover this debt.

There remains a risk that we will not be able to collect enough DCs to cover the costs of growth infrastructure. When this happens, the council can choose to transfer this debt to the ratepayer as has occurred in the past. The graph shows the allocation of growth debt to rates funded debt from existing developments where there has been DC shortfall. This transfer is being phased in over the period of the LTP. Total debt from growth that has been picked up by the ratepayer increases to \$58m over the 10 years.

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Graph 9 below shows that we can maintain a financially sustainable debt to revenue based on the rates assumptions in the budget including debt retirement and IFF funding. The yellow line shows the level of debt (after debt retirement and sources of capital revenue) that is associated with the \$5.0b capital programme. We come closest to the LGFA Borrowing limits in 2026, retaining borrowing headroom at a minimum of 25% from 2027 through to the end of the LTP. It is proposed the LGFA borrowing limits should be the council's borrowing limits for the LTP.

Graph 9: Debt to revenue ratio against proposed borrowing limit



UNCERTAINTY AND RISK

In preparing this Long-term Plan, a number of areas of uncertainty and risk were identified which include:

- unforeseen costs and challenges in delivering our capital investments (deliverability)
- the ability of the construction sector to deliver the volume of capital investment proposed across the country
- local government reform such as water reform
- the economic situation which could impact ability to pay (affordability)
- the impact of a change in timing or quantity of projected population growth
- uncertainty about the future including disruptive technologies and changing lifestyles and living and transportation choices,
- the impacts of climate change and the risk of unforeseen natural events such as earthquakes and major storms.
- potential impacts of failure of current assets

There are a number of tools used to manage risk and uncertainty in this budget:

- Investment to improve the capacity of the organisation to deliver the proposed investment, including an enhanced framework to recognise the risks associated with project design and costings

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- Continued review of timing of projects in relation to growth requirements
- Continued involvement in reform proposals to ensure planning is consistent with likely direction
- Maintain debt levels below treasury limits to provide debt headroom to cope with unforeseen events
- Use off-balance sheet funding and financing as proposed for transport and Tauriko West
- Rate fund to retire debt in selected activities ahead of standard debt retirement rates that are currently based on average asset lives in each activity, including to retire debt from unfunded liabilities which otherwise would not be retired as there is no depreciation collected on assets for this purpose
- Maintain a risk reserve, funded from rates, that enables consistent funding while the realisation of risks and payments is likely to be more sporadic
- Sound asset management including funding depreciation and budgeting renewals of assets from the depreciation reserve.

Improving organisational capacity to deliver. In response to our deliverability challenges we have made changes to the way we do things including:

1. Our organisation's structure and roles
2. Our approach to procurement and delivery

We have restructured our organisation, to strengthen leadership and focus within our core activities on capital programme and outcome management. We have increased staff numbers across planning, project delivery and procurement to ensure that we have the required

capacity. A new capital programme assurance division has been created to oversee the capital programme to ensure efficiency and quality of approach to procurement, contracting and delivery.

Options for procurement and delivery are being developed that enable us to deliver the programme at scale. This includes collaborative models to deliver multi-year programmes of work e.g. alliances.

While we are building capacity internally and with our contracting partners, and government is looking to

support this level of investment, we acknowledge that significant risks around delivery remain. If we are not able to meet the delivery of the proposed capital programme, then rates funded debt retirement will also reduce to align with actual capital delivery. This will be reviewed through future annual plans and the next Long-term Plan.

Improved recognition of risk and contingency in capital project costs. The capital budgets proposed include allowances for risk and contingency. Early year projects normally have clearer scope and more detailed design which helps to eliminate risk and is reflected in budgets.

Timing of capital projects. The timing of growth and therefore demand for land and receipt of development contribution revenue could change. This LTP has been based on estimates to achieve adequate land supply to meet the SmartGrowth projections. There is also investment in intensification across existing areas of the city. Should this growth slow down, debt levels would be higher in reflection of the lower levels of development contributions revenue. The response to such a slow-down would be a combination of adjustment in the timing of capital projects and a higher debt level, still within treasury limits.

Resilience Projects. The impacts of climate change and the risk of unforeseen natural events on council infrastructure has been considered over recent years and projects identified to increase city resilience are included in the capital programme.

Maintain debt headroom. In this LTP the LGFA borrowing covenants have been increased to a long-term level of 280%. Because of the large capital programme, the amount of debt headroom has been significantly reduced from the middle years of the LTP. Debt retirement throughout the ten years helps to improve the debt headroom in later years of the plan.

Retire Debt. Debt is currently retired annually within each activity through the depreciation reserve. Additional rate funding for debt retirement has been proposed through the ten years to support a large capital programme in the light of the high level of debt Tauranga City already has and the need to remain within debt covenants. Over the ten years the additional rate funded debt retirement proposed is \$358m including inflation.

Maintain a risk reserve. The risk reserve established a number of years ago is in significant deficit as a result of the financial impact of a number of events. At 30 June 2020 the risk reserve was \$28m in deficit. It is proposed that an amount of \$2m is rate funded per annum to fund this reserve. However, the budget also includes a provision of \$1.2m for further weathertight payments meaning \$2m is a minimal annual amount to address the deficit.

To assist with the required level of risk reserve in the early years there is an option to use any general rates surpluses to contribute to the risk reserve or to reduce debt. Council has also agreed to apply some of the rates funded debt retirement against unfunded liabilities. Council does not budget for a rates surplus, however surpluses (and deficits) may occur due to the nature of budgets which contain cost estimates. In addition, Council continues to look for ways to improve efficiency which may result in surpluses.

Funding depreciation for renewal of assets. The potential for asset failure is mitigated by maintaining assets to maximise their useful lives and undertaking regular condition assessment of assets. Depreciation is funded and the value of this funding recorded in a

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reserve to recognise the cost of renewals over time. When renewal is required this is undertaken to avoid asset failure and associated loss of level of service. Part of the requirement for debt headroom is to recognise the future obligation to renew assets as indicated by the value of these depreciation reserves. Debt retirement from these reserves reduces the balance recorded for reserves. However, it records the reduction in debt through depreciation charges and helps to maintain debt at a level at which ongoing renewal can be afforded.

QUANTIFIED LIMITS AND TARGETS

Quantified Limits on Borrowing

Consistent with Council's Treasury policy Council will adhere to the following limits on borrowing:

- Net interest expense on external debt as a percentage of annual operating revenue will not exceed 20%
- Net interest expense on external debt as a percentage of annual rates revenue will not exceed 25%, and
- Net external debt as a percentage of annual operating revenue (including Bay Venues Limited) will not exceed the borrowing limits set by the Local Government Funding Agency – see Table 7.

Rates and agreed limits on Rates

The focus of the LTP is on what we need to do and spend to achieve the desired outcomes for our city recognising the challenges and issues that our city is facing. Rating is one of the ways we fund the needed expenditure. Other

ways include direct charges to people using our services, subsidies and grants, developer contributions and shared arrangements or partnerships with other organisations.

Where we decide to fund activities or services by rates, Council must consider how to structure rates to determine how much different members of the community contribute and for what.

Quantified Limit on Rates Increases

In presenting rates limits for the LTP, we have set a limit on the increase in general rates which are rates to cover the general expenditure and services of council. Under the revenue and financing policy the areas covered by general rates are identified.

This quantified limit on rates increases sets the maximum budgeted increase in annual general rates collected per year based on the LTP budgets at 12%, which is the highest general rate increase proposed in year one of the LTP. This limit does not give an indication of the rates increase on different groups of ratepayers as this will vary according to rating structure and capital value changes. Because of the proposed changes to rating structure there is significant variation in rates increases amongst ratepayers.

This LTP sees a proposal for higher targeted rates to fund activities or specific outcomes with the revenue ring-fenced for that purpose. These costs are to either:

- fund the cost of delivering specific services such as kerbside collections, water supply and wastewater or
- a level of investment (including debt retirement) consulted on with the community.

Therefore, targeted rates are proposed to be not included in the overall limit on rates increases that has been applied to general rates.

COMPARISON OF FINANCIAL LIMITS TO LTP FINANCIALS

The summary of our key financials over the next ten years and proposed limits on general rates and debt are as follows.

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Table 7: Summary of Key Financials and limits on rates and debt

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
Capital Programme (\$m)	303	319	434	518	612	604	527	543	565	579	5,005
Net Debt (\$m)	763	889	1,038	1,220	1,467	1,563	1,630	1,737	1,834	1,944	
Debt to revenue ratio (inc BVL Revenue)	200%	224%	214%	228%	250%	234%	232%	241%	238%	246%	
Debt to revenue ratio (inflated, excluding BVL)	212%	238%	226%	240%	262%	244%	242%	251%	248%	255%	
Financial Limit on Borrowing (debt to revenue ratio)	300%	295%	290%	285%	280%	280%	280%	280%	280%	280%	
Total Rates (\$m)*	234	269	288	321	354	396	436	467	501	538	
Total Rates Increase (net growth)	21%	13%	6%	10%	9%	10%	8%	5%	5%	5%	

*Rates Breakdown	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total ten years
General Rates (\$m)	137	154	158	166	179	177	195	203	215	228	
Limit on General Rates Increase (net of growth)	12%	12%	12%	12%	12%	12%	12%	12%	12%	12%	
General Rates Increase (net growth)	9%	10%	1%	4%	7%	-3%	7%	2%	3%	4%	4%
Kerbside Collection (\$m)	11	12	13	14	15	16	17	18	19	21	
Other Targeted Rates including rates funded debt retirement (\$m)**	53	65	75	93	108	147	164	181	197	215	
Water by Meter (\$m)	33	38	42	48	52	56	60	65	70	75	
Total Rates (\$m)	234	269	288	321	354	396	436	467	501	538	
Total Rates increase (net growth)	21%	13%	6%	10%	9%	10%	8%	5%	5%	5%	
Total rates increase (net growth) excluding kerbside	16%	14%	6%	11%	10%	10%	8%	5%	5%	5%	8%

** Targeted rates are in addition to general rates. Given the nature of these rates (relating primarily to debt retirement and the timing and scale of capital expenditure) a percentage increase limit has not been set. The increase required is determined by the level of investment. Targeted rates are included in the total rates increase above.

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The LTP remains compliant with the limits for borrowing and rates throughout the ten years.

Council is confident that it can maintain existing levels of service and meet additional demands for services within the rates and borrowing limits set.

SECURITIES AND FINANCIAL INVESTMENTS

Policy on the giving of securities for borrowing

Council will generally offer security for its general borrowing and interest rate risk management activities by way of a floating charge over rates revenue. Council recognises that utilising rates revenue as security lowers the risk involved for lenders and, therefore, will lower the cost of borrowing to the Council.

In the normal course of business, Council offers rates revenue as security for its borrowing. Council offers security through a Debenture Trust Deed, which allows Council to provide security over rates revenue from time to time made by Council under the Local Government (Rating) Act 2002.

Where doing so would help further the Council's community goals and objectives, Council may offer security over an asset other than rates, on a case by case basis.

Objective for holding and managing financial investments and equity securities

Council's investment objectives are included in Council's Treasury policy. Overall Council holds financial investments to manage its liquidity and funding risks. Its objectives in relation to these investments and equity are therefore that they:

- Contribute to the fundamental objective of managing liquidity requirements and funding risk,
- Protect the capital amount invested,
- Optimise returns in the long-term while balancing risk and return.

Quantified targets for returns on financial investments and equity securities

Council's quantified target for returns on financial investments and equity securities are: they are better than the daily average of call, 30-day, 60 day, and 90 day bank bill rates as published by the New Zealand Financial Markets Association.

ALTERNATIVE OPTIONS – FUNDING AND FINANCING

Central government has recognised the financing challenges councils face to deliver significant infrastructure investment and has developed a range of tools to assist councils. TCC has utilised interest free loans through the Housing Infrastructure Fund (HIF), which are ongoing in this LTP. This reduces the overall borrowing cost of council.

IFF Off-Balance-Sheet Options

As discussed at the beginning of the financial strategy, the financial strategy for the LTP was limited to the funding and financing tools and arrangements currently in place for TCC. Subsequently for the LTPA further alternative options were adopted to take some debt associated with new capital investment off TCC's balance sheet.

The Infrastructure Funding and Financing Act 2020 offers potential for projects that normally are financed through council's balance sheet to be financed by another organisation. The funding would still come from Tauranga residents but the resulting increased capacity for council would reduce the amount of debt retirement required to be charged through rates.

The LTPA approved the use of IFF funding for two areas of capital expenditure –

1. To open up a new growth area at Tauriko West, and
 2. To invest in selected transportation improvement projects agreed under the Western Bay of Plenty Transport Network Plan (TSP).
-
1. Tauriko West
IFF funding (\$56m) would be provided to Council to undertake capital infrastructure investment, then this debt would be paid with interest by people living in the homes in that area as an annual charge for 30 years. This maintains the growth pays for growth principle. Because of the charges associated with these properties the price paid for sections would be expected to be lower than for unencumbered sections.
 2. Transportation Projects (TSP)
IFF funding of \$200m would be provided to Council to pay for the required infrastructure investment. The loan would be repaid with interest by all ratepayers across the city as an annual charge for 30 years until the debt is recovered. The funding paid to council offsets debt in the early years so enables council to remove an

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equivalent amount of rates funded debt retirement along with other amendments included in this LTPA (\$200m). This means that during the ten years of the LTP the total payments required of ratepayers (rates and levy) would be less than in the original LTP 2021-31. However, in the last 20 years of the 30 year period the amount of payments would be higher than in the original LTP 2021-31.

In both cases, obtaining this funding is dependent on the external party raising the required funds from private investors and requires government approval. If the funds cannot be obtained, or provided at a satisfactory financing rate, Council will continue to use debt and development contributions funding in order to progress these work programmes. This could result in other projects being delayed or reprioritised to avoid breaching debt limits, thereby affecting current or future improvements to levels of service.

Other Options - Partnering

We are also continuing to investigate other options for delivering services and needed infrastructure within Tauranga. Options around partnering with other organisations, such as our current regional partnering for economic development (Priority One) and growth management (SmartGrowth) are continuing.

In continuing to consider future options a number of options hold particular interest:

- Alignment of income streams and capital expenditure. For example, public transport income currently resides with BOPRC however the capital infrastructure expenditure is largely with TCC. Realigning these income streams provides greater financing capacity.
- Ratepayer funding options for example the use of balance sheets to provide a form of reverse mortgage scheme recognising the significant capital growth occurring to properties within the sub region together with the ongoing need for significant expenditure.
- Water reform is being evaluated by the government across the country with aim of improving three waters service delivery for communities to realise significant public health, environment, economic, and other benefits over the medium to long term. As part of this process government has engaged Water Industry Commission for Scotland to undertake detailed economic modelling and Ernst & Young / Mafic Partners to undertake financial and commercial modelling. This work is expected to provide a better understanding of the current and future state of three waters assets and their operating environment. It is expected that this will lead

legislation change to establish new water entities across the country. Therefore, Council's water assets together with associated liabilities would be transferred to a new entity and so associated revenue and operating would also transfer. Significantly more work will need to be undertaken surrounding overheads and stranded costs.

- Legislative development and longer-term funding and financing options. It is widely recognised that the current local government funding and financing model is severely stressed particularly for high growth councils such as Tauranga. This option could introduce such options as road pricing (e.g. tolling), value capture, GST reallocation, fuel tax. These options are not factored into the funding and financing options for this LTP given the level of legislative and policy change required outside of the control of Council

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TCC Programme of Capital Investment

Key:	Grouping per Graph in Financial Strategy
	Investment by Programme
	Further details of specific projects in Programmes

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
3 Waters Intensification		12,160,384	6,277,850	8,316,961	39,610,375	46,345,276	15,304,218	10,427,375	13,502,500	13,907,300	15,596,400	181,448,638
Mount Intensification		100,000	257,500	265,225	273,175	-	-	-	-	-	-	895,900
Otūmoetai Intensification		50,000	51,500	106,090	109,270	281,375	289,250	297,925	-	-	-	1,185,410
Te Papa Intensification		11,790,667	5,865,850	7,839,556	39,227,930	39,730,150	8,503,950	10,129,450	13,502,500	13,907,300	15,596,400	166,093,753
Cameron Road Crown Infrastructure Partner Waste Water Upgrade Harington to 6th Ave	123669	8,565,000	1,339,000	-	-	-	-	-	-	-	-	9,904,000
Cameron Road Upgrade 1st Ave to Elizabeth St - Stage 1	138435	259,000	-	-	-	-	-	-	-	-	-	259,000
Cameron Road Crown Infrastructure Partner Project Wastewater Upgrade 6th to 17th Ave	138433	-	611,820	-	-	-	-	-	-	-	-	611,820
Cameron Road Upgrade Wastewater - Stage 2	123670	-	-	-	2,185,400	-	-	-	-	-	-	2,185,400
Cameron Road. Upgrade - Stormwater Stage 1	123696	2,566,667	2,884,000	990,173	-	-	-	-	-	-	-	6,440,840
Cameron Road Upgrade - Stormwater Stage 2	123701	200,000	412,000	2,121,800	3,278,100	2,251,000	-	-	-	-	-	8,262,900
Cameron Road Upgrade 17th Ave to Barks Corner - Stage 2	123703	-	-	377,893	1,092,700	1,575,700	1,272,700	-	-	-	-	4,318,993
Cameron Road Upgrade 14th to 15th Ave - Stage 1	138434	-	310,030	-	-	-	-	-	-	-	-	310,030
Oropi trunk main upgrade	123612	-	-	3,713,150	25,842,355	28,869,075	-	-	-	-	-	58,424,580
Stormwater network capacity upgrades - Otūmoetai and surrounds	123676	-	-	-	-	-	-	-	3,068,750	3,160,750	3,249,250	9,478,750
Stormwater network capacity upgrades & Land acquisition - Te Papa	123677	-	-	106,090	273,175	281,375	289,250	2,979,250	3,068,750	3,160,750	3,249,250	13,407,890

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Te Papa Intensification Stormwater Upgrade Priority Development Areas	123791	200,000	309,000	530,450	6,556,200	6,753,000	6,942,000	7,150,200	7,365,000	7,585,800	9,097,900	52,489,550
Water Network Upgrades & Renewals		100,000	103,000	106,090	-	6,333,751	6,511,018	-	-	-	-	13,153,859
Waste Water Reticulation Upgrades & Renewals		119,717	-	-	-	-	-	-	-	-	-	119,717
Citywide Investment in Waters (Te Maunga & Waiari Plants)		78,716,274	51,059,756	34,164,856	30,699,413	55,054,170	54,902,709	23,763,367	28,413,215	4,289,836	3,612,516	364,676,113
Te Maunga Waste Water Treatment Plant		32,767,930	30,683,382	28,011,636	11,686,433	32,031,359	31,075,509	9,319,963	13,042,273	4,289,836	3,612,516	196,520,837
Waiari Water Treatment Plant Capital		45,948,344	20,376,375	6,153,220	19,012,980	23,022,812	23,827,200	14,443,404	15,370,942	-	-	168,155,276
Growth Assets by Developers		17,886,447	23,801,351	25,645,193	28,459,378	37,852,483	40,733,680	41,536,885	46,657,118	48,055,881	49,362,287	359,990,703
Vested Assets		17,886,447	23,801,351	25,645,193	28,459,378	37,852,483	40,733,680	41,536,885	46,657,118	48,055,881	49,362,287	359,990,703
Investment in City Centre		9,382,222	22,112,803	60,760,478	64,953,603	66,115,002	61,821,571	32,715,570	10,080,080	-	-	327,941,329
Civic Rebuild Capital Programme		9,382,222	22,112,803	60,760,478	64,953,603	66,115,002	61,821,571	32,715,570	10,080,080	-	-	327,941,329
Civic Administration Building	121048	1,909,200	3,734,574	7,883,548	-	-	-	-	-	-	-	13,527,322
Civic Building IT Infrastructure	121050	-	-	4,634,011	-	-	-	-	-	-	-	4,634,011
Civic Heart Building Demolition Costs	121055	3,000,000	-	-	-	-	-	-	-	-	-	3,000,000
Masonic Park upgrade	182657	-	-	-	685,500	3,540,649	6,673,853	-	-	-	-	10,900,001
Civic Whare	182660	-	-	540,500	1,634,500	4,725,199	4,897,950	3,601,849	-	-	-	15,399,998
Baycourt Upgrade	182661	-	-	1,820,000	9,180,000	-	-	-	-	-	-	11,000,000
Strand Waterfront Reserve	182662	-	-	-	1,560,000	5,940,001	-	-	-	-	-	7,500,000
Civic Plaza	182663	-	-	487,999	1,944,999	6,633,500	6,633,499	-	-	-	-	15,699,997
Willow St Upgrade	182664	-	-	-	1,054,000	2,437,892	3,607,580	1,850,527	-	-	-	8,949,998
Civic Library and Community Hub	121980	3,093,022	7,569,478	35,308,168	34,255,817	9,973,516	-	-	-	-	-	90,200,001
Civic Administration Building - Temporary Site	138444	1,380,000	-	-	-	-	-	-	-	-	-	1,380,000
Museum & iSite	182658	-	-	-	1,497,499	4,582,175	13,000,334	13,439,909	10,080,080	-	-	42,599,998
Exhibition & Gallery	182659	-	-	2,195,000	6,541,288	19,249,858	19,790,569	13,823,285	-	-	-	61,600,000

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Hamilton, Wharf & Durham footpath Upgrade	182665	-	-	-	-	1,932,214	7,217,786	-	-	-	-	9,150,000
Wharf as part of Waterfront Reserve	182668	-	5,100,001	6,600,001	6,600,000	7,099,999	-	-	-	-	-	25,400,001
Site A Civic Establishment	186240	-	5,708,750	1,291,250	-	-	-	-	-	-	-	7,000,000
Investment in Community Spaces & Places		29,702,282	35,914,851	36,329,713	65,752,585	82,434,589	54,908,311	46,309,072	44,224,138	27,997,280	56,899,508	480,472,329
Bay Venues New Capital		2,775,950	5,613,713	4,814,920	30,194,671	26,463,189	4,652,540	25,176,648	23,212,746	1,400,077	1,729,511	126,033,965
Beachside Holiday Park Capital Programme		570,729	643,541	359,706	51,842	170,656	136,645	232,476	68,590	1,068,334	396,727	3,699,245
Blake Park Development		465,862	-	844,710	-	1,217,540	-	-	-	189,645	10,397,600	13,115,357
Bus Infrastructure	121562	-	-	106,090	-	-	-	-	-	-	-	106,090
Cemeteries Capital Programme		372,107	956,081	220,650	123,388	88,996	59,743	35,596	248,000	101,635	111,213	2,317,408
City Centre Streetscape Capital Programme		5,126,957	1,275,129	-	-	-	-	-	-	-	-	6,402,086
Historic Village Capital		39,000	-	-	-	-	-	-	-	-	-	39,000
Kopururerua Valley Development		2,599,000	2,636,269	2,431,084	-	-	-	-	-	-	-	7,666,353
Library Capital Works		897,000	1,174,123	1,209,346	1,511,040	1,282,986	1,318,893	1,358,449	1,399,258	1,441,207	1,481,561	13,073,862
Marine Facilities Upgrades & Renewals		1,536,883	2,335,153	7,321,975	2,232,767	686,239	160,169	455,252	553,237	316,075	16,257	15,614,007
Mount Intensification		-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Otūmoetai Intensification		-	-	-	-	-	-	59,585	61,375	63,215	64,985	249,160
Parks LOS Capital Development		4,881,489	2,350,872	660,304	1,365,875	562,750	578,500	595,850	613,750	632,150	1,975,284	14,216,824
Parks Major Capital (\$1m+) Dev & Upg		7,789,555	7,865,634	6,602,545	10,787,840	9,103,747	3,933,035	4,955,982	4,624,577	8,167,378	4,496,962	68,327,256
Marine Parade Boardwalk (Active Rec)	123831	2,000,000	2,060,000	-	-	-	-	-	-	-	-	4,060,000
Accessibility Hotspots (Active Rec)	123845	400,000	412,000	424,360	437,080	450,200	462,800	476,680	491,000	505,720	519,880	4,579,720
CFIP Community Centres in Existing Urban Areas - Future development	123616	-	-	-	-	-	-	595,850	613,750	7,585,800	3,899,100	12,694,500

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Gordon Carmichael Reserve Walkway & Cycleway Development	121399	691,610	-	-	-	-	-	-	-	-	-	691,610
Greerton Park - Development (Active Rec)	121432	-	386,535	180,505	565,632	-	-	-	-	-	-	1,132,672
Kulim Park Development	121659	1,999,185	-	-	-	-	-	-	-	-	-	1,999,185
Marine Park/Sulphur Point Upgrade & Capacity Increase	121650	-	-	-	-	363,114	364,455	3,811,950	3,446,177	-	-	7,985,697
Mauao Placemaking and Interpretation Projects	123586	738,760	1,118,849	-	-	-	-	-	-	-	-	1,857,609
Memorial Park to City Centre Pathway (Active Rec)	123582	500,000	515,000	891,156	9,178,680	7,878,500	-	-	-	-	-	18,963,336
Omanawa Falls Formal Track	122104	1,000,000	3,017,900	-	-	-	-	-	-	-	-	4,017,900
Shared Club Facility Gordon Spratt Reserve (Active Rec)	123593	-	139,050	4,963,303	-	-	-	-	-	-	-	5,102,353
TECT Park Development	123011	460,000	216,300	143,222	147,515	67,530	69,420	71,502	73,650	75,858	77,982	1,402,978
Wairoa River Esplanade Imps (Active Rec)	123258	-	-	-	458,934	175,578	247,598	-	-	-	-	882,110
Memorial Park Upgrade (Ex S2)	121888	-	-	-	-	168,825	2,788,762	-	-	-	-	2,957,587
Parks Minor Capital Development & Upgrades		5,446,534	5,282,878	4,165,709	2,751,755	1,404,096	1,116,505	595,850	981,359	1,448,816	772,022	23,965,524
Cliff Road - Robbins Park area	123643	-	103,000	106,090	546,350	-	-	-	-	-	-	755,440
Develop McLaren Falls	121182	7,149	539,723	7,584	-	-	-	-	-	-	-	554,456
Dive Crescent Activation	150177	100,000	-	-	-	-	-	-	-	-	-	100,000
Elmes Reserve Development	121261	115,000	-	-	-	-	-	-	-	-	-	115,000
Ferguson Park Beach Road end public toilet (Active Rec)	121102	-	246,644	-	-	-	-	-	-	-	-	246,644
Fergusson Park - Sportsfield Reconfiguration	123801	-	811,702	-	-	-	-	-	-	-	-	811,702
Fergusson Park Groynes	121314	-	562,916	-	-	-	-	-	-	-	-	562,916
Fergusson Park reserve upgrades	121312	-	96,226	159,135	145,689	509,324	-	-	-	-	-	910,373
Fraser Street Reserve 1 Development	121341	1,081,378	-	-	-	-	-	-	-	-	-	1,081,378

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Gordon Spratt Court Lights	123594	475,000	-	-	-	-	-	-	-	-	-	475,000
Gordon Spratt Court Shelter	159395	-	-	328,879	-	-	-	-	-	-	-	328,879
Gordon Spratt Multi sport & Cricket Pavilion (Active Rec)	121404	-	30,900	1,125,394	-	-	-	-	-	-	-	1,156,294
Gordon Spratt Reserve Development (Active Rec)	121405	-	128,490	376,620	75,989	-	-	-	399,708	809,080	-	1,789,887
Grange Road - Scout Hall Reserve	123547	200,000	-	-	-	-	-	-	-	-	-	200,000
Install Drinking Fountains	121575	20,000	20,600	21,218	-	-	-	-	-	-	-	61,818
Installation of Additional Public Facilities	159398	290,000	-	-	-	-	-	-	-	-	-	290,000
Installation of Bore Water Irrigation	121576	272,804	-	-	-	-	-	-	-	-	-	272,804
Matua Park Development	121830	120,000	-	314,298	-	-	-	-	-	-	-	434,298
Matua Peninsula Reserve Development	121831	-	-	-	-	-	-	-	-	134,016	252,142	386,158
Mauao Development	121841	85,000	48,668	169,744	87,416	33,765	-	-	-	-	-	424,593
Merivale Community Reserve (12 Kesteven)	123632	-	123,600	169,744	-	-	-	-	-	-	-	293,344
Monmouth Redoubt Upgrades	121926	179,000	-	-	-	-	-	-	-	-	-	179,000
Morland Fox Park - Install walkways and furniture	121929	-	-	-	-	-	-	-	90,651	-	-	90,651
New Public Toilet Gordon Spratt Pump Track	123625	235,000	-	-	-	-	-	-	-	-	-	235,000
New Skatepark Facility	159392	75,000	669,500	-	-	-	-	-	-	-	-	744,500
Oropi Forest and Mountain Bike Trail Restoration Works	123492	-	257,500	265,225	-	-	-	-	-	-	-	522,725
Pāpāmoa Beach Reserve 1 (opp hartford pl and Stella Pl) Public Toilet	123528	-	-	175,049	-	185,708	-	-	-	-	-	360,756
Pāpāmoa Beach Reserve 2 (Opp Alexander Pl & opp Parton Rd) - Public Toilet	123530	-	-	-	180,296	-	190,905	119,170	-	-	-	490,371
Pāpāmoa Dunes: Road-to-Beach Accessways	122201	58,000	59,740	61,532	63,377	-	-	-	-	-	-	242,649

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Playground Shade (Active Rec)	138440	400,000	412,000	424,360	437,080	450,200	462,800	476,680	491,000	505,720	519,880	4,579,720
Pyes Pā Walkways	122418	91,000	-	-	-	-	-	-	-	-	-	91,000
Reconfigure and upgrade toilets Ferguson Park	123621	-	-	-	158,442	-	-	-	-	-	-	158,442
Selwyn Park upgrade	123633	20,000	228,660	-	-	-	-	-	-	-	-	248,660
Signage implementation	123690	-	206,000	212,180	218,540	225,100	231,400	-	-	-	-	1,093,220
Soper Reserve - Ground Leveling for event use	123533	69,400	-	-	-	-	-	-	-	-	-	69,400
Sydenham Botanical Park Development	159388	35,000	-	-	-	-	-	-	-	-	-	35,000
Tauranga and Wharepai Domain improvements	123634	-	41,200	-	-	-	231,400	-	-	-	-	272,600
Tauranga Domain TV Filming Platform	122854	433,031	-	-	-	-	-	-	-	-	-	433,031
Te Papa o Nga Manu Porotakataka	122984	165,000	-	-	-	-	-	-	-	-	-	165,000
Te Ranga Landscape Plan	123745	314,525	216,171	-	-	-	-	-	-	-	-	530,696
Tuihana Reserve Playground	123101	112,572	-	-	-	-	-	-	-	-	-	112,572
Upgrades to Existing Skatepark Facilities	159390	50,000	51,500	53,045	-	-	-	-	-	-	-	154,545
Welcome Bay Reserve Development	121331	442,675	-	-	-	-	-	-	-	-	-	442,675
Welcome Bay Reserve Development	159394	0	309,000	-	-	-	-	-	-	-	-	309,000
Welcome Bay Road Esplanade Development (Active Rec)	123344	-	119,139	195,612	838,578	-	-	-	-	-	-	1,153,329
Parks Renewals		1,874,490	2,607,190	3,243,917	4,644,053	4,021,946	3,674,860	4,002,504	4,031,462	5,965,181	6,380,034	40,445,637
Prop Management Upgrades & Renewals		826,726	916,287	688,651	178,924	1,110,494	491,645	1,035,245	389,659	818,853	1,068,819	7,525,303
Redevelopment of Merivale Community Centre		-	928,212	-	-	-	-	-	-	-	-	928,212
Strand Extension & Waterfront Access		-	515,000	3,182,700	2,731,750	-	-	-	-	-	-	6,429,450
Te Papa Intensification		-	51,500	1,113,945	8,741,600	4,502,000	15,098,850	7,746,050	6,751,250	5,057,200	20,795,200	69,857,595

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Te Papa - Gate Pā Pukehinahina Regeneration Plan implementation - Public realm amenity improvements.	123550	-	-	53,045	6,556,200	3,376,500	-	595,850	613,750	-	-	11,195,345
Te Papa - Greerton Public realm amenity improvements.	123551	-	-	-	-	-	1,157,000	-	1,227,500	-	7,798,200	10,182,700
Te Papa - Merivale Regeneration Plan implementation - Public realm amenity improvements.	123520	-	-	-	-	-	6,942,000	3,575,100	2,455,000	2,528,600	-	15,500,700
Te Papa Spatial Plan Implementation - City Centre Public spaces	123553	-	-	1,060,900	1,092,700	1,125,500	1,157,000	2,383,400	2,455,000	2,528,600	2,599,400	14,402,500
Te Papa Spatial Plan Implementation Gate Pā - Pukehinahina Community Spaces	123560	-	-	-	-	-	5,785,000	-	-	-	-	5,785,000
Te Papa Spatial Plan Implementation General	123561	-	-	-	1,092,700	-	-	1,191,700	-	-	10,397,600	12,682,000
Te Papa Spatial Plan Implementation General Open Space Projects Cultural and local identity interpretation improvements	123562	-	51,500	-	-	-	57,850	-	-	-	-	109,350
Western Active Reserve Capital Works		-	1,793,269	424,360	437,080	31,819,950	23,686,925	-	-	-	-	58,161,585
Capital Delivery Adjustment		(5,500,000)	(1,030,000)	(1,060,900)	-	-	-	-	1,227,500	1,264,300	7,148,350	2,049,250
Investment in Growth Areas		62,984,851	144,448,053	159,887,125	116,614,763	50,857,349	63,586,502	71,979,650	84,023,145	88,883,461	76,846,754	920,111,653
Eastern Corridor - Pāpāmoa East		1,414,091	4,802,654	2,037,779	10,708,460	-	-	-	-	-	-	18,962,984
Eastern Corridor - Pāpāmoa Growth Area		-	-	2,305,256	1,563,503	45,020	-	-	-	-	-	3,913,779
Eastern Corridor - Te Tumu		380,000	257,500	265,225	273,175	16,094,650	25,222,600	22,880,640	31,867,692	20,770,742	8,448,050	126,460,274
Eastern Corridor - Trunk Wastewater		2,550,000	14,780,500	16,404,697	5,572,770	6,978,100	11,627,850	28,318,856	36,885,872	40,579,645	42,729,629	206,427,918
Eastern Corridor - Wairākei		1,869,924	1,973,207	848,720	743,685	-	-	-	734,622	500,822	-	6,670,980
Eastern Corridor - Pāpāmoa East Wairākei		17,247,155	38,796,351	35,304,412	21,334,523	-	-	-	-	-	-	112,682,440
Smiths Farm Development		(8,000,000)	-	-	(21,854,000)	607,770	9,165,754	-	-	-	-	(20,080,476)

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Floodway F3 Land Purchase - Pyes Pā West	121326	-	72,450	-	-	-	-	-	-	-	-	72,450
WC - Pyes Pā West Growth Area		8,073,284	10,868,228	5,761,993	327,810	1,793,766	2,545,400	2,979,250	1,227,500	189,645	194,955	33,961,831
WC - Tauriko Business Estate		27,749,984	36,320,849	22,349,898	16,076,529	-	-	-	-	-	-	102,497,259
Western Corridor - Belk Rd Plateau		844,350	404,275	3,165,248	3,605,910	1,463,150	-	-	-	-	-	9,482,933
Western Corridor - Bethlehem		2,130,000	5,308,668	3,341,835	3,751,141	-	-	476,680	1,473,000	1,517,160	1,299,700	19,298,184
Western Corridor - Reserves & Playgrounds		78,524	161,759	4,165,315	1,318,797	-	-	-	-	-	-	5,724,396
Western Corridor Water land purchase- Reservoir and PS land	123648	-	-	-	-	-	-	-	-	-	129,970	129,970
Western Corridor - Ring Rd		4,138,000	696,307	217,485	15,291,025	-	-	-	-	-	-	20,342,817
Western Corridor - Social Infrastructure		-	-	5,304,500	5,463,500	5,627,500	5,785,000	7,150,200	1,473,000	18,711,640	24,044,450	73,559,790
CFIP Strategic Land Purchase for Social Infrastructure - Western Corridor	180752	-	-	5,304,500	5,463,500	5,627,500	5,785,000	5,958,500	-	-	-	28,139,000
CFIP Western Corridor Active Reserve Development	123362	-	-	-	-	-	-	-	245,500	1,011,440	11,047,450	12,304,390
CFIP Western Corridor Community Centre Development	123363	-	-	-	-	-	-	595,850	613,750	7,585,800	5,848,650	14,644,050
CFIP Western Corridor Indoor Pool Development	123365	-	-	-	-	-	-	-	-	-	1,299,700	1,299,700
CFIP Western Corridor Indoor Sports Centre Development	123366	-	-	-	-	-	-	-	-	-	649,850	649,850
CFIP Western Corridor Library Development)	123372	-	-	-	-	-	-	595,850	613,750	8,850,100	5,198,800	15,258,500
Western Corridor Destination Playground Development (Active Rec)	123364	-	-	-	-	-	-	-	-	1,264,300	-	1,264,300
Western Corridor - Tauriko West		4,509,539	30,005,304	58,414,763	52,437,935	18,247,394	9,239,898	10,174,024	10,361,459	6,613,806	-	200,004,123
Cambridge Rd Reservoir No 4	120844	-	-	-	327,810	6,753,000	-	-	-	-	-	7,080,810
Cambridge road Water PS TW	123611	-	-	-	-	-	2,429,700	-	-	-	-	2,429,700
Redwood Lane Widening	150207	1,000,000	576,800	668,367	721,182	-	-	-	-	-	-	2,966,349

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Tauriko West High Level Watermain	122911	-	288,400	2,652,250	-	-	-	-	-	-	-	2,940,650
Tauriko West public toilets	122914	-	-	-	327,810	168,825	-	-	-	-	-	496,635
Tauriko West Temporary pump station rising main- initial stage	122915	651,265	3,763,174	-	-	-	-	-	-	-	-	4,414,439
Tauriko West Temporary pump station rising main- initial stage- Planning	130240	150,000	-	-	-	-	-	-	-	-	-	150,000
Tauriko West - Northern Access	123737	1,000,000	10,900,001	18,789,260	18,966,301	-	-	-	-	-	-	49,655,562
Tauriko West Spine Road	130255	-	-	-	5,716,132	5,887,716	6,052,498	6,234,021	6,421,298	6,613,806	-	36,925,471
Whiore Avenue Upgrade	123740	50,000	319,999	3,152,830	-	-	-	-	-	-	-	3,522,830
Water Supply Connecting Matakokiri to Redwood vis Stage 4 TBE, Other growth projects outside of LTP period	123608	-	-	3,713,150	-	-	-	-	-	-	-	3,713,150
Water Supply Connecting Matakokiri to Redwood vis Stage 4 TBE, Other growth projects outside of LTP period- Planning	130239	250,000	257,500	-	-	-	-	-	-	-	-	507,500
Western Corridor Stage 1 East	150194	-	-	-	-	-	757,700	3,940,003	3,940,161	-	-	8,637,864
Western Corridor Stage 1 West	150192	1,208,274	7,199,429	5,954,905	5,954,758	-	-	-	-	-	-	20,317,366
Western Corridor Stage 2	150193	-	-	-	-	5,437,853	-	-	-	-	-	5,437,853
Cambridge Road Intersection Upgrade	182671	-	6,700,001	23,484,001	20,423,942	-	-	-	-	-	-	50,607,943
Tauriko West High Level wtrmn Planning	130241	200,000	-	-	-	-	-	-	-	-	-	200,000
Investment in Resilience		1,600,000	1,648,000	7,850,660	11,298,518	12,166,655	9,587,570	13,942,506	27,024,375	43,401,117	57,789,655	186,309,056
Investment in Transportation		41,228,540	-36,891,360	29,620,147	84,353,423	193,634,235	239,731,600	211,041,073	207,944,835	249,284,529	218,432,830	1,438,379,852
Accessible Streets		2,179,827	13,029,801	29,683,471	32,996,622	31,025,339	28,668,190	10,990,073	3,238,268	10,196,009	9,320,390	171,327,991
Chapel Street Esplanade Walkway/ Cycleway	121020	-	688,864	-	-	-	-	-	-	-	-	688,864
Cycle Action Plan - Low Cost Low Risk Projects	121133	1,120,470	2,692,863	1,981,178	2,040,563	2,101,815	2,160,640	2,225,440	2,292,295	2,361,017	2,427,125	21,403,405

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Otūmoetai / Matua Coastal Pathway	123265	-	309,000	742,630	764,890	-	-	-	-	-	-	1,816,520
Welcome Bay Road multimodal improvements	123680	300,000	412,000	954,810	-	-	-	-	-	-	-	1,666,810
Access St Area C - Te Papa E/W connect	123744	-	-	-	-	-	-	-	945,973	7,834,992	6,893,266	15,674,231
Access St - AreaA Mount/Bayfair/ Pāpāmoa	123730	-	597,196	4,142,681	11,584,425	16,350,313	19,565,550	8,764,633	-	-	-	61,004,798
Arataki Area Accessibility and Placemaking	123734	-	-	4,774,050	-	-	-	-	-	-	-	4,774,050
Arataki Area Accessibility and Placemaking Business Case/Design	130267	-	257,500	265,225	-	-	-	-	-	-	-	522,725
Arataki to Pāpāmoa East Multimodal Stage 2	123832	-	-	-	-	-	6,942,000	-	-	-	-	6,942,000
Arataki to Pāpāmoa East Multimodal Stage 2 BUS CASE	130266	-	-	254,616	-	-	-	-	-	-	-	254,616
Arataki Multi-modal Stage 1	120641	-	-	1,424,789	1,467,496	-	-	-	-	-	-	2,892,285
S1 Access St - AreaB-Otūmoetai/ Bellevue/Judea	123731	759,357	8,072,378	15,143,492	17,139,249	12,573,211	-	-	-	-	-	53,687,687
Bus Infrastructure		2,805,170	5,763,025	18,028,585	14,898,058	4,076,752	4,046,226	4,000,739	11,223,855	5,934,839	4,363,314	75,140,563
Bus Shelter Renewals	120836	127,170	130,985	134,915	352,035	362,602	372,751	383,930	395,464	407,320	418,724	3,085,895
New bus shelter installation	123720	1,000,000	1,030,000	1,060,900	1,092,700	225,100	86,775	89,378	92,063	94,823	97,478	4,869,215
Optimise public transport infrastructure Business Case	123847	420,000	-	-	-	-	-	-	-	-	-	420,000
Optimise public transport infrastructure	159385	200,000	1,236,000	1,273,080	1,311,240	1,350,600	1,388,400	1,430,040	1,473,000	1,517,160	1,559,640	12,739,160
Realtime Bus Information	122474	200,000	164,800	-	-	-	-	-	-	-	-	364,800
Bethlehem bus infrastructure improvements	123743	-	-	747,935	2,311,061	-	-	-	-	-	-	3,058,995
Tauranga Crossing bus facility improvements	123736	-	463,500	2,646,946	-	-	-	-	7,102,929	1,690,369	-	11,903,743
City centre active modes and public transport upgrades - studies and implementation	123797	300,000	1,957,000	2,015,710	2,076,130	2,138,450	2,198,300	2,097,392	2,160,400	2,225,168	2,287,472	19,456,022

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Arataki Bus Facility - Construction	123719	-	-	7,308,540	7,754,892	-	-	-	-	-	-	15,063,432
Arataki Bus Facility - Business Case	123839	408,000	420,240	432,847	-	-	-	-	-	-	-	1,261,087
Brookfield Public Transport Improvements	120813	-	206,000	-	-	-	-	-	-	-	-	206,000
Wairākei Town Centre bus facility	150204	150,000	154,500	2,407,713	-	-	-	-	-	-	-	2,712,213
Carpark Buildings		3,981,000	4,100,430	-	-	-	-	-	-	-	-	8,081,430
Domain Rd Upgrading Capital Works		-	-	2,619,488	1,748,320	2,662,370	-	-	-	-	-	7,030,179
Local Roads Pedestrian Improvements		1,933,070	2,060,000	2,635,276	2,731,927	1,688,250	1,735,500	1,787,550	1,841,250	1,896,450	1,949,550	20,258,823
Local Roads Renewals		13,265,050	17,284,761	14,579,879	14,555,392	14,918,299	19,559,319	13,584,537	14,068,715	14,567,986	15,680,606	152,064,544
Local Roads Upgrades and Improvements		10,106,943	27,296,852	16,561,092	10,130,247	6,134,920	58,153,227	83,142,049	4,604,695	5,201,295	5,048,500	226,379,820
230 Ohauiti Road Retaining Wall	123549	436,152	-	-	-	-	-	-	-	-	-	436,152
Beaumaris Boulevard flood mitigation	120725	500,000	4,396,421	-	-	-	-	-	-	-	-	4,896,421
Coastal Erosion Protection	121060	600,000	-	-	-	-	-	-	-	-	-	600,000
Drainage Improvements	121224	175,000	180,250	185,658	382,445	393,925	404,950	625,643	644,438	663,758	454,895	4,110,960
Land Purchases - Widening District Wide	121674	100,000	206,000	212,180	218,540	168,825	173,550	178,755	-	-	-	1,257,850
Maranui St Reconstruction	121791	-	-	1,644,928	-	-	-	-	-	-	-	1,644,928
Maunganui Road Safety Improvements	121853	3,336,750	4,849,240	4,120,642	-	-	-	-	-	-	-	12,306,632
New Retaining Wall LCLR programme	150198	-	515,000	-	-	-	-	-	-	-	-	515,000
Ohauiti Rd (Boscobel South)	122097	-	-	-	-	-	-	-	-	509,260	-	509,260
Oropi Road / Maleme Street Intersection Upgrade	122160	-	-	-	109,270	1,688,250	-	-	-	-	-	1,797,520
Papamoa Beach Rd Intersection Imprvmnts	122192	-	-	-	-	-	-	1,050,406	-	-	-	1,050,406

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Retaining Wall - Poike Road	150199	-	1,339,000	-	-	-	-	-	-	-	-	1,339,000
Retaining Wall Courtney Road	150197	165,000	-	-	-	-	-	-	-	-	-	165,000
Totara Street Improvements inc Cycleways	123039	-	8,002,070	-	-	-	-	-	-	-	-	8,002,070
Truman Lane Reconstruction	123088	-	-	3,177,999	-	-	-	-	-	-	-	3,177,999
TSP002 - Hewletts Sub Area (Totara, Hull, Maunganui)	123653	1,000,000	2,060,000	2,121,800	2,185,400	-	51,735,255	77,651,172	-	-	-	136,753,627
TSP038 Speed Management Plan Impl	122743	375,000	695,250	434,969	327,810	337,650	347,100	357,510	368,250	379,290	389,910	4,012,739
TSP041 - Fraser St/Chadwick Rd Intsctn Upgrade	121339	-	257,500	1,088,616	-	-	-	-	-	-	-	1,346,116
TSP042 - Safe Network Programme	123724	2,944,041	3,096,621	3,574,302	3,082,332	3,546,270	5,492,372	2,602,244	3,592,007	3,648,987	4,203,695	35,782,871
TSP052 - Te Marie/Newton Street Link Construction	122942	-	1,699,500	-	-	-	-	-	-	-	-	1,699,500
Turret Road Safety Improvements (Hairini)	150205	475,000	-	-	-	-	-	-	-	-	-	475,000
Waitaha Rd	123260	-	-	-	-	-	-	676,320	-	-	-	676,320
Welcome Bay Rd Upgrade	123341	-	-	-	3,824,450	-	-	-	-	-	-	3,824,450
Ohauti South - Growth Area		-	-	-	-	-	-	-	184,125	1,453,945	2,794,355	4,432,425
Otūmoetai Intensification		-	-	-	1,311,240	8,216,150	-	8,937,750	9,206,250	9,482,250	9,747,750	46,901,390
Park & Ride Activation		597,400	3,032,583	9,211,461	10,320,835	13,233,824	4,021,988	-	-	-	40,418,090	40,418,090
TSP014 - Park & Ride Eastern Corridor Papamoa East - Business Case	123846	-	-	343,201	710,255	-	-	-	-	-	-	1,053,456
TSP014 - Park and Ride site Eastern corridor - Papamoa East area	123545	-	-	-	1,639,050	1,688,250	8,793,200	-	-	-	-	12,120,500
TSP016 - Park and Ride - Eastern Corridor (Domain Road area)	123534	-	-	1,432,215	2,212,718	8,328,700	-	-	-	-	-	11,973,633
TSP019 - Park & Ride Tauriko - Business Case and Design	123843	-	257,500	530,450	-	-	-	-	-	-	-	787,950
TSP043 - Tauriko Park n Ride	123742	-	-	-	4,649,439	303,885	4,440,624	4,021,988	-	-	-	13,415,935
TSP054 - Park and Ride - Eastern Corridor (Domain Road area) Business Case & Design	123844	-	339,900	726,717	-	-	-	-	-	-	-	1,066,617

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Parking Infrastructure		1,350,333	1,565,943	1,082,471	381,821	393,282	404,289	416,415	428,924	441,783	454,153	6,919,415
Prop Management Upgrades & Renewals		231,607	47,851	49,286	15,123	15,577	16,013	16,493	16,989	17,498	17,988	444,424
Property Disposals		(20,000)	(20,600)	(21,218)	(21,854)	(22,510)	(23,140)	(23,834)	(24,550)	(25,286)	(25,994)	(228,986)
Streetlight Renewal & LED Upgrade		1,400,000	1,236,000	1,273,080	1,330,968	3,112,518	3,199,630	1,504,943	1,550,153	1,511,665	1,553,991	17,672,950
Te Papa Intensification		19,123,554	29,365,822	50,523,443	101,828,961	121,314,523	70,065,218	26,310,233	27,100,622	27,913,089	28,694,647	502,240,113
Cameron Road / 9th Ave Traffic Signals	123770	295,602	422,952	-	-	-	-	-	-	-	-	718,554
Cameron Road Stage1	123428	15,763,192	20,600,000	2,652,250	-	-	-	-	-	-	-	39,015,442
Cameron Road/ 3rd Avenue Traffic Signals	123786	718,760	-	-	-	-	-	-	-	-	-	718,760
Cameron Road/Harington Street Traffic Signals	123769	-	515,000	-	-	-	-	-	-	-	-	515,000
TSP006 - Active Mode Memorial to Greerton off Road BC	130263	-	1,606,800	-	-	-	-	-	-	-	-	1,606,800
TSP006 - Fraser Street MultiModal	123710	-	-	-	-	877,890	902,460	24,265,276	24,994,232	25,743,550	26,464,361	103,247,770
TSP018 - Cameron Road Stage 2	123429	1,530,000	1,000,000	32,292,089	49,607,735	51,096,829	23,949,050	-	-	-	-	159,475,703
TSP019 - Greerton, Gate Pa, Hospital and City Centre periphery - active modes and public transport upgrades, including public realm - studies and implementation	123798	300,000	1,339,000	1,379,170	1,420,510	1,463,150	1,504,100	1,549,210	1,595,750	1,643,590	1,689,610	13,884,090
TSP020 - Wayfinding - Study and Implementation	123796	100,000	463,500	477,405	-	-	-	-	-	-	-	1,040,905
TSP022 -10th Avenue Western Avenues walking and cycling bridge single stage business case	123714	-	-	245,068	1,093,793	6,239,772	6,414,408	-	-	-	-	13,993,041
TSP023 - Gate Pa and Merivale Walking and Cycling Bridge Single Stage Business Case	123715	-	237,930	1,061,961	6,057,929	6,239,772	-	-	-	-	-	13,597,592
TSP024 - Hospital Area Transport Hub	123723	-	643,750	1,326,125	5,474,427	13,213,370	-	-	-	-	-	20,657,672
TSP025 - Greerton Area Transport Hub	123725	-	643,750	1,326,125	-	-	-	-	-	-	-	1,969,875

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
TSP028 - East West Links Active Modes Upgrades - standard interventions/business case	123799	-	-	1,273,080	-	3,038,850	3,123,900	-	-	-	-	7,435,830
TSP032 - City Centre Transport Hub	123717	-	1,464,660	2,782,529	17,264,660	17,782,900	12,211,441	-	-	-	-	51,506,189
TSP049 - Neighborhoods active modes and public transport upgrades	130262	416,000	428,480	441,334	454,563	468,208	481,312	495,747	510,640	525,949	540,675	4,762,909
TSP054 - Te Papa Active Mode Off-Road (North-South) Connection Business Case	130272	-	-	2,121,800	-	-	-	-	-	-	-	2,121,800
TSP054 - Te Papa Active Mode Off-Road (North-South) Connection Implementation	123716	-	-	3,144,508	20,455,344	20,893,782	21,478,548	-	-	-	-	65,972,182
Traffic Signalisations		700,000	-	-	130,510	-	-	-	-	-	779,820	1,610,330
Transportation Model		853,528	463,500	700,194	781,281	534,613	289,250	297,925	-	-	-	3,920,290
TTOC Projects		612,458	426,892	460,918	314,069	179,320	209,446	232,173	275,482	161,230	215,393	3,087,380
Welcome Bay, Turret Rd & 15th Ave Corridor		706,000	862,110	2,441,767	314,698	18,008,000	40,263,600	-	-	-	-	62,596,175
Western Active Reserve Capital Works		-	80,855	-	-	6,579,842	4,565,696	-	-	-	-	11,226,392
Capital Delivery Adjustment		(18,000,000)	(141,052,001)	(114,030,167)	(108,305,420)	(35,523,846)	(4,654,687)	55,822,038	134,230,057	170,531,775	137,838,367	76,856,117
Maintaining & Improving Existing Assets & Services		49,092,985	71,083,506	71,432,491	76,643,026	67,324,486	63,571,165	75,625,537	80,917,632	89,060,794	100,684,911	745,436,532
Airport Upgrades & Renewals		554,265	677,668	387,229	8,933,232	118,178	5,785	5,959	98,200	6,322	58,487	10,845,323
Animal Services Minor Capital Works		77,949	-	-	6,381	16,199	651	66,617	5,665	24,597	8,854	206,914
Animal Services Pound Upgrades		200,000	339,900	-	-	-	-	-	-	-	-	539,900
Baycourt Capital Renewals		425,245	270,356	417,793	303,969	301,607	357,864	389,387	283,706	435,632	356,473	3,542,032
Capital Delivery Adjustment		(19,000,000)	(7,725,000)	(1,060,900)	(1,639,050)	(9,004,000)	(4,628,000)	11,917,000	13,502,500	12,643,000	12,997,000	8,002,550
Civic Complex Renewals		10,150	14,420	10,768	15,298	-	-	-	-	-	-	50,636
Corporate Services Minor Capital Works		400,000	51,500	31,827	32,781	33,765	34,710	35,751	36,825	37,929	38,991	734,079

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TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
CSC Stormwater Treatment Capital Works		829,420	1,030,000	1,060,900	1,639,050	1,125,500	578,500	595,850	613,750	632,150	649,850	8,754,970
Digital Services Business As Usual		2,479,248	3,182,692	3,415,282	2,303,294	3,181,970	2,785,197	3,778,411	2,796,549	3,122,970	3,358,256	30,403,869
Digital Services Capital Programme		1,219,145	1,053,835	1,152,061	1,247,894	1,392,334	1,505,613	1,632,670	1,771,982	1,924,583	2,087,895	14,988,012
Elder Housing Disposal & Upgrades		482,888	-	-	-	-	-	-	-	-	-	482,888
Emergency Management Capital Works		50,000	3,573,708	37,132	38,245	-	-	-	-	-	-	3,699,084
Freshwater Management		330,000	473,800	116,699	-	-	-	-	-	-	-	920,499
Harrisons Cut Stabilisation		1,000,000	2,027,797	-	-	-	-	-	-	-	-	3,027,797
Health & Safety Risk Control Capital		500,000	463,500	371,315	163,905	112,550	115,700	119,170	122,750	126,430	129,970	2,225,290
Historic Village Capital		2,378,142	2,427,489	1,104,943	821,692	489,678	313,799	261,024	62,443	168,180	294,452	8,321,842
IT Hardware Renewals		247,447	108,803	34,607	34,966	24,902	21,086	19,693	22,371	20,893	35,807	570,574
IT Software		10,621,113	11,252,228	11,851,043	11,560,585	13,429,343	10,706,102	11,820,864	13,069,572	14,467,800	16,004,568	124,783,218
Kerbside Waste Collection Capital Works		750,000	860,587	919,738	947,306	975,742	1,003,051	1,033,255	1,092,763	1,125,578	1,157,038	9,865,059
Maranui Street RDG Associated	121793	-	-	-	373,985	-	-	-	-	-	-	373,985
Marine Precinct Upgrades & Renewals		2,519,533	1,981,770	4,644,101	351,456	257,334	264,536	272,470	280,656	289,070	297,163	11,158,091
Marine Precinct - Offloading Wharf	121807	1,998,716	514,669	-	-	-	-	-	-	-	-	2,513,385
Marine Precinct Office Construction	121811	20,000	515,000	-	-	-	-	-	-	-	-	535,000
Marine Precinct Renewal	121813	500,817	529,801	114,059	249,835	257,334	264,536	272,470	280,656	289,070	297,163	3,055,742
Stage 2 Marine Precinct Development	123595	-	422,300	4,530,042	101,621	-	-	-	-	-	-	5,053,963
Maintaining & Improving Existing Assets & Services		1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Growing Communities Smart Hub		-	602,783	1,338,575	1,378,699	-	-	-	-	-	-	3,320,056
Prop Management Upgrades & Renewals		508,658	136,500	132,305	67,681	92,936	126,804	175,755	116,670	166,407	216,956	1,740,672
Regulatory Services Minor Capital Works		10,000	10,300	10,609	10,927	11,255	11,570	11,917	12,275	12,643	12,997	114,493

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Financial Strategy – Now and for the future

TCC Programme of Capital Investment												
	Project ID	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	10 year total
Reservoir Upgrades & Renewals		1,431,000	2,316,470	5,607,917	4,810,066	8,952,227	7,228,937	2,351,224	1,768,827	1,625,890	13,113,869	49,206,428
Strategic Acquisition Fund		(7,500,000)	5,150,000	5,304,500	5,463,500	5,627,500	5,785,000	5,958,500	6,137,500	6,321,500	6,498,500	44,746,500
Sustainability & Waste Upgrds & Renewals		8,566,159	14,266,330	135,381	2,071,919	4,786,899	160,752	67,316	104,544	65,897	70,804	30,296,000
SW Bulk Fund & Reactive Reserve		3,712,449	5,106,133	13,852,606	2,185,400	2,251,000	2,314,000	2,383,400	3,437,000	3,540,040	3,639,160	42,421,189
SW Minor Capital Works & Renewals		1,891,391	2,138,090	2,042,835	2,335,453	3,033,503	2,833,898	3,613,711	7,712,608	8,083,729	7,790,369	41,475,588
Wairākei Stream Culvert Upgrade		-	-	1,538,251	8,182,224	2,351,170	-	-	-	-	-	12,071,644
Wairākei Stream Landscaping		1,250,000	2,059,916	397,838	163,905	225,100	231,400	-	-	-	-	4,328,158
Wastewater Renewals/Upgrades Programme		-	-	-	-	-	-	-	245,500	1,868,426	-	2,113,926
Water Netwrk Upgrades & Renewals		5,520,659	6,523,580	5,629,812	7,534,683	4,819,592	14,217,393	8,687,949	3,325,412	3,916,607	7,842,648	68,018,336
Water Supply Plant Upgrades & Renewals		2,647,413	1,586,819	1,710,527	2,768,094	8,810,295	5,103,628	1,560,858	3,552,067	2,809,416	1,409,068	31,958,185
Waters CIP Stimulus		15,570,121	-	-	-	-	-	-	-	-	-	15,570,121
Welcome Bay, Turret Rd & 15th Ave Corridor		-	-	-	291,751	-	-	-	-	-	-	291,751
Western Active Reserve Capital Works		-	-	-	-	433,462	115,700	-	-	-	-	549,162
WW Reticulation Upgrades & Renewals		6,209,235	8,257,558	8,285,363	11,170,125	12,132,963	11,647,784	17,464,786	19,361,565	24,853,131	21,380,873	140,763,384
WW Treatment Plant Renewals		2,201,355	863,974	951,434	1,073,609	1,341,483	729,704	1,401,999	1,383,931	771,975	1,234,862	11,954,328
Total Capital Programme		302,753,985	319,454,811	434,007,624	518,385,084	611,784,246	604,147,325	527,341,034	542,787,037	564,880,197	579,224,862	5,004,766,204

Capital Delivery Adjustment - This is an adjustment to financing of the capital programme. It recognises that while we plan to deliver all the projects identified, there will be for some projects, delays caused by factors such as consenting requirements, unforeseen ground conditions and weather impacts that will affect the timing of projects.



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Finance

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Financials

PROSPECTIVE STATEMENT OF FINANCIAL POSITION (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
ASSETS												
ASSETS - CURRENT												
Cash and Cash Equivalents	14,774	0	22	22	22	22	22	22	22	22	22	22
Debtors & Other Receivables	59,895	30,419	59,895	61,632	63,419	65,258	67,151	68,964	70,895	72,880	74,921	76,943
Inventories	444	451	444	444	444	444	444	444	444	444	444	444
Derivative Financial Instruments	0	218	0	0	0	0	0	0	0	0	0	0
Other Investments	0	0	0	0	0	0	0	0	0	0	0	0
Financial Assets held for sale	0	0	0	0	0	0	42,351	0	0	0	0	0
Non-Current Assets Held for Sale	14,692	4,251	5,703	5,874	6,050	6,232	6,419	6,599	6,796	7,000	7,210	7,412
Total Current Assets	89,805	35,339	66,064	67,973	69,936	71,957	116,387	76,029	78,158	80,347	82,598	84,822
ASSETS NON-CURRENT												
Derivative Financial Instruments	0	0	0	0	0	0	0	0	0	0	0	0
Other Financial Assets	22,343	22,374	36,487	37,867	39,303	40,797	0	0	0	0	0	0
Other Investments - CCOs	113,227	120,256	117,945	121,310	122,255	122,746	129,918	129,713	129,760	128,915	127,765	127,036
Other Investments - Other Entities	391	364	391	391	391	391	391	391	391	391	391	391
Investment Property	55,765	56,140	67,080	69,092	71,165	73,300	75,499	77,613	79,941	82,340	84,810	87,185
Intangible Assets	30,001	15,635	29,675	38,124	45,821	58,115	72,467	83,805	96,378	110,808	126,041	142,854
Forestry	9,872	10,641	10,197	10,503	10,818	11,143	11,477	11,799	12,153	12,517	12,893	13,254
Property, Plant & Equipment	4,315,052	4,702,085	5,340,978	5,740,478	6,250,447	6,841,795	7,518,170	8,183,010	8,776,005	9,383,358	10,011,464	10,632,931
Total Non-Current Assets	4,546,651	4,927,495	5,602,753	6,017,766	6,540,200	7,148,286	7,807,922	8,486,330	9,094,627	9,718,328	10,363,363	11,003,650
TOTAL ASSETS	4,636,456	4,962,834	5,668,817	6,085,738	6,610,136	7,220,243	7,924,309	8,562,358	9,172,785	9,798,675	10,445,960	11,088,472

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF FINANCIAL POSITION (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
LIABILITIES												
LIABILITIES - CURRENT												
Payables & Deferred Revenue	101,100	63,684	101,115	104,047	107,064	110,169	113,364	116,425	119,685	123,036	126,481	129,896
Provisions	8,251	4,165	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242	8,242
Employee Entitlements	5,431	4,331	5,416	5,573	5,735	5,901	6,072	6,236	6,411	6,590	6,775	6,958
Deposits Held	6,173	5,577	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174	6,174
Revenue in Advance	5,375	5,175	5,375	5,531	5,691	5,856	6,026	6,189	6,362	6,540	6,723	6,905
Derivative Financial Instruments	1,486	1,473	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486	1,486
Borrowings	54,079	49,958	55,623	55,613	115,152	115,725	179,888	189,154	117,317	132,374	201,604	165,771
Total Current Liabilities	181,895	134,363	183,431	186,666	249,544	253,554	321,253	333,906	265,677	284,443	357,486	325,432
LIABILITIES NON-CURRENT												
Provisions	4	4	14	14	14	14	14	14	14	14	14	14
Employee Entitlements	0	40	0	0	0	0	0	0	0	0	0	0
Derivative Financial Instruments	69,286	56,054	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286	69,286
Borrowings	485,620	636,012	707,250	833,628	922,697	1,104,502	1,286,803	1,373,786	1,512,214	1,604,505	1,632,129	1,777,783
Other Non-Current Liabilities	2,181	1,354	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176	2,176
Total Non-Current Liabilities	557,091	693,464	778,726	905,104	994,173	1,175,978	1,358,279	1,445,262	1,583,690	1,675,981	1,703,605	1,849,259
TOTAL LIABILITIES	738,986	827,827	962,157	1,091,770	1,243,717	1,429,532	1,679,531	1,779,168	1,849,367	1,960,423	2,061,090	2,174,691
NET ASSETS	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,191	7,323,419	7,838,251	8,384,870	8,913,781
EQUITY												
Retained Earnings	1,174,848	1,306,346	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,306	3,143,398	3,384,830	3,602,498	3,802,057
Restricted Reserves	(162,556)	(232,224)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)
Other Council Created Reserves	130,243	115,706	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Asset Revaluation Reserves	2,754,934	2,945,176	3,431,251	3,592,297	3,767,209	3,957,101	4,163,808	4,374,104	4,618,663	4,884,136	5,171,540	5,460,332
Total Equity	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,191	7,323,419	7,838,251	8,384,870	8,913,781

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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Financials

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
OPERATING REVENUE												
Rates, Including Targeted Rates for Water Supply	179,605	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Grants & Subsidies	9,921	10,174	11,652	10,340	10,028	10,184	11,678	11,583	13,153	15,364	14,819	15,218
Fees & Charges	49,951	46,565	53,771	55,817	59,499	62,182	66,312	71,142	74,381	78,799	84,800	89,588
Finance Revenue	3,333	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Total Operating Revenue	242,810	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
ASSET DEVELOPMENT REVENUE & OTHER GAINS												
Development Contributions	30,877	17,657	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Other Gains	4,750	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0
Grants & Subsidies Capital Expenditure Contributions	31,929	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774
Vested Assets to Tauranga City Council	24,110	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636
Total Asset Development Revenue & Other Gains	91,666	76,535	107,454	135,624	207,359	232,206	246,274	310,478	281,853	234,038	242,967	220,564
TOTAL REVENUE	334,476	324,310	408,627	472,725	567,288	628,120	681,539	792,600	809,638	799,706	848,495	868,389
OPERATING EXPENDITURE												
Personnel Expense	62,797	66,310	78,588	85,716	88,993	91,706	94,254	97,081	100,106	103,761	107,417	110,311
Depreciation & Amortisation Expense	55,947	62,282	71,338	81,374	87,239	100,671	116,424	134,058	161,381	181,935	204,489	225,070
Finance Expenses	22,206	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Other Operating Expenses	116,732	127,285	154,961	155,863	160,317	162,807	177,986	179,779	192,337	201,667	210,114	220,522
Total Operating Expenditure	257,682	276,722	326,354	348,924	368,549	392,520	432,980	463,284	512,769	549,147	588,080	627,071

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
OTHER EXPENSES												
Other Losses	35,764	0	0	0	0	0	0	0	0	0	0	0
Unrealised Loss on Interest Swaps	13,643	0	0	0	0	0	0	0	0	0	0	0
Provisions Expense	32,645	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Other Expenses	81,872	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
TOTAL EXPENDITURE	339,554	277,922	327,554	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271
SURPLUS/(DEFICIT) BEFORE TAXATION	(5,078)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
Income Tax (Expense)/Benefit	1,440	0	0	0	0	0	0	0	0	0	0	0
Surplus from Continuing Operations	(3,638)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
SURPLUS/(DEFICIT) AFTER TAXATION	(3,638)	46,388	81,073	122,602	197,539	234,400	247,359	328,117	295,670	249,359	259,215	240,118
OTHER COMPREHENSIVE REVENUE AND EXPENSE												
Asset Revaluation Reserve Gains/(Losses)	(6,386)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
Taxation on Other Comprehensive Revenue	(2,263)	0	0	0	0	0	0	0	0	0	0	0
Other Comprehensive Revenue and Expense for the year, net of tax	(8,649)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	(12,287)	223,908	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911

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Financials

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
EQUITY AT END OF PRIOR YEAR	3,909,105	3,909,104	4,460,636	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870
Total Comprehensive Revenue and Expense	(12,287)	223,908	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911
Other Movements	651	1,995	1	3,661	0	0	0	0	1	0	0	0
Movements in Equity for the Year	(11,636)	225,903	246,024	287,308	372,451	424,292	454,067	538,412	540,229	514,832	546,619	528,911
EQUITY AT THE END OF PRIOR YEAR	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781
COMPONENTS OF EQUITY												
Retained Earnings												
Retained Earnings at beginning of Year	1,129,294	1,129,294	1,324,906	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,304	3,143,398	3,384,830	3,602,498
Surplus/(Deficit) after taxation for the Year	(3,638)	46,386	246,023	283,647	372,451	424,292	454,067	538,413	540,228	514,833	546,619	528,911
Net Transfers to/ from Other Reserves	49,192	128,671	63,212	62,397	80,986	30,770	39,133	32,151	(578)	(7,927)	(41,547)	(40,559)
Other Adjustments	0	1,994	(164,949)	(157,386)	(174,912)	(189,892)	(206,708)	(210,298)	(244,556)	(265,474)	(287,404)	(288,793)
Retained Earnings at end of Year	1,174,848	1,306,345	1,469,192	1,657,851	1,936,376	2,201,546	2,488,038	2,848,304	3,143,398	3,384,830	3,602,498	3,802,057
Restricted Reserves												
Restricted Reserves at beginning of Year	(115,039)	(115,039)	(247,746)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)
Net Transfers to/ (from) Retained Earnings	(47,517)	(117,185)	(88,449)	(59,899)	(74,977)	(44,240)	(55,007)	(57,412)	(51,833)	(58,320)	(26,569)	(36,490)
Restricted Reserves at end of Year	(162,556)	(232,224)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)
Restricted Reserves Consists of:												
Trusts	798	795	28	20	12	3	(5)	(14)	(22)	(30)	(39)	(47)
Other Restricted Reserves	4,416	4,237	4,241	4,126	4,007	3,885	3,759	3,630	3,496	3,359	3,217	3,072
Development Contributions	(167,770)	(237,257)	(340,465)	(400,240)	(475,090)	(519,199)	(574,072)	(631,346)	(683,037)	(741,211)	(767,630)	(803,966)
Restricted Reserves at end of Year	(162,556)	(232,225)	(336,195)	(396,094)	(471,071)	(515,311)	(570,318)	(627,730)	(679,563)	(737,883)	(764,452)	(800,942)

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
Council Created Reserves												
Council Created Reserves at beginning of Year	127,191	127,191	117,175	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284
Net Transfers to/ (from) Retained Earnings	3,052	(11,486)	25,237	(2,498)	(6,009)	13,470	15,874	25,261	52,411	66,247	68,116	77,049
Council Created Reserves at end of Year	130,243	115,705	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Council Created Reserves Consist of:												
Depreciation Reserves	145,569	123,091	134,243	128,799	123,401	134,624	143,752	164,461	209,890	268,816	328,591	395,728
Other Special Purpose Reserves	(15,326)	(7,385)	8,169	11,115	10,504	12,751	19,497	24,050	31,032	38,352	46,693	56,606
Council Created Reserves at end of Year	130,243	115,706	142,412	139,914	133,905	147,375	163,249	188,510	240,921	307,168	375,284	452,333
Asset Revaluation Reserves												
Asset Revaluation Reserves at beginning of Year	2,767,656	2,767,656	3,266,301	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541
Net Impact of Revaluations on Revaluation Reserves Gains/(Losses)	(6,386)	177,520	164,950	161,046	174,912	189,892	206,708	210,296	244,558	265,473	287,404	288,793
Deferred Tax on Revaluation	(2,267)	0	0	0	0	0	0	0	0	0	0	0
Net Transfers to/ (from) Retained Earnings on Asset Disposals	(4,069)	0	0	0	0	0	0	0	1	0	0	0
Asset Revaluation Reserves at end of Year	2,754,934	2,945,176	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541	5,460,333
Asset Revaluation Reserves Consist of:												
Heritage	602	602	602	602	602	602	602	602	602	602	602	602
Distribution Systems	563,372	634,474	926,484	973,951	1,026,485	1,084,180	1,147,380	1,212,390	1,288,241	1,370,788	1,461,263	1,552,775
Library	334	334	334	334	334	334	334	334	334	334	334	334
Land, Building & Improvements	1,963,419	2,080,412	2,213,632	2,265,787	2,321,328	2,380,755	2,444,630	2,508,537	2,581,060	2,657,782	2,738,737	2,817,975
Road Network	235,066	234,946	298,053	359,477	426,315	499,085	578,718	660,096	756,281	862,485	978,460	1,096,501
Deferred Tax on Revaluation	(7,859)	(5,592)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)	(7,854)
Asset Revaluation Reserves at end of Year	2,754,934	2,945,176	3,431,251	3,592,297	3,767,210	3,957,102	4,163,809	4,374,104	4,618,664	4,884,136	5,171,541	5,460,333
Components of Equity	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781
EQUITY AT THE END OF THE YEAR	3,897,469	4,135,007	4,706,660	4,993,968	5,366,419	5,790,711	6,244,778	6,783,190	7,323,419	7,838,251	8,384,870	8,913,781

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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Financials

PROSPECTIVE STATEMENT OF CASH FLOWS - (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts from rates revenue	180,450	187,191	231,327	264,560	283,327	315,924	349,117	390,885	430,999	462,067	496,003	532,898
Subsidies and grants received	19,606	32,123	69,311	84,109	154,200	167,814	172,608	227,667	197,527	142,674	149,497	134,992
Development and financial contributions received	30,878	17,657	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Fees and charges received	42,586	50,067	53,771	55,817	59,499	62,182	66,312	71,142	74,381	78,799	84,800	89,588
Interest received	2,356	851	1,110	1,648	2,206	2,585	2,946	3,244	3,766	3,759	4,039	4,133
Dividends received	829	375	363	379	409	428	446	461	485	501	515	529
Receipts from other revenue	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Cash Provided	276,705	288,264	382,741	441,506	534,787	589,602	634,482	742,476	760,045	742,319	788,966	812,294
Payments to Suppliers	(122,642)	(138,870)	(153,381)	(151,530)	(155,847)	(158,149)	(173,140)	(174,955)	(187,236)	(196,352)	(204,587)	(214,906)
Payments to Employees	(62,253)	(66,310)	(78,588)	(85,559)	(88,831)	(91,540)	(94,083)	(96,917)	(99,931)	(103,582)	(107,232)	(110,128)
Interest paid	(22,290)	(20,845)	(21,297)	(25,796)	(31,821)	(37,152)	(44,125)	(52,170)	(58,744)	(61,577)	(65,848)	(70,950)
Payments to/on Behalf of Other Authorities	0	0	0	0	0	0	0	0	0	0	0	0
Deposits Repaid	0	0	0	0	0	0	0	0	0	0	0	0
Goods and Services taxation (net)	1,627	0	0	0	0	0	0	0	0	0	0	0
Total Operating Cash Applied	(205,558)	(226,025)	(253,266)	(262,885)	(276,499)	(286,841)	(311,348)	(324,043)	(345,911)	(361,511)	(377,666)	(395,984)
NET CASH FLOWS FROM OPERATING ACTIVITIES	71,147	62,239	129,475	178,621	258,288	302,761	323,134	418,433	414,135	380,808	411,299	416,309

Long-term Plan Amendment 2021-2031

Financials

PROSPECTIVE STATEMENT OF CASH FLOWS - (INCLUDING INFLATION)												
	2019/2020 All of Council Actual (\$000)	2020/2021 All of Council Budget (\$000)	2021/2022 All of Council LTP Budget (\$000)	2022/2023 All of Council LTP Budget (\$000)	2023/2024 All of Council LTP Budget (\$000)	2024/2025 All of Council LTP Budget (\$000)	2025/2026 All of Council LTP Budget (\$000)	2026/2027 All of Council LTP Budget (\$000)	2027/2028 All of Council LTP Budget (\$000)	2028/2029 All of Council LTP Budget (\$000)	2029/2030 All of Council LTP Budget (\$000)	2030/2031 All of Council LTP Budget (\$000)
CASH FLOWS FROM INVESTING ACTIVITIES												
Short-term Deposits Maturing	0	0	0	0	0	0	0	0	0	0	0	0
Receipts from Sale of Property, Plant and Equipment	5,344	4,251	45,622	21	21	21,876	23	23	24	25	25	26
Receipts from Sale of Non Current Assets Held for Sale	2,532	0	8,989	(171)	(176)	(182)	(187)	(180)	(198)	(204)	(210)	(202)
Receipts from Sale of Intangible assets	0	0	0	0	0	0	0	0	0	0	0	0
Receipts from Sale of Investments & CCO repayment of Borrowings	0	(11,046)	0	0	0	0	0	44,173	0	845	1,150	729
Total Investing Cash Provided	7,876	(6,795)	54,611	(150)	(155)	21,694	(164)	44,016	(174)	666	965	553
Purchase of Short-Term Deposits	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of Investment Property	(289)	0	0	0	0	0	0	0	0	0	0	0
Movements of Investments in CCOs	(2,405)	0	(2,318)	(3,360)	(945)	(491)	(7,172)	0	(47)	0	0	0
Purchase of Property, Plant & Equipment	(142,559)	(300,342)	(298,753)	(291,987)	(397,195)	(492,949)	(546,449)	(545,932)	(466,598)	(472,901)	(492,245)	(508,097)
Purchase of Intangible assets	(17,621)	0	(11,389)	(9,494)	(8,601)	(13,394)	(15,812)	(12,767)	(13,906)	(15,922)	(16,873)	(18,586)
Total Investing Cash Applied	(162,874)	(300,342)	(312,460)	(304,840)	(406,741)	(506,833)	(569,434)	(558,699)	(480,551)	(488,823)	(509,118)	(526,683)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(154,998)	(307,137)	(257,850)	(304,990)	(406,896)	(485,139)	(569,598)	(514,683)	(480,725)	(488,156)	(508,153)	(526,130)
CASH FLOWS FROM FINANCING ACTIVITIES												
Proceeds from borrowings	91,950	283,300	182,453	181,992	204,221	297,530	362,189	276,137	255,745	224,666	229,228	311,425
Repayment of borrowings	(9,880)	(54,958)	(54,079)	(55,623)	(55,613)	(115,152)	(115,725)	(179,887)	(189,154)	(117,317)	(132,374)	(201,604)
NET CASH FLOWS FROM FINANCING ACTIVITIES	82,070	228,342	128,374	126,369	148,608	182,378	246,464	96,250	66,591	107,349	96,854	109,821
NET INCREASE/(DECREASE) IN CASH	(1,782)	(16,556)	0	0	0	0	0	0	0	0	0	0
Cash at the beginning of the year	16,556	16,556	22	22	22	22	22	22	22	22	22	22
CASH AT END OF THE YEAR	14,774	0	22	22	22	22	22	22	22	22	22	22

Note that opening balances for 2022 are based on a forecast position, not on the 2021 Annual Plan balances

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Financials - Statement of Accounting Policies

REPORTING ENTITY

Tauranga City Council is a local authority under Schedule 2, Part 2, of the Local Government Act 2002 and is domiciled in New Zealand. For the purposes of financial reporting, Tauranga City Council is a public benefit entity.

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

The main purpose of the prospective financial statements in the Long-term Plan is to provide users with future-oriented information about the changes that have been made to the previous Long-term Plan for the financial years under review and as a consequence, how much Council requires by way of rates to fund any changes.

The information in these prospective financial statements may not be appropriate for purposes other than those described.

The level of rates funding required is not affected by subsidiaries except to the extent that Council obtains distributions from, or further invests in, those subsidiaries. Such effects are included in the prospective financial statements of the Council.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The prospective financial statements of Tauranga City Council comply with the 2021 updated Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) for Tier 1 entities including the following:

- **PBE IPSAS 34** Separate Financial Statements
- **PBE IPSAS 35** Consolidated Financial Statements issued for 1 January 2021

- **PBE IPSAS 36** Investments in Associates and Joint Ventures issued for 1 January 2021
- **PBE IPSAS 37** Joint Arrangements for 1 January 2021
- **PBE IPSAS 38** Disclosure of Interests in Other Entities
- **PBE IPSAS 39** Employee Benefits

and with the following new Public Benefit Entities Financial Reporting Standard (PBE FRS):

- **PBE FRS 42** Prospective Financial Statements issued for 1 January 2021
- **PBE FRS 45** Service Concession Arrangements: Operator issued for January 2021

and with the following new Public Benefit Entities International Financial Reporting Standard (PBE IFRS):

- **PBE IFRS 4** Insurance Contracts issued for January 2021
- **PBE IFRS 5** Non-current Assets Held for Sale and Discontinued Operations issued for January 2021

New standards, amendments and interpretations issued for 1 January 2022 have been adopted by Tauranga City Council for the purposes of this LTP. These are:

- **PBE IPSAS 41** Financial Instruments issued for January 2022. Note PBE IPSAS 41 replaces PBE IPSAS 29 Financial Instruments: Recognition and Measurement and supersedes PBE IFRS 9 which was issued as an interim standard.

As a result financial assets have been reviewed and an assessment made initially for the next 12 months, and also for the life of that asset.

This standard introduces a new regime regarding

new classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held.

Council's Financial Assets and Financial Liabilities are assessed by principles in PBE IPSAS 41 with any changes being recognized through surplus/deficit.

Financial Assets and Financial Liabilities have been assessed for expected credit losses (ECLs) for this LTP. Such testing has a focus on the lifetime valuation expectation.

For Council that has not resulted in any material effect on the financial statements for the LTP 2021-2031.

Tauranga City Council does not apply hedge accounting.

These prospective financial statements comply with the requirements of the Local Government Act 2002, Part 6 Section 95 and Part 2 of Schedule 10 which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP) with the exception of the Funding Impact Statements (FIS).

The prospective financial statements were issued on 26 July 2021 by Tauranga City Council. Tauranga City Council is responsible for the prospective financial

statements including the appropriateness of assumptions underlying the prospective financial statements and all other disclosures. The prospective financial statements include forecast results for the 2020/2021 financial year in the prospective statement of financial position, prospective statement of comprehensive revenue and expense, prospective statement of movements in equity

Financials - Statement of Accounting Policies

and prospective statement of cash flows. There is no intention to update the prospective financial statement after the issue date.

The accounting policies set out below have been applied consistently to all periods presented in this Long-term Plan.

MEASUREMENT BASE

The Long-term Plan has been prepared on a historical cost basis, modified by the revaluation of land and buildings, all infrastructural assets, investment property, forestry assets, airport assets, library books and certain financial instruments (including derivative instruments).

FUNCTIONAL AND PRESENTATIONAL CURRENCY

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 Tauranga City Council is New Zealand dollars.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies other than noted above.

REVENUE

In preparation of the Long-term Plan, Tauranga City Council have adopted PBE IPSAS 9 Revenue from Exchange Transactions and PBE IPSAS 23 Revenue from Non-exchange Transactions which are applicable to Public Benefit Entities for periods beginning on or after 1 July 2015 (with subsequent amendments).

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions is defined by PBE IPSAS 23 as a transaction that is not an exchange transaction. Non-exchange transactions are those

transactions whereby an entity receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange. Non-exchange transactions typically fall into the category of Taxes or Transfers.

RATES REVENUE

The following policies for Rates Revenue have been applied:

- General Rates, targeted rates (excluding water by meter) and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Revenue arising from late payment penalties is recognised when Rates become overdue.
- Revenue from water by meter is recognised on an accrual basis. Revenue is based on the estimated water usage for each year of the LTP.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.
- Any rates collected on behalf of Bay of Plenty Regional Council (BOPRC) are not recognised in the prospective financial statements as the Council is acting as an agent for BOPRC.

Infringement fees and fines	Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued, factoring in the probability of collection. Fifty percent of warrant and registration fines are payable to central government. These are recognised as a liability until payment is made to central government.
Licences	Licenses revenue is recognised when the license is issued, and revenue is received or invoiced
Development and Financial Contributions	Development and financial contributions are recognised as revenue when Tauranga City Council provides, or is able to provide, the service for which the contribution was charged. In cases where contributions are collected in advance to fund a service that is not currently provided in an area, the contribution is initially recognised as revenue in advance.
Grants and Subsidies	Government grants and other grants are recognised as revenue when any conditions relating to eligible expenditure have been fulfilled.

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Financials - Statement of Accounting Policies

Local Roads Funding	<p>Tauranga City Council received funding assistance from the New Zealand Transport Agency. These grants are reimbursements that subsidise part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue when conditions pertaining to eligible expenditure have been fulfilled.</p> <p>Tauranga City Council performs certain state highway roading works on behalf of New Zealand Transport Agency (NZTA).</p> <p>These works mainly relate to traffic signals and streetlights on state highways. Neither the costs nor recoveries related to this work are included in the surplus or deficit (with the exception of an administration fee). However, they are included as receipts in Grants and Subsidies received and as payments in Payments on Behalf of Other Authorities, in the Statement of Cash Flows.</p>
Vested or donated Assets	<p>For assets received for no or nominal consideration, the asset is recognised when the Council obtains control of the asset.</p> <p>The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.</p>
Donations and Bequeathed Financial Assets	<p>Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability released to revenue as the conditions are met e.g. as the funds are spent for the nominated purpose.</p>

EXCHANGE TRANSACTIONS

Revenue from exchange transactions are defined by PBE IPSAS 9 as transactions in which one entity receives assets or services, or has liabilities extinguished and directly gives approximately equal value (primarily in the form of cash,

goods, services, or the use of assets) to another entity in exchange.

Sale of Goods	Revenue from the sale of goods is recognised when the product is sold to the customer.
Entrant Fees	Entrance fees are charged to users of the Council's local facilities, such as pools and the Tauranga Art Gallery. Revenue from entrance fees is recognised upon entry to such facilities.
Lease Revenue	Lease revenue is recognised on a straight line basis over the term of the lease.
User Fees & Charges	User fees and charges are recognised on the basis of actual services provided. Any fees and charges received in advance are recognised as unearned revenue in Deferred Revenue.
Interest Income	Interest income is recognised using the effective interest rate method. Interest income on an impaired financial asset is recognised using the original effective interest rate.
Dividend Income	Dividends are recognised when the right to receive payment has been established. When dividends are declared from pre-acquisition surpluses, the dividend is deducted from the cost of the investment.
Operational Grants	Operational Grants are recognised as revenue when they become receivable, unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such a condition, the grants or subsidies are initially recorded as grants received in advance and recognised as revenue when the condition of the grant is satisfied.

BORROWING COSTS

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

FOREIGN CURRENCY TRANSACTIONS

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

Income Tax

Income tax expense is the aggregate of current period movements in relation to both current and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using the tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

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

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

Financials - Statement of Accounting Policies

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 profits will be available against which the deductible temporary differences or tax losses can be utilised.

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

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

LEASES

(i) Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and benefits incidental to the ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, Tauranga City Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or 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 certainty as to whether Tauranga

City Council obtains ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term or its useful life.

(ii) Operating Lease

An operating lease is a lease that does not transfer substantially all the risks and benefits of ownership of the leased item to the lessee.

Lease payments under an operating lease are recognised as expenses in the surplus or deficit on a straight line basis over the lease term.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held on call with banks and other short term highly liquid investments with original maturities of three months or less.

Bank overdrafts are shown within borrowings in current liabilities in the Tauranga City Council Statement of Financial Position.

DEBTORS AND OTHER RECEIVABLES

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Council and group apply the simplified ECL model of recognising lifetime ECL for receivables.

In measuring ECLs, receivables have been grouped into rates receivables, and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- when remitted in accordance with the Council's rates remission policy; and
- in accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

DERIVATIVE FINANCIAL INSTRUMENTS

Tauranga City Council uses derivative financial instruments to manage exposure to interest rate risk arising from investing and financing activities. In accordance with its Treasury Policy, Tauranga City Council does not hold or issue derivative financial instruments for trading purposes. Tauranga City Council has not adopted hedge accounting.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re measured at fair value at each balance date with the resulting gain or loss recognised in the surplus or deficit.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of the balance date is classified as current, with the remaining portion of the derivative classified as non current.

Gains or losses in fair value and those resulting from re-measuring are recognised in the surplus or deficit.

OTHER FINANCIAL ASSETS

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

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

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

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

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

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

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and group may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

Management determines the classification of its investments at initial recognition.

Subsequent Measurement of Financial Assets

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses. Where applicable, interest accrued is added to the investment balance.

Instruments in this category include term deposits, community loans, and loans to subsidiaries and associates

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

Financial assets that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity.

The Council and group designate into this category all equity investments that are not included in its investment fund portfolio, and if they are intended to be held for the medium to long-term.

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

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

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

COMMUNITY LOANS

Loans to community organisations made at nil or below market interest rates are initially recognised at cost, or at the present value of its expected future cash flows, discounted at the current market rate of return for a similar financial instrument. Depending on the circumstances and provisions of each loan, the loans are subsequently:

- Amortised over the period of the loan, provided the conditions of the loan are met. The amortised cost is recognised in surplus or deficit as a grant expense.
- The loan is paid off by the loan recipient in annual instalments.
- The loan is subsequently measured at amortised cost using the effective interest rate method less any expected losses. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as interest.

EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS

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

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it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

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

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

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

Loans and Receivables

ECLs are established when there is objective evidence that Tauranga City Council will not be able to collect amounts due according to the original terms of the debt. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy and default on the payments are considered indicators of ECL. The amount of the ECL is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate.

For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is not past due). Impairment in term deposits and community loans is recognised directly against the instrument's carrying value.

Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis is measured at cost, adjusted when applicable, for any loss of service potential. The loss of service potential of inventory held for distribution is determined on the basis of obsolescence. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition.

Inventories held for use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value. The cost of the purchased inventory is determined using the first in first out method.

The amount of any write down for the loss of service potential or from cost to net realisable value is recognised in the statement of comprehensive income in the period of the write down.

Non Current Assets Held for Sale

All non-current assets intended for sale are measured at the lower of carrying amount and fair value less costs to sell. Interest and other expenses relating to the liabilities of properties held for sale continue to be recognised.

Non-current assets held for sale are classified as held for sale if they meet all of the following conditions:

- their carrying amount will be recovered principally through a sale transaction and not through continuing use; and
- the intention is to sell them within 12 months of the end of year; and
- they are being actively marketed or their sale is under negotiation.

Any ECL of non-current assets held for sale 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 (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consists of:

(i) Operational Assets

These include land, buildings, airport facilities and operational assets, marine facilities and structures, landfill post closure, library books, plant and equipment, and motor vehicles.

(ii) Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by Tauranga City Council. Each asset type includes all items that are required for the network to function. e.g. Water Supply Treatment plants and facilities, Sewerage Treatment Plants and facilities, Wastewater reticulation, piping and wastewater pump stations.

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(iii) Restricted Assets

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

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

(iv) Land

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), library books, and infrastructure assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

REVALUATION

Those asset classes that are revalued are valued on a three yearly valuation cycle as described below. Where the fair value of an asset can be determined by reference to the price in an active market for the same asset or a similar asset, the fair value of the asset is determined using this information. Where fair value of the asset cannot be determined using price in an active market, depreciated replacement cost is considered to be the most appropriate basis for determination of the fair value. The carrying values of all assets not revalued in any year are reviewed at each balance date to ensure that those values are not materially different to fair value. If there is a material difference, then a revaluation will be performed for those asset classes.

Assets acquired or constructed after the last revaluation are carried at cost less accumulated depreciation.

Tauranga City Council accounts for revaluations of property, plant and equipment on a class of asset basis.

Net revaluation results are credited or debited to other comprehensive income and are accumulated to an asset revaluation reserve 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 income 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 income.

ADDITIONS

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

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

In most cases an item of property plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

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

DISPOSALS

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

DEPRECIATION

All assets are depreciated over their expected useful lives. Depreciation is provided on a straight line (SL) or diminishing value (DV) basis, at rates calculated to allocate the asset cost less estimated residual value

over the estimated useful life. When assets are revalued, depreciation rates are overridden by the new annual depreciation rates which may be outside the range for the class of asset to accurately reflect the useful life of the asset.

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Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
RESTRICTED ASSETS		
Land	N/A	N/A
Buildings	50-100	SL
Parks Facilities	5-80	SL
Improvements	10-25	SL
OPERATIONAL ASSETS		
Land	N/A	N/A
Buildings	50-100	SL
Artefacts	N/A	N/A
Library Books	8-20	SL
Plant and Equipment	8-20	SL
Computer Equipment	2.5-12	SL
Office Furniture & Equipment	5-10	SL
Motor Vehicles	4-10	DV
Marine Assets		
Breakwater & Rockwalls	50-100	SL
Boat Ramps & Pontoons	20-70	SL
Wharves	50-70	SL
INFRASTRUCTURAL ASSETS		
Water Reticulation		
Freshwater Pipework	50-100	SL
Freshwater Treatment Plants		
Mechanical Plant	1-20	SL
Electrical & Control Equipment	1-20	SL
Structural & Buildings	30-70	SL
Pipe work & Valves	10-50	SL

Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
Generator Set	1-20	SL
Fibre Optic network		
Fibre Optic Network	25	SL
Freshwater Reservoirs		
Reservoirs & Foundation	30-70	SL
Pipe work Valves & Connections	15-50	SL
Telemetry & Controls	1-10	SL
Wastewater Reticulation		
Wastewater Pipework	50-100	SL
Wastewater Pump Stations		
Structures & Civil Works	30-70	SL
Electrical Controls & Cabling	1-20	SL
Telemetry	14-20	SL
Pumps & Motors	1-20	SL
Pipe work Valves & Connections	20-50	SL
Wastewater Treatment Plants		
Mechanical Plant	1-20	SL
Electrical & Control Equipment	1-20	SL
Structural & Buildings	40-70	SL
Pipe work & Valves	20-50	SL
Stormwater Reticulation		
Stormwater Pipe work	50-100	SL

Class of asset depreciated	Estimated useful life (Years)	Depreciation Method
ROADING NETWORK		
Roads less than 200 Vehicles per day		
Formation	Infinite	N/A
Pavement	96-100	SL
Surfacing	1-40	SL
Roads more than 200 Vehicles per day		
Formation	Infinite	N/A
Pavement	1-60	SL
Surfacing	1-30	SL
Roading Reseals	8-15	SL
Infrastructural Assets	50-70	SL
Bridges		

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INTANGIBLE ASSETS

Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Staff training costs are recognised as an expense when incurred.

Property Subdivision Rights

Council have a property subdivision right in terms of the land block referred to as Te Tumu. This has been recognised as an intangible asset and has previously been amortised over the period of the agreement.

Easements and Access Rights

Easements and Access Rights are recognised at cost, being the costs directly attributable to bringing the asset to its intended use. Easements used for access to Council infrastructure assets are included in PP&E and easements used by Council for access to restricted assets such as reserves are included as part of intangible assets.

Where easements have an indefinite useful life they are not amortised. These are capitalised to the asset to which they belong. They are tested for impairment as part of the regular asset impairment testing.

Access Rights have a definite life and are amortised over the life of the right given.

Carbon Credits

Purchased carbon credits are recognised at cost on acquisition. Carbon credits allocated by the Crown are recognised at fair value on receipt.

They are derecognised when they are used to satisfy carbon credit emission obligations. Any costs associated with maintaining New Zealand Units (NZU) are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible 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 the asset is derecognised. Amortisation charge for each period is recognised in the surplus or deficit.

Intangible assets capitalised to infrastructural assets are amortised at the rate of the principal asset to which they have been capitalised.

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

Class of intangible asset	Estimated Useful Life	Amortisation rates
Acquired Computer software	4 years	25.0%
Core systems software	4-7 years	14.3%-25%
Access Rights	8-50 years	2.0%-12.0%

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

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

Intangible assets subsequently measured at cost that have a finite useful life, along with property plant and equipment are reviewed for impairment 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 value in use.

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

VALUATION IN USE FOR NON-CASH-GENERATING ASSETS

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

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

VALUATION IN USE FOR CASH-GENERATING ASSETS

Cash generating assets are those assets that are held with the primary objective of generating a commercial return. The value in use for cash generating assets and cash generating units is the present value of expected future cash flows.

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FORESTRY ASSETS

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

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

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

INVESTMENT PROPERTIES

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

Properties classified as investment properties are measured initially at cost including transaction costs.

After initial recognition Tauranga City Council measures all investment property at fair value as determined annually by an independent valuer.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

CREDITORS AND OTHER PAYABLES

Creditors and other payables are recognised at the amount payable.

BORROWINGS

Borrowings are initially recognised at the amount borrowed plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

Borrowings are classified as current liabilities unless Tauranga City Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date, or if the borrowings are not expected to be settled within 12 months of balance date.

EMPLOYEE ENTITLEMENTS

Provision is made in respect of Tauranga City Council's liability for salaries, wages, annual leave, long service leave and gratuities, accrued up to balance date.

SHORT-TERM EMPLOYEE ENTITLEMENTS

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

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

LONG-TERM EMPLOYEE ENTITLEMENTS

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

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

SUPERANNUATION SCHEMES

(i) Defined contribution schemes

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

(ii) Defined benefit schemes

Tauranga City Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the scheme's surplus or deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

PRESENTATION OF EMPLOYEE ENTITLEMENTS

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

Sick leave, annual leave, vested long service leave, and

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

PROVISIONS

Tauranga City Council recognises a provision for future expenditure of an 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 expenditures 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. Provisions are not recognised for future operating losses.

FINANCIAL GUARANTEE CONTRACTS

A financial guarantee contract is a contract that requires Tauranga City Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to meet a payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received a provision is recognised based on the probability Tauranga City Council will be required to reimburse a holder for a loss incurred discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

If the fair value of a financial guarantee cannot be reliably determined, a liability is recognised at the amount of the

loss allowance determined in accordance with the ECL model.

Financial guarantees are subsequently measured at the higher of:

- the amount determined in accordance with the ECL model; and
- the amount initially recognised less, when appropriate, cumulative amortisation as revenue

However, if Tauranga City Council assesses that it is probable that expenditure will be required to settle a guarantee, then a provision for the guarantee is measured at the present value of the future expenditure.

Tauranga City Council initially recognises financial guarantees on behalf of its subsidiaries at fair value in the statement of financial position, as a liability and as an increase to the value of the investment in the subsidiary.

PROVISION FOR LEAKY BUILDINGS CLAIMS UNDER THE FINANCIAL ASSISTANCE PACKAGE

Tauranga City Council is part of the Governments Financial Assistance package which provides that Local Authorities may provide 25% of the repair costs.

EQUITY

Equity is the community's interest in Tauranga City Council as measured by the value of total assets less total liabilities. Equity is segregated and classified into a number of reserves to enable clearer identification of the specified uses Tauranga City Council makes of its accumulated surpluses.

These components of equity include:

Retained Earnings

Retained Earnings are the cumulative surplus of revenue

over expenditure that has been retained in the entity which have not been allocated to another reserve.

Restricted and Council Created Reserves

Retained Earnings are the cumulative surplus of revenue over expenditure that has been retained in the entity which have not been allocated to another reserve a particular use for which various parts of equity have been assigned. Reserves may be legally restricted or created by Tauranga City Council.

Restricted Reserves

These are reserves subject to specific conditions accepted as binding by Tauranga City Council and which may not be revised by Tauranga City Council without reference to the courts or a third party. Restricted reserves may be legally restricted. Transfers from these reserves may be made only for certain specified purposes or if certain specified conditions are met.

Council Created Reserves

These are part of the accumulated balance and are established at the will of Tauranga City Council. Tauranga City Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at the discretion of Tauranga City Council.

Asset Revaluation Reserve

This reserve relates to the revaluation of property, plant and equipment to fair value through other comprehensive revenue and expense. This comprises the cumulative net change in the fair value of assets classified as fair value through other comprehensive revenue and expense.

Goods and Services Tax

All items in the prospective financial statements are stated exclusive of goods and services tax (GST), with the

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exception of trade and other receivables and creditors and other payables, which are presented on a GST inclusive basis. When 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 Inland Revenue Department (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 GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

OVERHEAD ALLOCATION

Support services net costs have been charged to each significant activity. These overheads have been allocated by determining the most appropriate basis e.g. staff numbers, floor space used etc. applicable to the service provided to each significant activity.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these prospective financial statements Tauranga City Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to

be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a

material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

TE TUMU LAND

In respect of the land block referred to as Te Tumu which gave rise to a financial asset, it has been assumed that this asset will be sold during the 2026/27 financial year. This has been recognised in the financial statements of the 2021-2031 Long-term Plan.

LANDFILL CLOSURE COSTS (AFTERCARE LIABILITY)

As operator of the Cambridge Road and Te Maunga landfills, Tauranga City Council has a legal obligation to provide ongoing maintenance and monitoring services at the landfill sites after closure. A calculation of the future costs of this monitoring has been discounted and is recognised in the surplus or deficit and as a liability in the statement of financial position. Both landfill sites are closed.

EARTHQUAKE PRONE BUILDINGS

Earthquake prone buildings are a key challenge facing Councils and private property owners.

Tauranga City Council has undertaken a preliminary assessment to identify buildings that may be earthquake prone. Council will continue to assess its buildings for earthquake risk over the next financial year.

No impairment of buildings has currently been undertaken until more detailed assessments can be completed.

CLASSIFICATION OF PROPERTY

Tauranga City Council owns a number of properties

held to provide housing to pensioners. The receipt of market based rental from these properties is incidental to holding them. The properties are held for service delivery objectives as part of the Council's social housing policy. The properties are accounted for as property, plant and equipment

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Financials - Funding Impact Statement

FUNDING IMPACT STATEMENT (FIS)

The purpose of the funding impact statement is to provide information about the income and funding streams Council will use and an indication of the amount of funding Council will generate from each stream.

Council will use a mix of revenue sources to meet operating expenses, with major sources being general and targeted rates, land transport subsidies and fees and charges. Capital expenditure for new works will be funded from loans and development contributions, with capital renewals being funded from reserves (funded by rates) set aside for this purpose. Council has resolved to rate fund reserves for stormwater and risk management and to fund a depreciation reserve for Bay Venues Limited.

Where the revenue stream is rates an indicative level of rate, the mechanism used to assess the rate, and the activities that the rate funds, is described.

These indicative figures support the calculations in the rate sample models and are included to provide you with an indication of the level of rates Council are likely to assess on your rating unit in the coming year. So long as we set the rates in accordance with the system described in this statement, the amounts may change.

The Funding Impact Statement should be read in conjunction with the Revenue and Financing Policy which can be obtained from our web site.

Financials - Funding Impact Statement

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL											
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/2023 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)
SOURCES OF OPERATING FUNDING											
General Rates, Uniform Annual General Charges, Rates Penalties	123,841	137,493	153,920	158,402	166,518	182,223	176,934	194,339	202,627	213,486	226,967
Targeted Rates	65,969	96,785	114,997	129,385	154,016	171,659	218,759	241,661	264,618	287,870	311,390
Subsidies and grants for operating purposes	9,008	10,464	9,117	8,770	8,890	10,345	10,214	11,746	13,918	13,332	13,691
Interest and dividends from investments *	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Fees and charges	45,911	53,121	55,148	58,809	61,471	65,580	70,387	73,603	77,997	83,973	88,737
Local authorities fuel tax, fines, infringement fees, and other receipts *	1,820	1,838	1,892	1,948	2,005	2,065	2,123	2,185	2,248	2,313	2,377
Total Sources of Operating Funding (A)	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
APPLICATIONS OF OPERATING FUNDING											
Payments to Staff & Suppliers	193,575	232,198	240,231	247,966	253,175	270,906	275,532	291,118	304,108	316,213	329,521
Finance Costs	20,847	21,297	25,796	31,821	37,152	44,125	52,170	58,744	61,577	65,848	70,950
Other Operating Funding applications	1,221	2,721	2,722	2,722	2,723	2,724	2,724	2,725	2,726	2,726	2,727
Total Applications of Operating Funding (B)	215,643	256,216	268,749	282,509	293,050	317,755	330,426	352,587	368,411	384,787	403,198
Surplus/(Deficit) of Operating Funding (A-B)	32,132	44,957	68,352	77,420	102,864	117,510	151,697	175,198	197,257	220,741	244,627
SOURCES OF CAPITAL FUNDING											
Subsidies and grants for capital expenditure	22,106	54,319	71,476	138,385	136,141	140,577	205,222	162,503	119,233	134,678	119,774
Development and financial contributions	17,658	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154
Increase/(Decrease) in debt	81,799	82,722	69,046	108,558	206,994	260,955	204,453	167,928	224,717	256,810	281,993
Gross proceeds from the sale of assets	4,521	45,622	21	21	21,876	23	23	24	25	25	26
Lump sum contributions	3,342	3,340	2,293	5,787	21,489	20,353	10,862	21,871	8,077	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total Sources of Capital Funding (C)	129,156	212,863	177,829	287,897	427,169	464,960	469,638	405,214	406,570	445,625	451,947

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Financials - Funding Impact Statement

TAURANGA CITY COUNCIL: FUNDING IMPACT STATEMENT - WHOLE OF COUNCIL											
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/2023 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)
APPLICATION OF CAPITAL FUNDING											
- to meet additional demand	92,729	137,354	61,899	163,224	237,927	282,062	243,955	225,275	314,228	342,523	328,935
- to improve level of service	104,457	113,304	174,725	187,097	215,750	216,214	254,202	208,554	130,674	111,648	141,869
- to replace existing assets	47,455	50,497	53,660	55,651	52,846	64,173	60,720	46,874	44,124	55,158	56,080
Increase/(Decrease) in reserves	(83,132)	(43,335)	(44,104)	(40,655)	23,510	20,021	62,458	99,709	114,801	157,037	169,689
Increase/(Decrease) of investments	0	0	0	0	0	0	0	0	0	0	0
Total Applications of Capital Funding (D)	161,288	257,820	246,181	365,317	530,033	582,470	621,335	580,412	603,827	666,366	696,574
Surplus/(Deficit) of Capital Funding (C-D)	(32,132)	(44,957)	(68,352)	(77,420)	(102,864)	(117,510)	(151,697)	(175,198)	(197,257)	(220,741)	(244,627)
Funding balance ((A-B)+(C-D))	0	0	0	0	0	0	0	0	0	0	0

Long-term Plan Amendment 2021-2031

Financials - Funding Impact Statement

RECONCILIATION OF FUNDING IMPACT STATEMENT AND PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE												
	2020/2021 Annual Plan Budget (\$000)	2021/2022 LTP Budget (\$000)	2022/23 LTP Budget (\$000)	2023/2024 LTP Budget (\$000)	2024/2025 LTP Budget (\$000)	2025/2026 LTP Budget (\$000)	2026/2027 LTP Budget (\$000)	2027/2028 LTP Budget (\$000)	2028/2029 LTP Budget (\$000)	2029/2030 LTP Budget (\$000)	2030/2031 LTP Budget (\$000)	
Total Rates from Funding Impact Statement (Whole of Council)	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357	
General Rates Requirement	123,841	137,493	153,920	158,402	166,518	182,223	176,934	194,339	202,627	213,486	226,967	
Targeted Rates	41,485	63,996	76,854	87,284	105,696	119,609	162,720	181,265	199,588	217,902	236,244	
Targeted Rates for Water Supply	24,485	32,789	38,143	42,101	48,320	52,050	56,039	60,396	65,030	69,968	75,146	
Total Rates requirement per Prospective Statement of Comprehensive Revenue and Expense	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357	
Revenue from Funding Impact Statement (Whole of Council)	57,965	66,895	68,184	72,142	75,379	81,383	86,429	91,785	98,423	104,173	109,468	
Revenue funding capital expenditure	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774	
Vested Assets	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636	
Development Impact Fee revenue	17,658	26,860	34,993	35,146	40,669	43,053	49,077	52,888	54,518	54,111	50,154	
Other Gains & Revaluation	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0	
Total Rates Requirement	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357	
Total Revenue per Prospective Statement of Comprehensive Revenue and Expense (includes Asset Development revenue)	324,310	408,627	472,725	567,288	628,120	681,539	792,600	809,638	799,706	848,495	868,389	
Expenditure from Funding Impact Statement (Whole of Council)	215,643	256,290	268,750	282,511	293,049	317,756	330,426	352,588	368,412	384,791	403,201	
Depreciation	62,282	71,338	81,374	87,239	100,671	116,424	134,058	161,381	181,935	204,489	225,070	
Total Expenditure per Prospective Statement of Comprehensive Revenue and Expense	277,922	327,628	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271	
Total Capital Expenditure from Funding Impact Statement (Whole of Council)	240,391	255,533	290,264	405,951	484,648	562,427	558,854	480,679	489,002	509,303	526,859	
Vested Assets	32,635	21,608	25,482	26,605	32,414	40,737	43,699	44,592	52,209	54,177	50,636	
Total Capital Expenditure	273,026	277,141	315,746	432,556	517,062	603,164	602,554	525,271	541,211	563,480	577,495	

* Water by Meter is now included under Targeted Rates as opposed to Fees and charges.

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Financials - Funding Impact Statement

RATING INFORMATION

The Funding Impact Statement should be read in conjunction with the draft Revenue and Financing Policy contained in the Long-term Plan. This can be obtained from our website.

OVERVIEW OF RATES

Council's rates, pursuant to the Local Government (Rating) Act 2002, for the 2021/22 year includes:

- A general rate set differentially
- A uniform annual general charge
- Targeted rates for waste services
- Targeted rates for water supply
- Targeted rates for wastewater disposal
- A targeted rate for economic development
- Targeted rates for mainstreet activities
- Targeted rates for special services
- A targeted rate for resilience set differentially
- A targeted rate for stormwater set differentially
- A targeted rate for transportation set differentially
- A targeted rate for community set differentially

As indicated above, there are several parts to a typical rates bill, some of which are fixed and others variable. The fixed rates (where everybody is charged the same amount) are:

- Wastewater rates – if you are, or can be connected to councils wastewater system you will incur this fixed rate

- Uniform Annual General Charge (UAGC) – this rate ensures a minimum contribution from every ratepayer in the City
- Waste Service rates – if you have a residential use and receive low, standard or high kerbside waste collection services you will incur this fixed rate per capacity of bins provided.
- Garden Waste Service rates – if you have a residential use and receive kerbside garden waste collection service (optional) you will incur this fixed rate per bin provided, and frequency of collection.

The variable rates (where you are charged differently from your neighbour) are:

- General rates – Council is setting this differentially which will mean that commercial ratepayers will have a higher general rate in the dollar than residential ratepayers. This is to balance the overall impact of rates allocation for revenue needs on the whole community
- Economic development rate – this is a rate charged to commercial properties only for development of Tauranga's economy
- Mainstreet rates – commercial properties located within the four 'main street' areas in Tauranga City incur this rate for the continued delivery of their Mainstreet organisation programmes
- Water rates – water rates are invoiced separately from your land rates bill. The amount charged is dependent on the amount of water used, and the connection size of the water meter supplying water service to a rating unit

- Special services targeted rates – these are rates to The Lakes, Papamoa Coast and Excelsa subdivisions in the City where the level of service required to maintain the subdivision is higher than usual across the City.
- Resilience targeted rate – this is a rate for resilience infrastructure investments relating to water, wastewater, stormwater, transportation and emergency management.
- Transportation targeted rate – this is a new rate set differentially for transportation infrastructure investments.
- Community targeted rate – this is a new rate set differentially for community amenity investments.
- Stormwater targeted rate – this is a new rate set differentially for existing and new stormwater infrastructure investments.

Where Council sets a targeted rate differentially this means that commercial ratepayers will have a higher targeted rate in the dollar than residential ratepayers.

Council sets the Uniform Annual General Charge, and other targeted rates set on a uniform basis, excluding wastewater, to 10% of the total rates requirement over the next three years. This means that more of your rates bill will be based on your property value. Rates will be progressively higher for higher value properties. This will assist affordability for ratepayers, while ensuring that all ratepayers contribute a minimum amount for the services provided by Council.

The rates in this funding impact statement will apply in respect to every year in this Long-term Plan, not withstanding that the amounts may change.

What this means for rates - Rating base information

RATES (FIS)

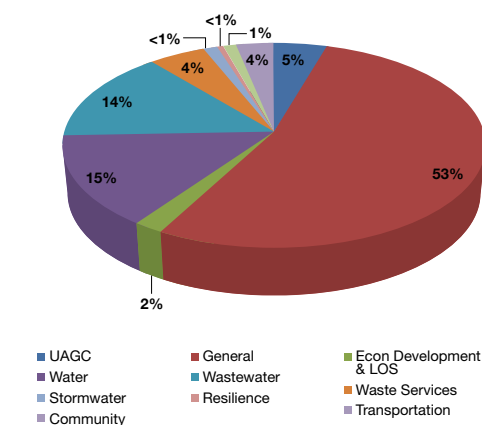
RATES FOR THE 2021/2022 YEAR				
Description	Category	Factor	Rate (\$) (GST Inclusive)	Revenue Sought (\$'000) (Excluding GST)
City Wide General Rates				
General Rate (residential)	All residential property	Capital Value	0.00176063	103,359
General Rate (commercial)	All commercial property	Capital Value	0.00334520	38,846
Uniform Annual General Charge	All rateable property	Fixed amount per SUIP*	250.00	14,888
Targeted Rates				
Waste Collection Standard	Residential Serviced	Fixed amount per SUIP*	220.00	10,510
Waste Collection Low	Residential Serviced	Fixed amount per SUIP*	190.00	558
Waste Collection High	Residential Serviced	Fixed amount per SUIP*	320.00	111
Garden waste (optional)	Residential Serviced	Fixed amount per Service (Bin) and Frequency	4 weekly 70 2 weekly 100	736
Wastewater	Connected	Fixed Amount per water closet/urinal	584.47	37,437
Wastewater	Serviceable	Fixed Amount per SUIP*	292.23	532
Stormwater (Residential)	All residential property	Capital Value	0.00001331	782
Stormwater (Commercial)	All commercial property	Capital Value	0.00002130	247
Water (metered)	Connected/Supply	Fixed amount per m3 of water supplied	3.33	39,319
Water (metered base charge)	Connected	Fixed Amount per number and size of meter connections	Base meter size (20mm) 37- (250mm) 1,407	2,331
Water (unmetered)	Unmetered Supply	Fixed amount per SUIP	851.00	23
Economic Development	Commercial	Capital Value	0.00037709	4,379
Tauranga Mainstreet	Commercial in catchment area	Capital Value	0.00041402	365
Mount Mainstreet	Commercial in catchment area	Capital Value	0.00048457	188
Greerton Mainstreet	Commercial in catchment area	Capital Value	0.00137618	141
Papamoa Mainstreet	Commercial in catchment area	Capital Value	0.00024837	50
The Lakes	All rateable in catchment area	Fixed amount	102.75	178
Coast Papamoa	All rateable in catchment area	Fixed amount	35.01	10
Excelsa	All rateable in catchment area	Fixed amount	51.78	4
Resilience (Residential)	All residential property	Capital Value	0.00001113	653
Resilience (Commercial)	All commercial property	Capital Value	0.00001781	207
Transportation (Residential)	All residential property	Capital Value	0.00003951	2,320
Transportation (Commercial)	All commercial property	Capital Value	0.00013158	1,528
Community (Residential)	All residential property	Capital Value	0.00013794	8,098
Community (Commercial)	All commercial property	Capital Value	0.00022070	2,563
Total Revenue Requirement (minus metered water)				231,044
Total Revenue Requirement (including metered water)				270,363

STATISTICS		
	Capital Value (\$,000,000)	Rating Units
Residential	68,119	57,444
Growth (from previous year)	53.6%	1.9%
Commercial	14,205	3,750
Growth (from previous year)	48.4%	1.6%

*(Note: SUIP= Separately Used or Inhabited Part)

As at June 2022 the projected number of rating units is 61,193 with a total land value of \$50,922 Million and a total capital value of \$ 82,324 Million

WHAT YOUR RATES PAY



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What this means for rates - Funding Impact Statement (Rating)

RATING METHODOLOGY (FIS)

CATEGORIES

Residential - land for which the primary use is residential, rural, education, recreation, leisure or conservation.

Commercial - land for which the primary use is commercial, industrial, port, transportation or utilities networks, and includes any land not in the Residential Category. The general commercial rate, the targeted economic development rate and the targeted mainstreet rate are set and assessed on this category.

The **separated parts of a rating unit** will be separated into parts where a part of the property is non-rateable or the property fits under one or more rating differential.

Vacant land will be categorised according to the predominant zone in the City Plan.

Rural means primary production, or residential activity in Rural zones in the City Plan.

Education means educational establishment under schedule 1 Part 1 clause 6(a) and (b)(i)&(ii) of the Local Government (Rating) Act.

Recreation and leisure means community facilities as defined in the City Plan.

Conservation has the same meaning as under schedule 1 Part 1 clause 3 of the Local Government (Rating) Act.

RATING CALCULATIONS AND LUMP SUM CONTRIBUTIONS

The base for the general rate is Capital Value. The revenue sought by Council from the Uniform Annual General Charge and certain targeted rates set on a uniform basis,

is to be assessed close to 10% of the total rates revenue to ensure that every ratepayer contributes a base level of rates irrespective of the property value or services used.

Lump sum contributions will not be accepted in respect of any targeted rate.

DEFINITIONS

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner/ a person other than the owner, who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner. For the purposes of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'. This includes any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are examples of where there may be application of multiple charges because a rating unit is comprised of more than one separately Used or Inhabited Part.

- Single dwelling with flat attached
- Two or more houses, flats or apartments on one Record of Title
- Business premises with flat above
- Commercial building leased, or sub-leased, to multiple tenants
- Farm or Horticultural property with more than one dwelling

- Council property with more than one lessee
- Individually surveyed lots of vacant land on one Record of Title offered for sale separately or in groups
- Where part of a Rating Unit that has the right of exclusive occupation when more than one ratepayer/owner

As a minimum, the land or premises intended to form a separately used or inhabited part of the rating unit must be capable of actual habitation or actual separate use. For a residential property to be classified as having an additional Separately Used or Inhabited Part (SUIP) it must have separate cooking facilities, living facilities and toilet/bathroom facilities. If the separate part is internal to the main building (under the same roof) it must also have separate external access. For avoidance of doubt, a rating unit that has only one use or inhabitation is treated as being one separately used or inhabited part of the rating unit.

For the purposes of the Kerbside Waste Collection Rate, the definition of SUIP is the same as above, except that:

- where a rating unit has two SUIPs (being one principal unit with another unit such as a flat or minor *secondary* dwelling); and
- the ratepayer notifies the Council that only one *full set of glass, food, waste and recycling bins per principal unit* is required to be provided; then the rating unit will be treated as having only one SUIP.

ALLOCATIONS OF PAYMENTS

Where any payment is made by a ratepayer that is less than the amount now payable, the payment will be applied firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

What this means for rates - Funding Impact Statement (Rating)

The following rates are to be set and assessed on all properties by Tauranga City Council for the 2021/2022 year: (All figures are GST inclusive)

CITY WIDE RATES

1. GENERAL RATE

A general rate set under section 13 of the Local Government (Rating) Act 2002, on a differential basis, for the purposes of providing all or some of the costs of:

- City and Infrastructure Planning, Community People and relationships, Arts and Culture, Venues and Events, Community Partnerships, Libraries, Economic Development, Emergency Management, Animal services, Building services, Environmental Planning, Environmental Health and Licensing, Regulation Monitoring, Marine Facilities, Spaces and Places, Stormwater, Support Services, Sustainability and Waste and Transportation.

For the 2022/23 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00176063
Commercial	1.9	0.00334520

Note: capital value represents the market value of land and improvements of a rating unit. The values are assessed by independent valuers who are audited by the Office of the Valuer General. City wide revaluations are performed every three years, with the last revaluation base date of 1 July 2018.

2. UNIFORM ANNUAL GENERAL CHARGE

A rate set under section 15 of the Local Government (Rating) Act 2002 on each separately used or inhabited part of a rating unit for the purposes of providing all or

some of the costs of:

- The same costs as the general rate above.

For the 2021/22 year this rate will be \$250 on each separately used or inhabited part of a rating unit within the City boundary.

TARGETED RATES

3. WASTE COLLECTION SERVICE (GLASS, FOOD, RECYCLING AND WASTE)

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all rateable land in the city that is used for residential purposes and provide with the waste collection service, and set as a fixed amount per separately used or inhabited part of a rating unit, for the purpose of providing the costs of:

- waste collection in the city

For the 2022/23 year, this rate will be per separately used or inhabited part of a rating unit.

Service	Bins, per separately used or inhabited part	Rate (\$)
Waste Collection Standard	Glass (45L), Food (23L), Rubbish (140L), Recycle (240L)	220
Waste Collection Low	Glass (45L), Food (23L), Rubbish (80L), Recycle (140L)	190
Waste Collection High	Glass (45L), Food (23L), Rubbish (240L), Recycle (240L)	320

4. GARDEN WASTE (OPTIONAL - RATEPAYERS OPT TO RECEIVE THIS ADDITIONAL SERVICE)

Targeted rates set under section 16 of the Local

Government (Rating) Act 2002 on all rateable land in the city that is used for residential purposes and is provided with the garden waste collection service. There are two targeted rates, each set as a fixed amount per bin provided, up to a maximum of 1 bin per separately used or inhabited part of a rating unit. These rates fund the costs of:

- garden waste collection in the city

For the 2021/22 year, these rates are as follows (the rate that applies will depend on the frequency of collection selected by ratepayers).

Collection Frequency	Rate (\$)
4 weekly	70
2 weekly	100

5. WASTEWATER RATES

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on a differential basis on each serviceable or connected rating unit for the purposes of providing all or some of the costs of:

- Wastewater disposal and wastewater infrastructure

For the 2022/23 year this rate will be

- \$584.47 per water closet or urinal on every connected rating unit within the city boundary.
- \$292.23 per separately used or inhabited part of a rating unit which is serviceable within the City boundary.

“Serviceable” means any Rating Unit situated within 30 metres of a public wastewater or stormwater drainage scheme to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected.

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What this means for rates - Funding Impact Statement (Rating)

“Connected” means any rating connected to a public wastewater or stormwater drainage scheme.

A rating unit used primarily as a residence for one household is treated as having not more than one water closet.

6. STORMWATER RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of stormwater infrastructure investments

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00001331
Commercial	1.6	0.00002130

7. METERED WATER RATES

A targeted rate set under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water supplied, as measured by cubic metre, and a differential targeted rate set under section 16 of the Local Government (Rating) Act 2002 per connection for every connected rating unit in the City which is provided with a metered water supply. The amount of the rate per connection depends on the size of the connection. This rate is for purposes of providing all or some of the costs of:

- Water supply and water infrastructure

For the 2021/22 year these rates will be:

1. \$3.33 per cubic metre of water supplied
2. A fixed amount between \$37 and \$1,407 dependent on the size of the water meter connections, per connection.

Base charge meter connection size (mm)	Rate (\$)
20	35.00
25	66.00
32	66.00
40	273.00
50	540.00
80	1,079.00
100	1,329.00
150	1,329.00
200	1,329.00
250	1,329.00

8. UNMETERED WATER RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on each connected separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply for purposes of providing some of the costs of:

- Water supply and water infrastructure

For the 2021/22 year this rate will be \$851 per separately used or inhabited part of a rating unit in the City which is provided with an unmetered water supply.

“Connected” means any rating unit to which water is supplied.

9. ECONOMIC DEVELOPMENT RATE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002 on all commercial rating units in the City for purposes of providing costs of:

- Priority One, Tourism Bay of Plenty, the Visitor Information Centre and general economic development.

For the 2021/22 year this rate will be \$0.00037709 per

dollar based on the rateable capital value of all rateable land with a category “Commercial” within the City boundary.

10. MAINSTREET RATES

Targeted rates set under section 16 of the Local Government (Rating) Act 2002 on all commercial rating units in Tauranga CBD, Mount Maunganui Mainstreet, Greerton Village Mainstreet and Papamoa Mainstreet for purposes of providing costs of:

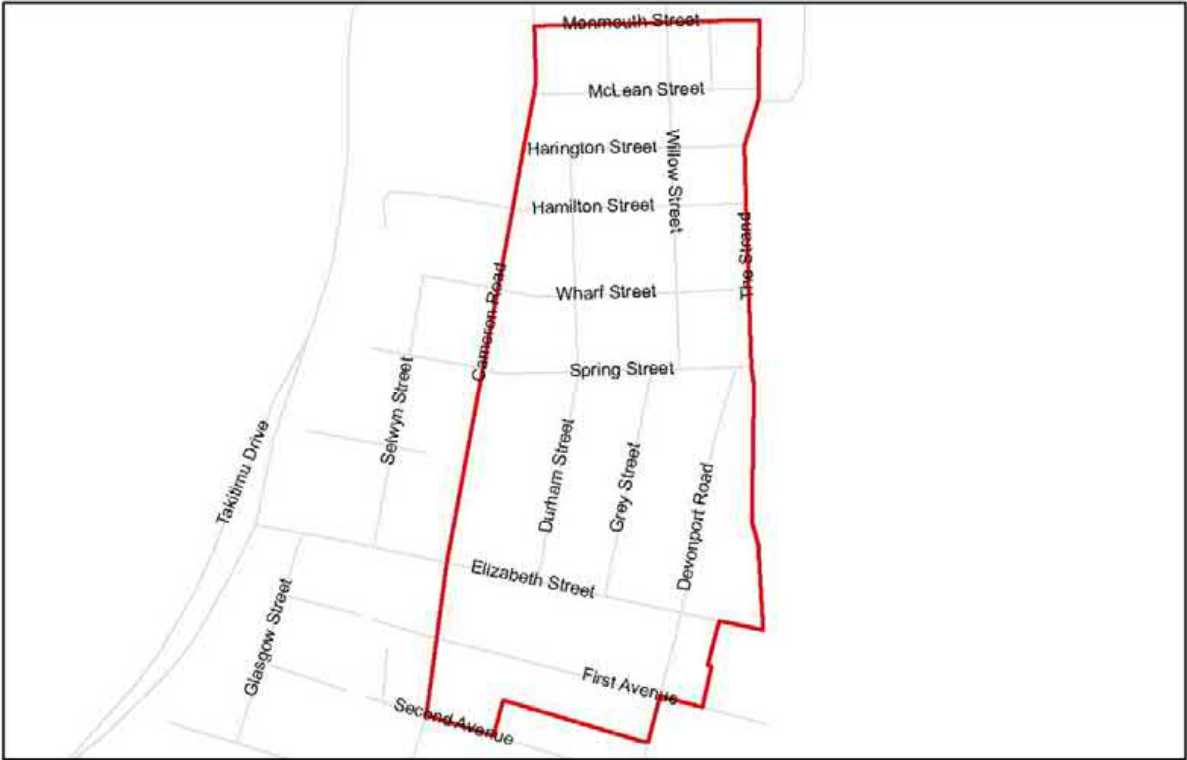
- Promotion of business through grants to each individual Mainstreet Organisation.

For the 2021/22 year the amounts of the rates will be

1. \$0.00041402 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Tauranga Mainstreet (CBD) area (see map).
2. \$0.00048457 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Mount Maunganui Mainstreet area (see map).
3. \$0.00137618 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Greerton Village Mainstreet area (see map).
4. \$0.00024837 per dollar based on the rateable capital value of all rateable land for “Commercial” rating units within the Papamoa Mainstreet area (see map).

* within the area means rating units on the inside of the road defining the boundary on the map.

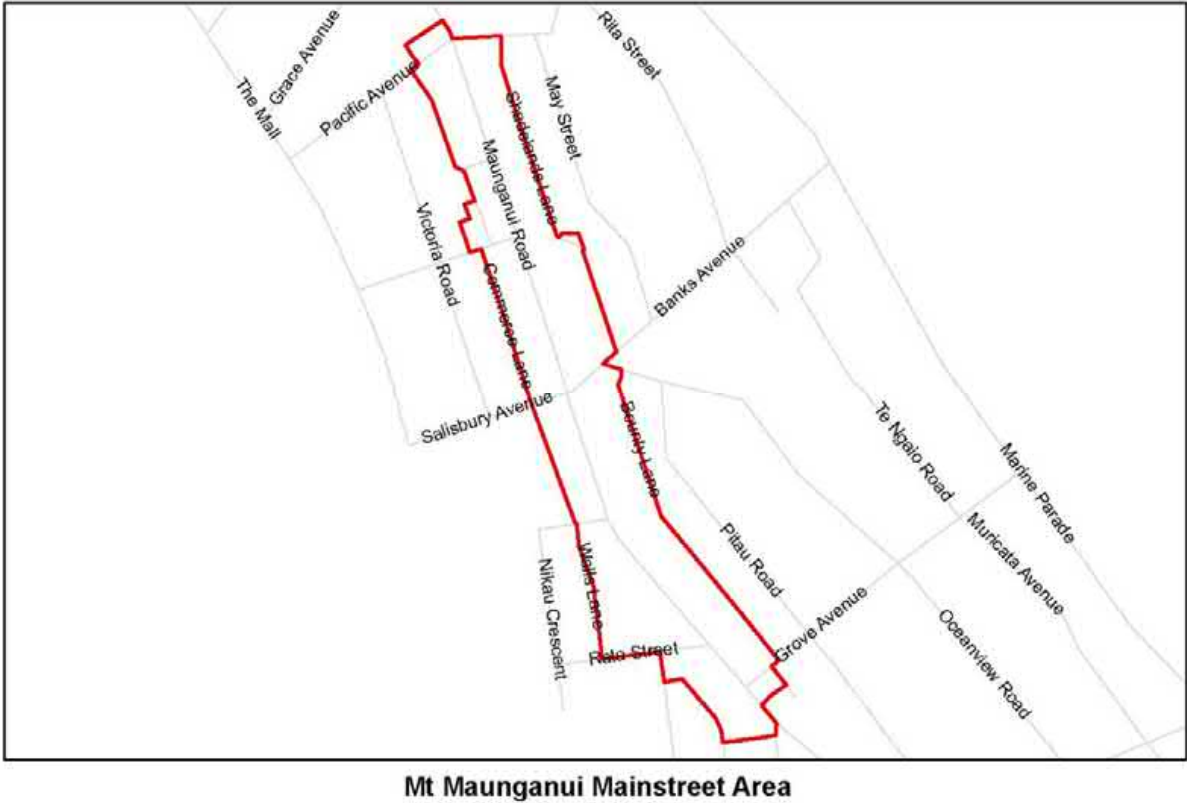
What this means for rates - Funding Impact Statement (Rating)



Tauranga Mainstreet Area

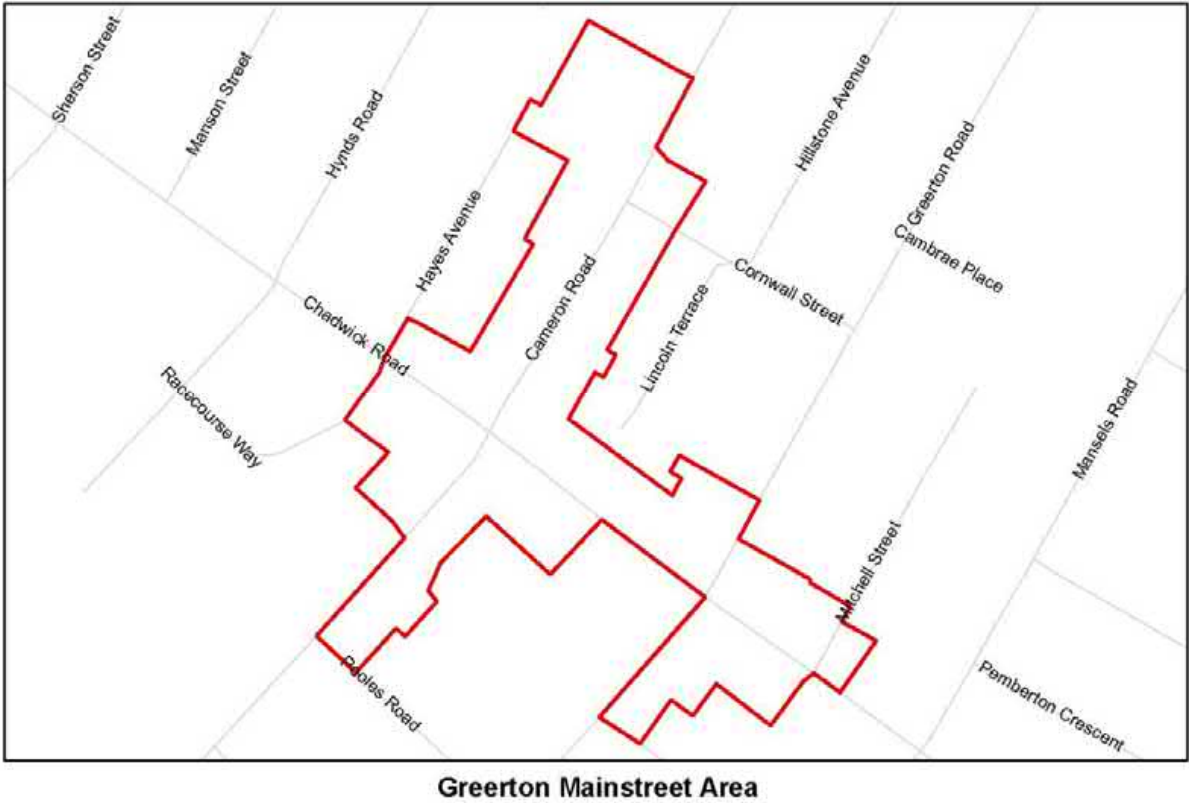
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What this means for rates - Funding Impact Statement (Rating)



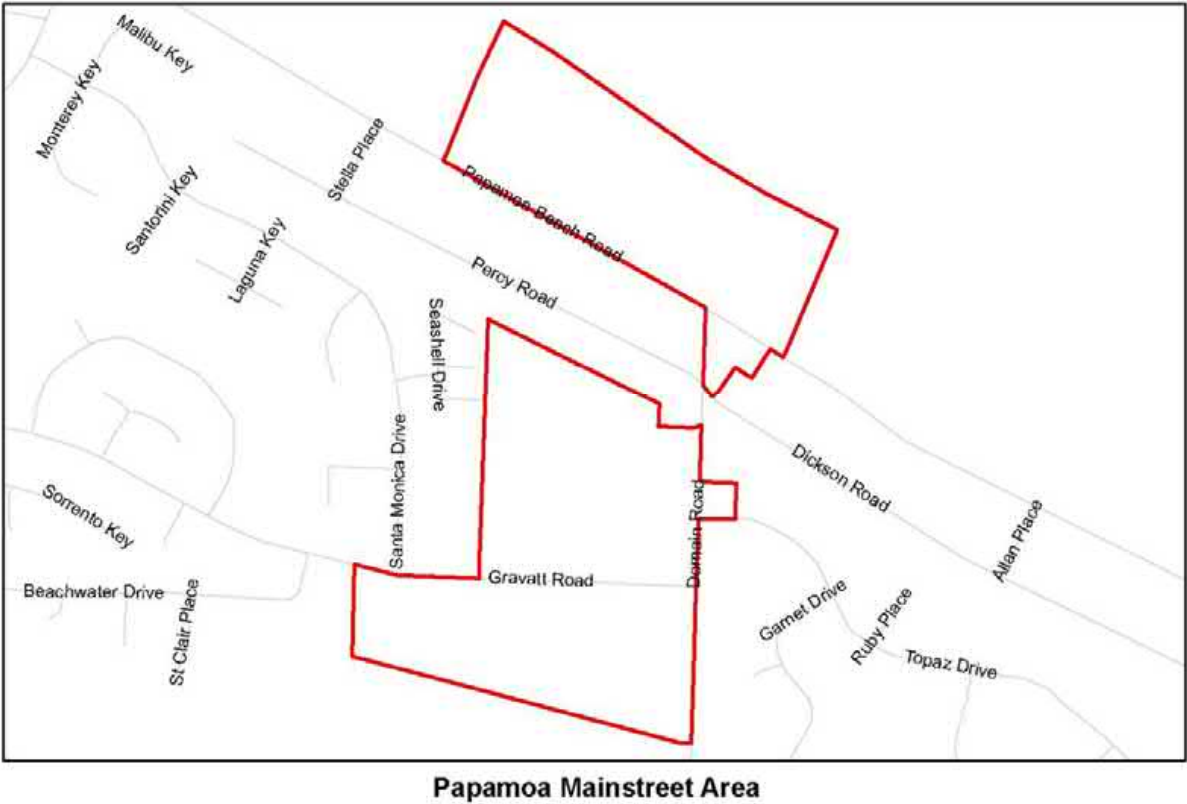
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What this means for rates - Funding Impact Statement (Rating)



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What this means for rates - Funding Impact Statement (Rating)



Long-term Plan Amendment 2021-2031

What this means for rates - Funding Impact Statement (Rating)

11. SPECIAL SERVICES RATES

Three targeted rates set under section 16 of the Local Government (Rating) Act 2002 in The Lakes, Papamoa Coast and Excelsa subdivisions for purposes of providing costs of:

- Additional level of service provided in relation to maintenance and renewal of street gardens (Lakes, Excelsa), paths (Lakes, Coast), trees (Lakes, Coast, and Excelsa), lighting (Excelsa) and pond maintenance (Lakes).

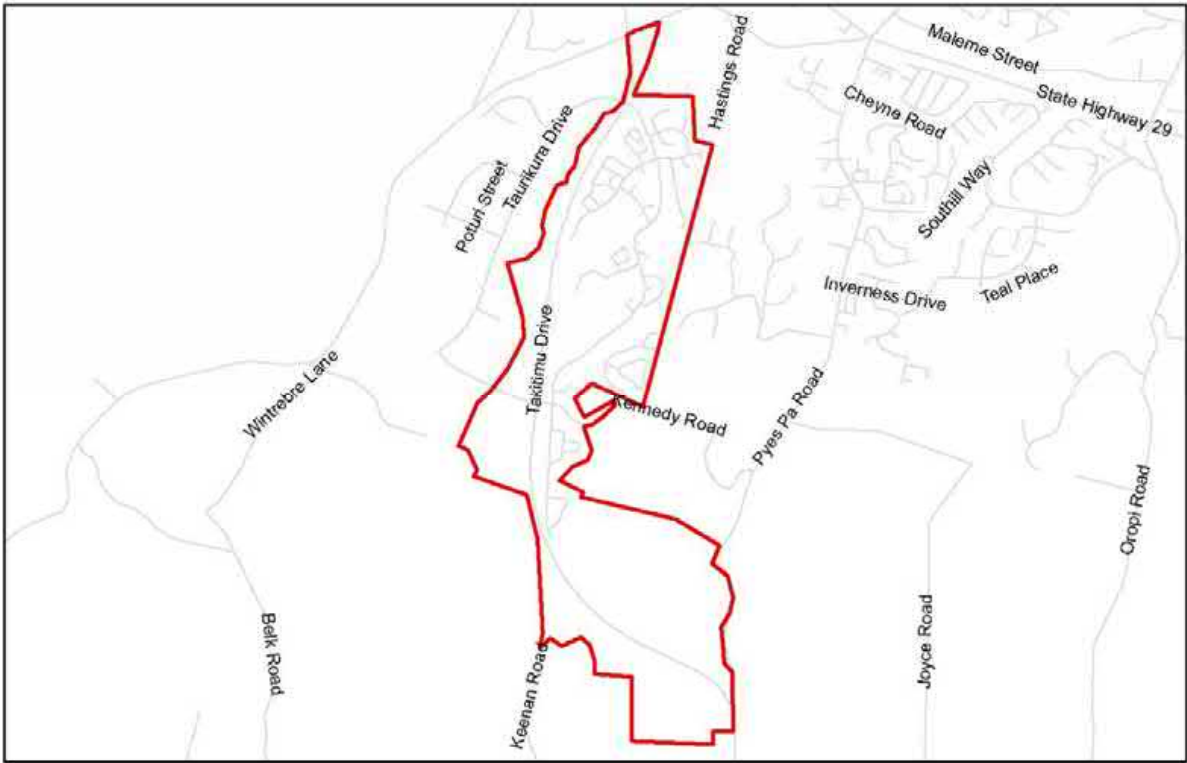
For the 2021/22 year these rates (to two decimal places) will be:

1. \$102.75 on every rateable rating unit within the Lakes Subdivision (see map).
2. \$35.01 on every rateable rating unit within the Papamoa Coast Subdivision (see map)
3. \$51.78 on every rateable rating unit within the Excelsa Subdivision (see map).

* within the area means rating units on the inside of the road defining the boundary on the map.

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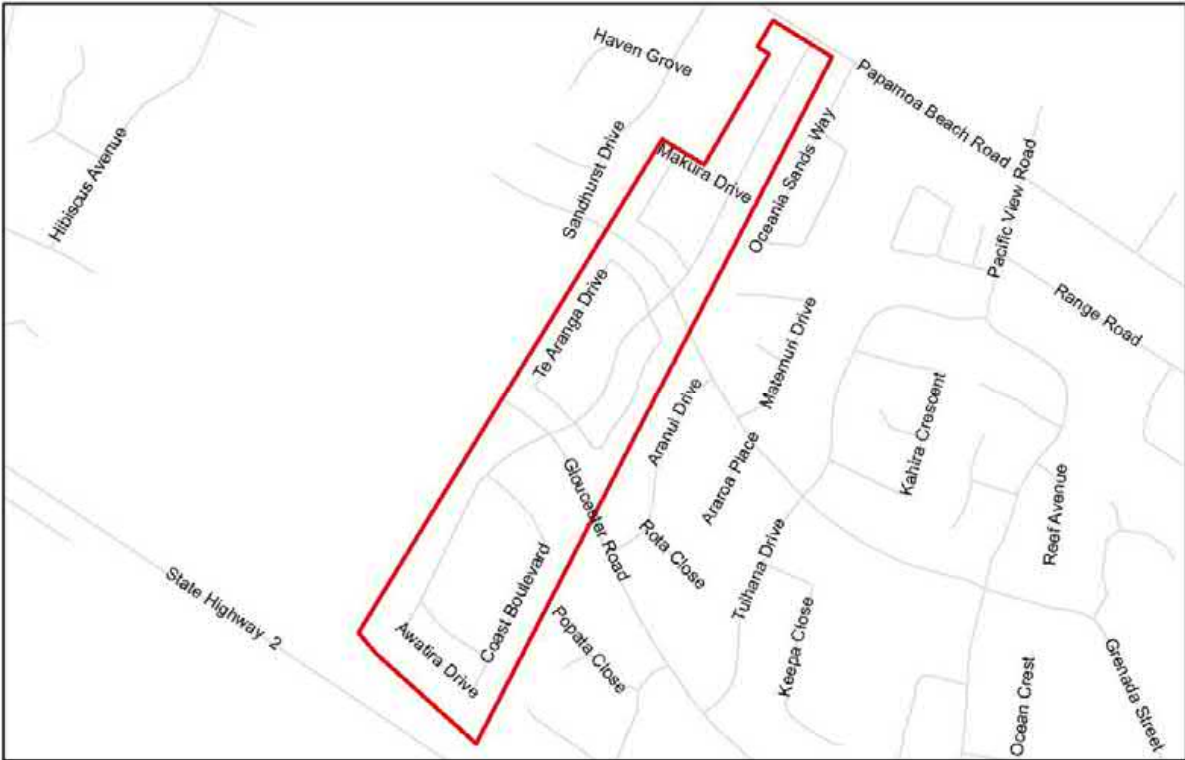
What this means for rates - Funding Impact Statement (Rating)



The Lakes Subdivision Area

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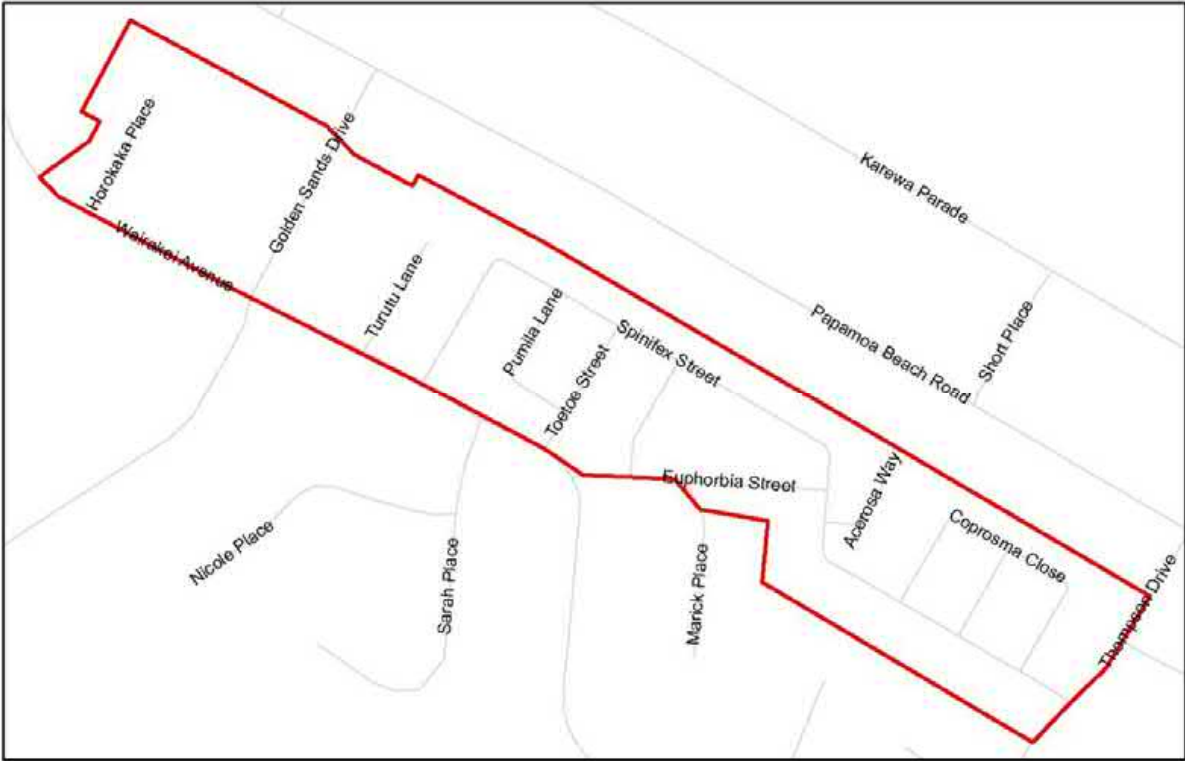
What this means for rates - Funding Impact Statement (Rating)



Papamoa Coast Subdivision Area

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What this means for rates - Funding Impact Statement (Rating)



Excelsa Subdivision Area

Long-term Plan Amendment 2021-2031

What this means for rates - Funding Impact Statement (Rating)

12. RESILIENCE

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of resilience infrastructure investments in the water, wastewater, stormwater, transportation and emergency management activities.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00001113
Commercial	1.6	0.00001781

13. TRANSPORTATION

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, on a differential basis for the purposes of providing some of the costs of transportation infrastructure investments.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00003951
Commercial	3.33	0.00013158

14. COMMUNITY

A targeted rate set under section 16 of the Local Government (Rating) Act 2002, for the purposes of providing some of the costs of community amenity investments.

From the 2021/22 year this rate will be:

Category	Factor	Rate/\$ capital value
Residential	1	0.00013794
Commercial	1.6	0.00022070

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What this means for rates - Funding Impact Statement (Rating)

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY, ONE TOILET FOR RESIDENTIAL AND TWO TOILETS FOR COMMERCIAL)													
What your rates are made up of for 2021/2022 (Incl GST)													
	Capital Value 2021	Waste water	Waste Collections Standard	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2023 proposed	2021/2022 rates	Increase %	Increase \$/pw
Residential													
Low Residential (1%)	\$495,000	\$584	\$220	\$6	\$7	\$20	\$68	\$250	\$872	\$2,026	\$1,844	9.8%	\$3.49
Lower Quartile (25%)	\$790,000	\$584	\$220	\$9	\$10.52	\$31	\$109	\$250	\$1,391	\$2,605	\$2,388	9.1%	\$4.18
Median (50%)	\$980,000	\$584	\$220	\$11	\$13.05	\$39	\$135	\$250	\$1,725	\$2,978	\$2,727	9.2%	\$4.82
Upper Quartile (75%)	\$1,210,000	\$584	\$220	\$13	\$16.11	\$48	\$167	\$250	\$2,130	\$3,429	\$3,189	7.5%	\$4.62
High residential (99%)	\$3,510,000	\$584	\$220	\$39	\$46.73	\$139	\$484	\$250	\$6,180	\$7,943	\$7,521	5.6%	\$8.11
	Capital Value	Waste water	Economic Development	Resilience	Storm water	Transport	Community	UAGC	General rates	2022/2023 proposed	2021/2022 rates	Increase %	Increase \$/pw
Commercial													
Lower Quartile (25%)	\$865,000	\$1,169	\$326	\$15	\$18	\$114	\$191	\$250	\$2,894	\$4,977	\$4,013	24%	\$18.55
Median (50%)	\$1,630,000	\$1,169	\$615	\$29	\$35	\$214	\$360	\$250	\$5,453	\$8,124	\$6,553	24%	\$30.21
Upper Quartile (75%)	\$3,320,000	\$1,169	\$1,252	\$59	\$71	\$437	\$733	\$250	\$11,106	\$15,076	\$11,878	27%	\$61.50
High commercial (99%)	\$41,783,000	\$1,169	\$15,756	\$744	\$890	\$5,498	\$9,222	\$250	\$139,773	\$173,301	\$136,078	27%	\$715.82

Mainstreet rates, levels of service rates and water rates may be in addition to the rates above

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What this means for rates - Funding Impact Statement (Rating)

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY) TO INDICATIVE LEVEL OF SERVICE RATES				
What your rates are made up of for 2022/2022 (Incl GST)				
Indicative Level of Service rates	2022/2023 proposed	2021/2022 rates	Increase	Increase \$/pw
The Lakes	\$102.75	\$99.90	2.9%	\$0.05
Coast (Papamoa)	\$35.01	\$34.02	2.9%	\$0.02
Excels (Papamoa)	\$51.78	\$50.32	2.9%	\$0.03

INDICATIVE PROPERTY RATES (SINGLE OCCUPANCY) TO INDICATIVE MAINSTREET RATES					
What your rates are made up of for 2021/2022 (Incl GST)					
Indicative Mainstreet rates	Average Capital Value	2022/2023	2020/2021 rates	Increase	Increase \$/pw
Tauranga	\$4,148,000	\$1,717	\$1,724	-0.4%	-\$0.12
Mount	\$4,365,000	\$2,115	\$2,114	0.0%	\$0.02
Greerton	\$2,060,000	\$2,835	\$2,821	0.5%	\$0.27
Papamoa	\$3,991,000	\$991	\$991	0.0%	-\$0.00

INDICATIVE WATER RATES				
What your rates are made up of for 2021/2022 (Incl GST)				
Indicative Water rates	2022/2023	2020/2021 rates	Increase	Increase /m3
Volumetric rate (m3)	\$3.33	\$2.90	14.8%	\$0.43
	2022/2023	2020/2021 rates	Increase	Increase \$/pw
Base charge (connection size)				
20	\$37	\$35	5.7%	\$0.04
25	\$70	\$66	6.1%	\$0.08
32	\$70	\$66	6.1%	\$0.08
40	\$289	\$273	5.9%	\$0.31
50	\$572	\$540	5.9%	\$0.62
80	\$1,143	\$1,079	5.9%	\$1.23
100	\$1,407	\$1,329	5.9%	\$1.50
150	\$1,407	\$1,329	5.9%	\$1.50
200	\$1,407	\$1,329	5.9%	\$1.50
250	\$1,407	\$1,329	5.9%	\$1.50

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Carruthers Capital			
Opening Balance 01 Jul 2021	Fund to provide & maintain homes & flats for elderly persons.	Support Services	(34)
Transfers In 2022/2031			0
Transfers Out 2022/2031			34
Closing Balance			(1)
Carruthers Income			
Opening Balance 01 Jul 2021	Revenue from the capital fund that can be distributed.	Support Services	(20)
Transfers In 2022/2031			
Transfers Out 2022/2031			19
Closing Balance			(0)
E.V Flower Family Trust			
Opening Balance 01 Jul 2021	For city museum maintenance of aviary.	Support Services	(22)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(22)
Endowment Land Fund			
Opening Balance 01 Jul 2021	Proceeds received from the sale of endowment land in Devonport Road.	Support Services	(67)
Transfers In 2022/2031			
Transfers Out 2022/2031			(1)
Closing Balance			(68)
Landscape Impact Fee			
Opening Balance 01 Jul 2021	To develop street planting - funds from impact fee in industrial areas.	Support Services	(126)
Transfers In 2022/2031			
Transfers Out 2022/2031			(3)
Closing Balance			(128)
Museum Collection Fund			
Opening Balance 01 Jul 2021	For the provision & development of the museum collection.	Support Services	(191)
Transfers In 2022/2031			
Transfers Out 2022/2031			(4)
Closing Balance			(194)

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Parking Fees Reserve (JOG)			
Opening Balance 01 Jul 2021	Funds for parking management and Joint Officials Group (JOG).	Support Services	(2)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(3)
Parking Impact Fee			
Opening Balance 01 Jul 2021	The City Plan imposes an impact fee on development that impacts on Parking.	Support Services	(755)
Transfers In 2022/2031			
Transfers Out 2022/2031			(15)
Closing Balance			(770)
Roading Land Purchase Fund			
Opening Balance 01 Jul 2021	For roading land purchases (funded by roading land sales).	Support Services	(1,659)
Transfers In 2022/2031			
Transfers Out 2022/2031			(33)
Closing Balance			(1,692)
Stewarts Trust Capital			
Opening Balance 01 Jul 2021	Fund to provide relief from poverty for aged & needy persons.	Support Services	(563)
Transfers In 2022/2031			
Transfers Out 2022/2031			552
Closing Balance			(11)
Stewarts Trust Income			
Opening Balance 01 Jul 2021	Revenue from the capital fund that can be distributed.	Support Services	(139)
Transfers In 2022/2031			
Transfers Out 2022/2031			237
Closing Balance			97
Strategic Fundraising Reserve			
Opening Balance 01 Jul 2021	Revenue from external parties for projects.	Community Services	
Transfers In 2022/2031			
Transfers Out 2022/2031			1,366
Closing Balance			1,366

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES AND TRUST FUNDS (INCLUDING INFLATION)			
	Description of Reserve	Activities to which the reserve relates	Total Balance (\$000)
Strategic Fundraising Reserve			
Opening Balance 01 Jul 2021	Revenue from external parties for projects.	Support Services	(1,379)
Transfers In 2022/2031			
Transfers Out 2022/2031			(26)
Closing Balance			(1,405)
Strategic Roding Network			
Opening Balance 01 Jul 2021	Roding fund for strategic roding network and sub-regional transportation.	Support Services	(7)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(7)
TDC Eden Family Trust			
Opening Balance 01 Jul 2021	For city museum maintenance of the steam engine	Support Services	(16)
Transfers In 2022/2031			
Transfers Out 2022/2031			(0)
Closing Balance			(16)
Water Future Land Purchase			
Opening Balance 01 Jul 2021	To purchase additional land in water catchment areas when it becomes available.	Support Services	(167)
Transfers In 2022/2031			
Transfers Out 2022/2031			(3)
Closing Balance			(171)
Total Closing Balance			(3,024)

Long-term Plan Amendment 2021-2031

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)															
	Description of Reserve*	2020/21 - 2030/31 Activity												Total Balance (\$000)	
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)			
Bethlehem Roundabout															
Opening Balance 01 Jul 2021	Funding of slip lane for Parau Lane.	(89)												(89)	
Transfers In 2022/2031															
Transfers Out 2022/2031		77												77	
Closing Balance		(13)	0	0	0	0	0	0	0	0	0	0	0	(13)	
Biosolids Reserve															
Opening Balance 01 Jul 2021	Reserve to provide for biosolids maintenance.	280												280	
Transfers In 2022/2031		(15,000)												(15,000)	
Transfers Out 2022/2031		15,006												15,006	
Closing Balance		0	0	286	0	0	0	0	0	0	0	0	0	286	
Boscabel Subdivision Water Supply															
Opening Balance 01 Jul 2021	Funding of upgrading the Water Supply for the subdivision	(17)												(17)	
Transfers In 2022/2031															
Transfers Out 2022/2031		(12)												(12)	
Closing Balance		0	(30)	0	0	0	0	0	0	0	0	0	0	(30)	
Community Facilities Targeted Rate Reserve															
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated from capital investment in community amenities.														
Transfers In 2022/2031														(179,550)	(179,550)
Transfers Out 2022/2031		60,511112,661												5,671	178,843
Closing Balance		0	0	0	0	0	60,511	0	0	112,661	0	(173,879)		(707)	

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Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)													
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$000)
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)	
Elder Housing Sale Reserve													
Opening Balance 01 Jul 2021	Sale of Elder Housing Assets.	1,634											1,634
Transfers In 2022/2031													
Transfers Out 2022/2031		3,088 (23,070)											(19,982)
Closing Balance		0	0	0	0	0	3,088	0	0	0	(21,436)	0	(18,348)
General Contingency													
Opening Balance 01 Jul 2021	Miscellaneous expenditure for operational items not foreseen in annual plan.	(9)											(9)
Transfers In 2022/2031													
Transfers Out 2022/2031		0											0
Closing Balance		0	0	0	0	0	0	0	0	0	0	(9)	(9)
Risk Management Fund													
Opening Balance 01 Jul 2021	For the purpose of managing Council's financial risk and to fund unforeseen events or unknown amounts such as leaky homes.	28,039											28,039
Transfers In 2022/2031		(11,443)											(11,443)
Transfers Out 2022/2031		8,366											8,366
Closing Balance		0	0	0	0	0	0	0	24,963	0	0	0	24,963
Stormwater Reactive Reserve													
Opening Balance 01 Jul 2021	Levy collected for stormwater remedial works.	(11,649)											(11,649)
Transfers In 2022/2031		(11,386)											(11,386)
Transfers Out 2022/2031		22,378											22,378
Closing Balance		0	0	0	(657)	0	0	0	0	0	0	0	(657)

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)														
	Description of Reserve*	2020/21 - 2030/31 Activity												Total Balance (\$000)
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)		
Kerbside Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected for kerbside collection.	3,153												3,153
Transfers In 2022/2031		(155,002)												(155,002)
Transfers Out 2022/2031		145,403												145,403
Closing Balance		0	0	0	0	(6,446)	0	0	0	0	0	0	(6,446)	
Resilience Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated from capital investment in infrastructure resilience.													
Transfers In 2022/2031		(35,818)												(35,818)
Transfers Out 2022/2031		6,621	13,415	7,471	4,218			4,093			0		35,818	
Closing Balance		6,621	13,415	7,471	4,218	0	0	0	4,093	0	0	(35,818)	0	
Tauranga Hockey Turf 1														
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(360)												(360)
Transfers In 2022/2031		(107)												(107)
Transfers Out 2022/2031		412												412
Closing Balance		0	0	0	0	0	0	0	0	(55)	0	0	(55)	
Tauranga Hockey Turf 2														
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(360)												(360)
Transfers In 2022/2031		(142)												(142)
Transfers Out 2022/2031		342												342
Closing Balance		0	0	0	0	0	0	0	0	(161)	0	0	(161)	

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Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)														
	Description of Reserve*	2020/21 - 2030/31 Activity											Total Balance (\$000)	
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Elder Housing (\$000)	Support Services (\$000)		
Tauranga Hockey Turf 3														
Opening Balance 01 Jul 2021	For the purpose of replacing turf.	(55)											(55)	
Transfers In 2022/2031		(540)											(540)	
Transfers Out 2022/2031		818											818	
Closing Balance		0	0	0	0	0	0	0	0	223	0	0	223	
Transportation Targeted Rate Reserve														
Opening Balance 01 Jul 2021	Targeted rates collected to fund the operating costs generated by capital investment in transportation assets.													
Transfers In 2022/2031		(201,418)											(201,418)	
Transfers Out 2022/2031		170,616											170,616	
Closing Balance		(30,803)	0	0	0	0	0	0	0	0	0	0	(30,803)	
Voluntary Rates Account														
Opening Balance 01 Jul 2021	To maintain voluntary rate payments.												(8)	(8)
Transfers In 2022/2031														
Transfers Out 2022/2031													(0)	(0)
Closing Balance		0	0	0	0	0	0	0	0	0	0	(8)	(8)	
Waste Levy Reserve Account														
Opening Balance 01 Jul 2021	To receive funds from waste management levy for approved activity.	(1,370)											(1,370)	
Transfers In 2022/2031		(5,921)											(5,921)	
Transfers Out 2022/2031		5,918											5,918	
Closing Balance		0	0	0	0	(1,373)	0	0	0	0	0	0	(1,373)	

Financials - Reserves

PROSPECTIVE STATEMENT OF OTHER COUNCIL CREATED RESERVES (INCLUDING INFLATION)															
	Description of Reserve*	2020/21 - 2030/31 Activity												Total Balance (\$000)	
		Transportation (\$000)	Water Supply (\$000)	Wastewater (\$000)	Stormwater (\$000)	Sustainability and Waste (\$000)	Community Services (\$000)	Community, People and Relationships (\$000)	Emergency Management (\$000)	Spaces and Places (\$000)	Eldar Housing (\$000)	Support Services (\$000)			
Wastewater Enhancement Reserve															
Opening Balance 01 Jul 2021	For the purpose of mitigating the cultural and environmental affects of the wastewater scheme.	(693)												(693)	
Transfers In 2022/2031															
Transfers Out 2022/2031		(247)												(247)	
Closing Balance		0	0	(940)	0	0	0	0	0	0	0	0	0	(940)	
Weathertight Reserve															
Opening Balance 01 Jul 2021	For the purpose of managing Council's future exposure to leaky home payments.														
Transfers In 2022/2031														(34,196)	(34,196)
Transfers Out 2022/2031														11,667	11,667
Closing Balance		0	0	0	0	0	0	0	0	0	0	0	(22,529)	(22,529)	
Total Closing Balance															(56,606)

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
City Wide Development Contributions							
Building Impact Fees							
Opening Balance 01 Jul 2021	(2,063)	(172)	(4)	1,119	4,050	139,844	142,774
Transfers In 2022/2031			(12,450)	(7,521)	(107,183)	(178,095)	(305,249)
Transfers Out 2022/2031	302	10,886	68,170	4,514	180,957	256,114	520,943
Closing Balance 30 Jun 2031	(1,761)	10,714	55,716	(1,888)	77,823	217,864	358,468
Local Development Contributions							
Bethlehem							
Opening Balance 01 Jul 2021	900		29	1,146	1,655	720	4,450
Transfers In 2022/2031	(606)			(738)	(1,685)	(131)	(3,159)
Transfers Out 2022/2031	1,068		588	2,510	310	260	4,737
Closing Balance 30 Jun 2031	1,363		617	2,918	281	849	6,028
Bethlehem West							
Opening Balance 01 Jul 2021	1,688		2,851	4,102	1,017	38	9,696
Transfers In 2022/2031	(961)		(621)	(1,069)	(933)	(104)	(3,687)
Transfers Out 2022/2031	8,268		991	(1,811)	1,350	1,007	9,804
Closing Balance 30 Jun 2031	8,994		3,222	1,221	1,435	941	15,813
Kaitemako South							
Opening Balance 01 Jul 2021					7		7
Transfers In 2022/2031							
Transfers Out 2022/2031					3		3
Closing Balance 30 Jun 2031	0		0	0	10	0	10
Mount Maunganui Infill							
Opening Balance 01 Jul 2021			(32)		2,187	(185)	1,970
Transfers In 2022/2031							
Transfers Out 2022/2031			92		875	(14)	953
Closing Balance 30 Jun 2031	0		60	0	3,061	(199)	2,922

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Neewood							
Opening Balance 01 Jul 2021					21		21
Transfers In 2022/2031							
Transfers Out 2022/2031					8		8
Closing Balance 30 Jun 2031	0		0	0	29	0	29
North West Bethlehem							
Opening Balance 01 Jul 2021							
Transfers In 2022/2031							
Transfers Out 2022/2031							
Closing Balance 30 Jun 2031	0		0	0	(0)	0	0
Ohauti/Hollister Lane							
Opening Balance 01 Jul 2021	325		744	(148)	311	2,222	3,454
Transfers In 2022/2031	(58)			(105)	(451)	(392)	(1,006)
Transfers Out 2022/2031	119		298	58	47	807	1,329
Closing Balance 30 Jun 2031	386		1,041	(195)	(93)	2,637	3,777
Papamoa East I (Wairakei)							
Opening Balance 01 Jul 2021	3,144		155	(5,685)	(3,978)	(3,064)	(9,428)
Transfers In 2022/2031	(18,052)			(15,502)	(8,604)	(6,136)	(48,293)
Transfers Out 2022/2031	11,828		4,502	25,579	40,737	19,942	102,588
Closing Balance 30 Jun 2031	(3,080)		4,657	4,393	28,155	10,742	44,866
Papamoa East II (Wairakei)							
Opening Balance 01 Jul 2021	1,421			10,077	2,391	(60)	13,829
Transfers In 2022/2031	(1,318)			(3,953)	(6,253)	(2,718)	(14,242)
Transfers Out 2022/2031	10,482		11,490	46,594	122,750	16,048	207,363
Closing Balance 30 Jun 2031	10,584		11,490	52,718	118,888	13,270	206,951

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Papamoa							
Opening Balance 01 Jul 2021	4,398		(2,131)	4,363	98	(201)	6,527
Transfers In 2022/2031	(3,603)			(3,176)	(769)	(210)	(7,757)
Transfers Out 2022/2031	(6,555)		3,450	(414)	(25)	46	(3,497)
Closing Balance 30 Jun 2031	(5,759)		1,319	774	(696)	(365)	(4,727)
Pukemapu							
Opening Balance 01 Jul 2021					35		35
Transfers In 2022/2031							
Transfers Out 2022/2031					14		14
Closing Balance 30 Jun 2031	0		0	0	49	0	49
Pyes Pa							
Opening Balance 01 Jul 2021	31		161	669	(412)	(69)	379
Transfers In 2022/2031	(181)			(302)	(727)	(65)	(1,275)
Transfers Out 2022/2031	(6)		1,795	435	(66)	(9)	2,149
Closing Balance 30 Jun 2031	(156)		1,956	802	(1,205)	(142)	1,254
Pyes Pa West							
Opening Balance 01 Jul 2021	7,322		(2,987)	7,944	(2,490)	1,833	11,622
Transfers In 2022/2031	(3,478)		(799)	(2,261)	(2,824)	(338)	(9,701)
Transfers Out 2022/2031	10,738		4,027	2,289	1,017	800	18,870
Closing Balance 30 Jun 2031	14,582		241	7,972	(4,298)	2,295	20,791
South Ohauti							
Opening Balance 01 Jul 2021					32		32
Transfers In 2022/2031							
Transfers Out 2022/2031				2,262	13		2,275
Closing Balance 30 Jun 2031	0		0	2,262	45	0	2,307

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
South Pyes Pa							
Opening Balance 01 Jul 2021				4,368	331	117	4,816
Transfers In 2022/2031	(638)			(1,912)	(3,024)	(1,314)	(6,888)
Transfers Out 2022/2031	(10)			1,616	64	19	1,689
Closing Balance 30 Jun 2031	(647)		0	4,073	(2,630)	(1,178)	(383)
Southern Pipeline Reserve							
Opening Balance 01 Jul 2021					65,832		65,832
Transfers In 2022/2031							
Transfers Out 2022/2031					26,333		26,333
Closing Balance 30 Jun 2031	0		0	0	92,165	0	92,165
Tauranga Infill							
Opening Balance 01 Jul 2021	22		69	1,660	(216)	(735)	800
Transfers In 2022/2031					(5,334)		(5,334)
Transfers Out 2022/2031	9		5,627	664	(243)	(55)	6,002
Closing Balance 30 Jun 2031	31		5,696	2,324	(5,792)	(790)	1,468
Tauriko Business Estate							
Opening Balance 01 Jul 2021	(1,710)			(6,143)	(2,353)	2,113	(8,092)
Transfers In 2022/2031	(3,938)			(15,845)	(11,791)	(1,831)	(33,405)
Transfers Out 2022/2031	4,253			11,040	5,745	4,428	25,465
Closing Balance 30 Jun 2031	(1,394)		0	(10,948)	(8,399)	4,709	(16,032)

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Financials - Reserves

PROSPECTIVE STATEMENT OF RESTRICTED RESERVES - DEVELOPMENT CONTRIBUTIONS (INCLUDING INFLATION)							
	2020/21 - 2030/31 Activity						Total Balance (\$000)
	Stormwater (\$000)	Libraries (\$000)	Spaces & Places (\$000)	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)	
Tauriko West							
Opening Balance 01 Jul 2021				251	1,871	563	2,684
Transfers In 2022/2031							
Transfers Out 2022/2031	(33)		22,114	15,647	3,902	19,479	61,108
Closing Balance 30 Jun 2031	(33)		22,114	15,897	5,773	20,041	63,792
Waitaha/Waikite							
Opening Balance 01 Jul 2021	(142)		21	(764)	996	1,373	1,484
Transfers In 2022/2031	(157)			(263)	(776)	(279)	(1,475)
Transfers Out 2022/2031	260		1,822	1,612	224	489	4,407
Closing Balance 30 Jun 2031	(39)		1,843	585	444	1,583	4,416
Total Closing Balance							803,966

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Financials - Reserves

PROSPECTIVE STATEMENT OF COUNCIL CREATED RESERVES (DEPRECIATION RESERVES) (INCLUDING INFLATION)											
	2020/21 – 2030/31 Activity										
	City & Infrastructure Planning (\$000)	Community Services (\$000)	Community, People & Relationships (\$000)	Economic Development (\$000)	Emergency Management (\$000)	Marine Precinct (\$000)	Regulatory & Compliance (\$000)	Spaces & Places (\$000)	Stormwater (\$000)	Support Services (\$000)	Sustainability & Waste (\$000)
Depreciation Reserve											
Opening Balance 01 Jul 2021	(48)	(10,808)	324	(6,217)	1,120	287	(1,418)	(36,056)	(24,014)	(2,163)	406
Transfers In 2022/2031	(291)	(52,942)	(306)	(21,111)	(1,591)	(8,468)	(4,829)	(226,325)	(115,494)	(207,521)	(13,052)
Transfers Out 2022/2031	(51)	49,624	27	7,194	2,152	5,011	(207)	196,951	56,102	124,145	664
Closing Balance	(390)	(14,126)	45	(20,135)	1,680	(3,171)	(6,454)	(65,429)	(83,407)	(85,539)	(11,982)

	2020/21 – 2030/31 Activity		
	Transportation (\$000)	Wastewater (\$000)	Water Supply (\$000)
Depreciation Reserve			
Opening Balance 01 Jul 2021	(2,184)	(29,008)	(25,890)
Transfers In 2022/2031	(210,598)	(191,176)	(174,540)
Transfers Out 2022/2031	184,279	212,192	130,103
Closing Balance	(28,503)	(7,992)	(70,327)

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Financial Prudence

Under the Local Government Act 2002 Financial Reporting and Prudence Regulations 2014. All Councils are required to report performance against standardised benchmarks.

The purpose of this statement is to disclose the council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings. The council is required to include this statement in its long term plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

RATES AFFORDABILITY BENCHMARKS

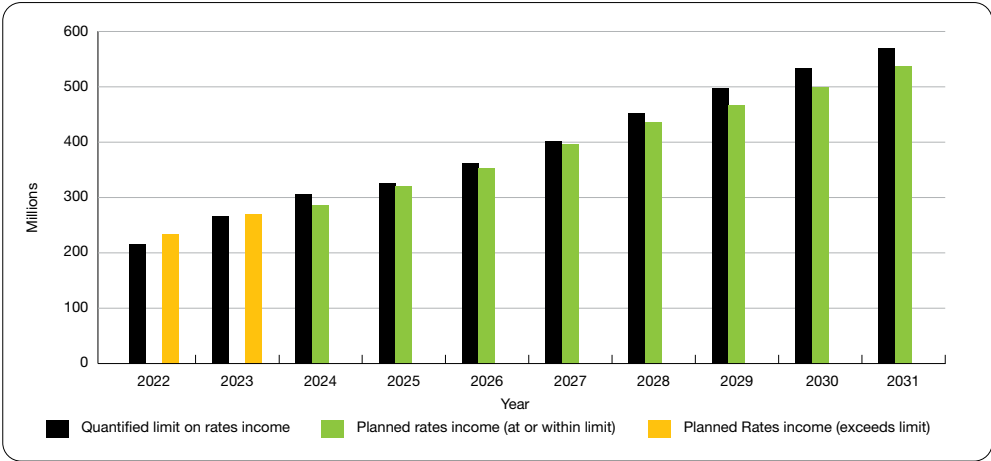
- Council meets this benchmark if:
- its planned rates income equals or is less than each quantified limit on rates; and
 - its planned rates increases equal, or are less than each quantified limit on rates increases

RATES (INCOME) AFFORDABILITY BENCHMARK

Quantified Limit on Rates

The total rates requirement for each year of the long term plan will be no more than the rates increase % limit applied to the previous years rates requirement as adopted in the Long-term Plan.

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long-term Plan. The quantified limit for each year of the Long-term Plan is the rates requirement for the previous year multiplied by the % limit on rates increase specified for that year.



The exceedance in year one is primarily due to new targeted rates including rates retirement, along with a significant increase in the water volumetric charge in 2022. The exceedance in year two is mainly due to increases in debt retirement charges and water by meter rates.

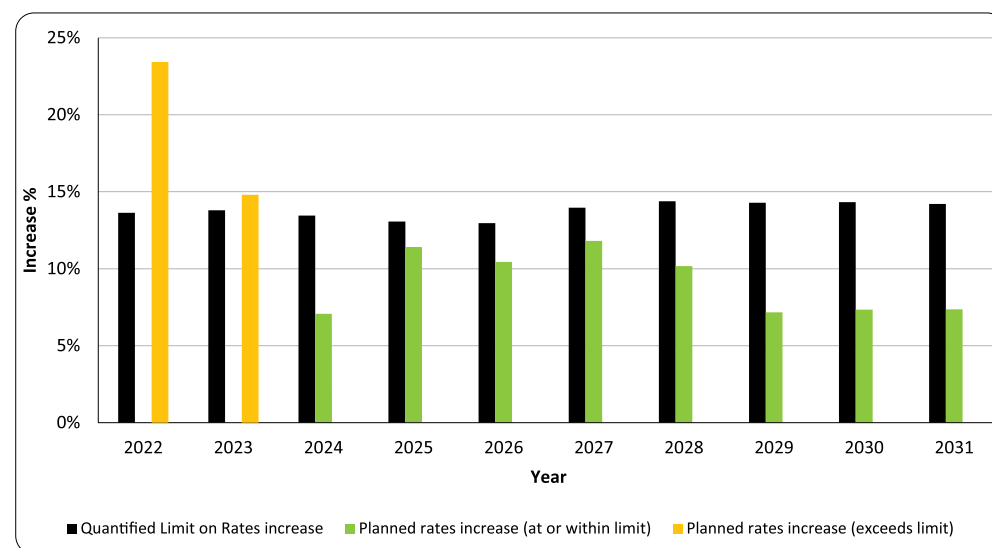
Financial Prudence - Rates Affordability Benchmark

RATES INCREASES AFFORDABILITY BENCHMARK

Quantified Limit on Rates Increases

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 varies for each year. It is equal to the sum of:

- The estimated percentage growth in the number of rateable properties in the city in the year to 30 June preceding the relevant rating year in question and
- Twelve percent



The rates increase limit in the financial strategy of 12% + growth is on the general rate. New targeted rates including rates retirement, along with a significant increase in the water volumetric charge in 2022 have generated increases above 12% + growth in 2 years of this LTP. The level of debt retirement required will be dependent on capital delivery and Waters Reform.

The large increase in year one is driven by significant increases in;

- new targeted rates for planning, stormwater, transport and community facilities.
- debt retirement to sustain the capital investment programme
- kerbside rates
- water by meter rates (introduction of debt retirement in water supply)

The exceedance in year two is mainly due to increases in debt retirement charges and water by meter rates.

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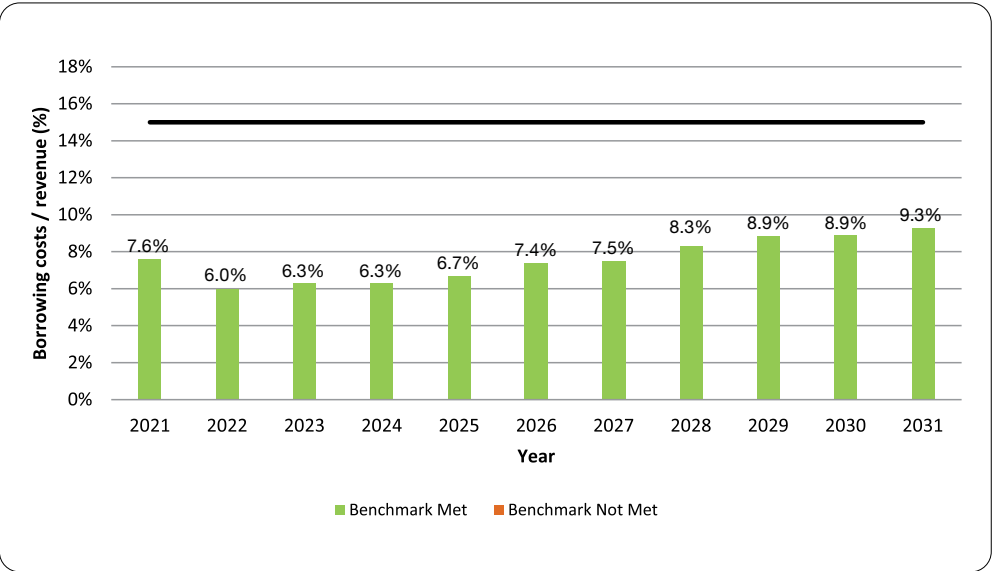
Financial Prudence - Debt Servicing Benchmark

DEBT SERVICING BENCHMARK

The following graph compares 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 and equipment).

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

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



*Interest expense is gross interest not net interest. Interest expense also includes CCO's interest expense.

Financial Prudence - Debt Affordability Benchmark

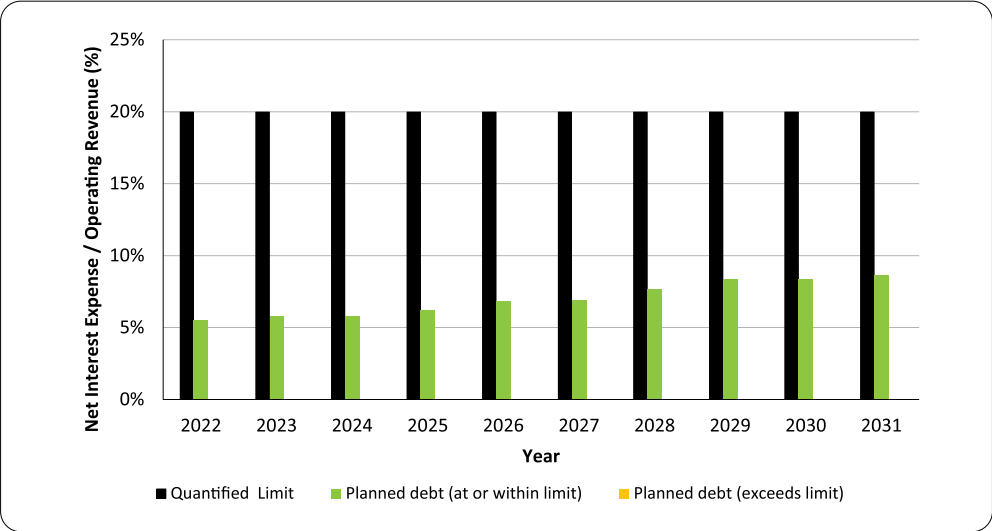
DEBT AFFORDABILITY BENCHMARK

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. Tauranga City Council has 3 quantified limits on borrowing.

Net Interest Expense on External Debt as a Percentage of Operating Revenue

The following graph compares the council's planned borrowing with the first quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net interest expense (after interest rate risk management costs/benefits) on external debt as a percentage of annual operating revenue (excluding development contributions) will not exceed 20%.

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



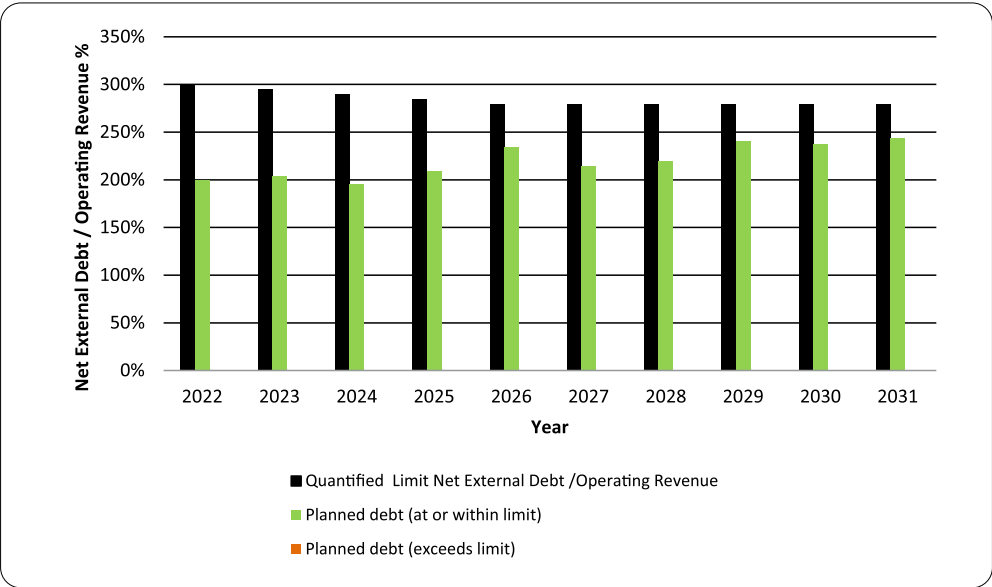
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Financial Prudence - Debt Affordability Benchmark

Net External Debt as a Percentage of Annual Operating Revenue

The following graph compares the council's planned borrowing with the second quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net External debt as a percentage of annual operating revenue (excluding development contributions) will not exceed 300% in year one, reducing progressively to 280% by year five and beyond.

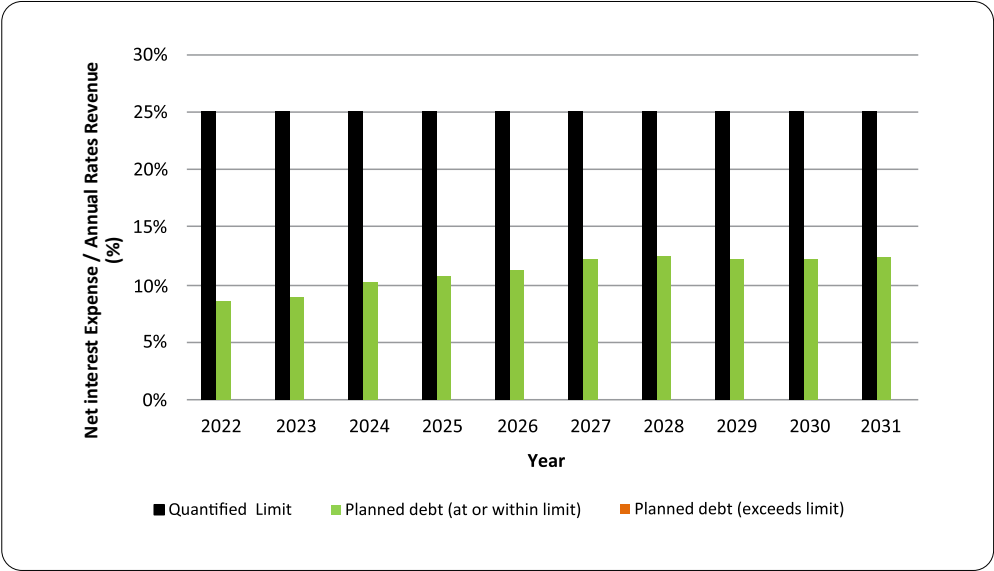
Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.



Financial Prudence - Debt Affordability Benchmark

Net Interest Expense on External Debt as a Percentage of Annual Rates Revenue

The following graph compares the council's planned borrowing with the first quantified limit on borrowing stated in the financial strategy included in this long-term plan. The quantified limit is Net interest expense (after interest rate risk management costs/benefits) on external debt as a percentage of annual rates revenue will not exceed 25%.



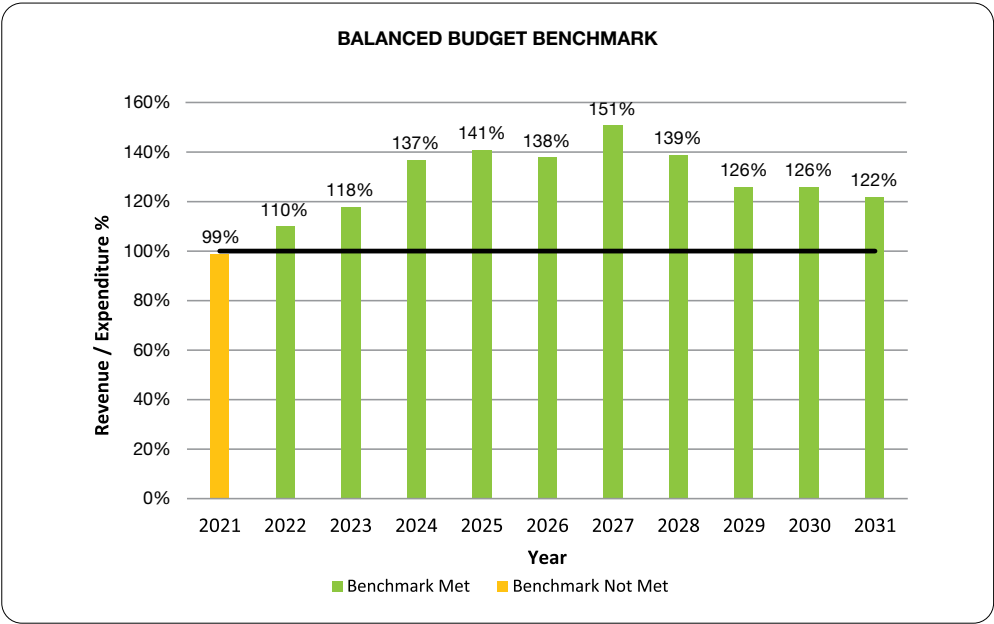
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Financial Prudence - Balanced Budget Benchmark

BALANCED BUDGET BENCHMARK

The following graph shows the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment). The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

Income resulting from Infrastructure Funding and Financing (IFF) arrangements is included in this benchmark between 2023 and 2031.

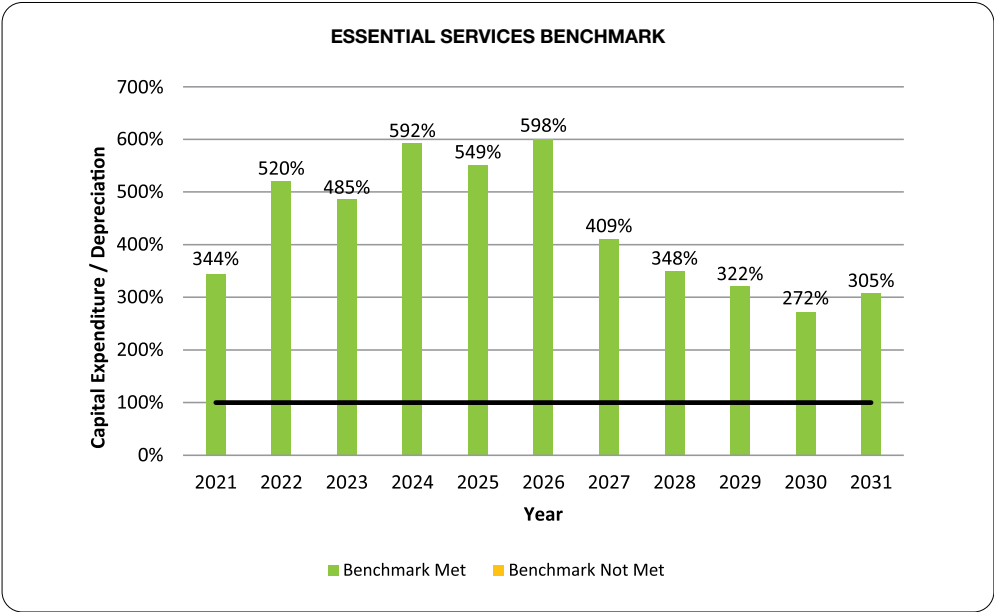


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Financial Prudence - Essential Services Benchmark

ESSENTIAL SERVICES BENCHMARK

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



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Financial Prudence - Calculations

CALCULATIONS

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current Long Term Plan Rates Budget	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Quantified Limit - Long Term Plan	207,378	216,194	266,608	305,221	325,775	362,204	403,072	452,673	498,348	534,060	572,548
Rates Increases Affordability											
Rates Revenue Budget	164,325	201,489	230,774	245,686	272,214	301,832	339,654	375,604	402,214	431,387	463,211
Water by Meter Revenue Budget	25,485	32,789	38,143	42,101	48,320	52,050	56,039	60,396	65,030	69,968	75,146
Rates Increase	5.7%	23.4%	14.8%	7.0%	11.4%	10.4%	11.8%	10.2%	7.2%	7.3%	7.4%
Rating limit/ CPI increase	4.7%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Growth	1.5%	1.9%	1.8%	1.5%	1.2%	1.0%	1.9%	2.4%	2.3%	2.3%	2.2%
Total Rates Increase Limit	6.2%	13.9%	13.8%	13.5%	13.2%	13.0%	13.9%	14.4%	14.3%	14.3%	14.2%
Balanced Budget											
Operating Revenue Budget	247,775	301,173	337,101	359,929	395,914	435,265	482,123	527,785	565,668	605,528	647,825
Plus: Capital subsidy revenue	25,451	57,659	73,769	144,172	157,629	160,930	216,084	184,374	127,310	134,678	119,774
Plus: Investment property revaluation movements	0	0	0	0	0	0	0	0	0	0	0
Plus: Other gains or losses on non financial instruments	792	1,326	1,380	1,436	1,494	1,554	1,617	0	0	0	0
Total Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Operating Expenditure Budget	276,722	326,354	348,924	368,549	392,520	432,980	463,284	512,769	549,147	588,080	627,071
Plus: Other gains or losses on non financial instruments	0	0	0	0	0	0	0	0	0	0	0
Plus: Investment property revaluation movements	0	0	0	0	0	0	0	0	0	0	0
Plus: Provisions Expense	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total Operating Expenditure	277,922	327,554	350,124	369,749	393,720	434,180	464,484	513,969	550,347	589,280	628,271
Revenue/Expenditure	98.6%	110.0%	117.7%	136.7%	141.0%	137.7%	150.7%	138.6%	125.9%	125.6%	122.2%
Essential Services Benchmark											
Capital Expenditure											
Stormwater	7,546	21,118	20,262	60,406	41,334	30,159	39,017	35,672	41,793	44,125	42,104
Wastewater	29,047	65,363	45,805	77,904	49,223	53,974	59,053	75,388	90,976	104,636	103,076
Water Supply	72,109	64,476	39,220	44,988	73,959	101,377	71,304	54,648	63,599	47,137	35,800
Transportation	43,531	95,934	157,848	179,647	207,459	319,447	262,407	245,865	228,428	200,866	238,937
Capital Expenditure on Essential Services	152,233	246,891	263,135	362,945	371,975	504,957	431,782	411,573	424,797	396,765	419,916

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Financial Prudence - Calculations

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Depreciation											
Stormwater	6,260	7,032	9,164	10,430	11,573	12,605	13,546	14,356	15,504	16,792	15,839
Wastewater	13,248	13,010	12,623	14,883	17,352	17,982	19,993	21,440	24,960	27,306	24,654
Water Supply	9,147	10,137	10,065	11,046	12,231	13,897	14,686	15,569	16,984	19,906	15,713
Transportation	15,606	17,302	22,381	24,898	26,593	39,950	57,269	67,073	74,617	81,809	81,389
Depreciation on Essential Services	44,261	47,480	54,233	61,257	67,749	84,433	105,494	118,438	132,065	145,813	137,595
Capital Expenditure as a proportion of Depreciation	343.9%	520.0%	485.2%	592.5%	549.1%	598.1%	409.3%	347.5%	321.7%	272.1%	305.2%
Debt Servicing Benchmark											
Planned Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Expense/Operating Revenue	7.6%	6.0%	6.9%	6.9%	7.3%	7.9%	8.2%	8.7%	8.9%	8.9%	9.3%
Limit	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Debt Affordability Benchmark Limit 1											
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Revenue	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Net Interest Expense	19,619	19,994	23,944	29,385	34,323	40,923	48,661	54,694	57,522	61,506	66,506
Operating Revenue	274,018	360,159	412,250	505,537	555,037	597,749	699,824	712,159	692,978	740,207	767,599
Net Interest Expense/Operating Revenue	7.2%	5.6%	5.8%	5.8%	6.2%	6.8%	7.0%	7.7%	8.3%	8.3%	8.7%
Quantified Limit	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Debt Affordability Benchmark Limit 2											
Interest Expense	20,845	21,466	25,971	32,000	37,336	44,316	52,366	58,945	61,783	66,060	71,168
Interest Revenue	1,226	1,472	2,027	2,615	3,013	3,392	3,705	4,251	4,261	4,555	4,662
Net Interest Expense	19,619	19,994	23,944	29,385	34,323	40,923	48,661	54,694	57,522	61,506	66,506
Annual Rates Revenue	189,810	234,278	268,917	287,787	320,534	353,882	395,693	436,000	467,244	501,355	538,357
Net Interest Expense/Planned Rates Revenue	10%	9%	9%	10%	11%	12%	12%	13%	12%	12%	12%
Quantified Limit	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%

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Financial Prudence - Calculations

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Debt Affordability Benchmark Limit 3											
Planned Net External Debt											
Cash and Equivalents	-	22	22	22	22	22	22	22	22	22	22
Borrowing's Current	49,958	55,623	55,613	115,152	115,725	179,888	189,154	117,317	132,374	201,604	165,771
Borrowing's Non Current	637,012	708,250	834,628	923,697	1,105,502	1,287,803	1,374,786	1,513,214	1,605,505	1,633,129	1,778,783
Total Borrowings	686,970	763,873	890,241	1,038,849	1,221,227	1,467,691	1,563,940	1,630,531	1,737,879	1,834,733	1,944,554
Planned Net External Debt	686,970	763,851	890,219	1,038,827	1,221,205	1,467,669	1,563,918	1,630,509	1,737,857	1,834,711	1,944,532
Planned Net External Debt/Operating Revenue	237.8%	199.7%	204.0%	195.9%	210.3%	235.2%	215.2%	220.4%	240.9%	238.4%	243.8%
Quantified Limit	300.0%	300.0%	295.0%	290.0%	285.0%	280.0%	280.0%	280.0%	280.0%	280.0%	280.0%

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Policies - Revenue and Financing Policy 2021

REVENUE AND FINANCING POLICY 2021

1. PURPOSE

The Revenue and Financing Policy sets out the funding sources for Council's activities over the next 10 years and the rationale for these choices.

The policy also shows how Council has complied with section 101(3) of the Local Government Act 2002 (LGA). The comprehensive section 101(3) analysis that sits behind this policy is documented separately in the Funding Needs Analysis.

2. PRINCIPLES

The following key principles guide the determination of funding sources.

Accessibility – that Council facilities and services should be accessible to as many people as possible.

Affordability – both that Council facilities and services should, wherever possible, be affordable to users and that rates should, to the extent possible, be affordable to ratepayers.

Benefit – that those who benefit from a Council facility or service should contribute to the costs of that facility or service, during the period in which the benefits are expected to occur.

Exacerbators – that those who contribute to the need for a Council facility or service should contribute to the costs

of that facility or service.

Practicalities – the funding of operating and capital expenditure should take account of the practicalities and efficiencies of the available funding methods.

Council must apply judgment in assessing many options to determine the appropriateness in its development of budgets or acquisition of assets and the choice of funding sources to implement these.

3. OPERATING COSTS

Operating expenditure (OPEX) is the money spent on the on-going day-to-day activities and services of Council. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and corporate overheads.

Operating expenditure will be funded each year in accordance with the adopted Annual Plan and Budget.

With regard to OPEX, the following information should be considered;

Balanced budget – In accordance with section 100 of the LGA, Council will set each year's projected operating revenues at a sufficient level to meet the year's projected OPEX, except in limited situations where Council considers it prudent not to do so.

Loans Funding OPEX – Loans will not be used to fund OPEX, unless it is otherwise resolved by Council. Council may resolve to use loans to fund OPEX where the expenditure provides benefits outside the year of operation, such as community grants for assets.

At financial year-end, any surplus, except surpluses in

targeted rates which are held in a reserve for the purpose of that activity, will be used for debt retirement or Council may choose to contribute to risk reserves or other use if resolved by Council. A deficit will be funded through loans.

The funding sources used for operating costs are:

- a. User charges;
- b. General rates;
- c. Targeted rates; and
- d. Grants, sponsorship, subsidies, interest revenue and other.

Council will use Targeted rates where it considers it is appropriate to rate one or more groups of property to reflect a specific benefit received or when it wants to ring fence funding collected. Note that due to borrowing covenant constraints, targeted rates may also be used to fund debt retirement to enable further capital expenditure, as discussed in section 4 Capital Costs.

Grants, sponsorship and other subsidies will be used where they are available. Some of this funding is regular and predictable and therefore can be budgeted. Other funding in this category will be unexpected and cannot be predicted. Subsidies, grants and sponsorship and other income options will be explored prior to rates being used.

Interest on depreciation reserves and interest on sinking reserves will not be used to fund operating expenditure.

Table 1 shows how Council will fund its operating expenditure by activity. This has been determined by the section 101(3) assessment (documented in the Funding Needs Analysis).

Policies - Revenue and Financing Policy 2021

The key opposite the table below explains the extent of each funding source used. Grants, subsidies and sponsorship have the potential to be used across all activities if available. These ranges are expressed as a percentage of the cost of the activity.

Council budgets will normally be set within these indicative ranges. As these ranges are expressed as a percentage of the cost of the activity, they may change over time because of changes in expenditure rather than changes in revenue. If budgets were marginally (less than 10%) outside these ranges, it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the Revenue and Financing Policy.

Name	% Range	Key
Less likely	0%	✗
Low	0-30%	✓
Medium	30-70%	✓
High	70-100%	✓
Potential to be used		✓

* If budgets were marginally (less than 10%) outside these ranges it is unlikely that Council will consider that matter to have a high degree of significance and therefore warrant a consultation to change the Revenue and Financing Policy.

** Support Services and Community, People and Relationships activities are primarily recovered through the other activities listed above

Table 1: Summary of Operating Expenditure Funding Sources by Activity *

Activity Group	Activity	User charges	General rates	Targeted rates	Grants, subsidies, interest revenue & other
City and Infrastructure Planning	City and Infrastructure Planning	✓	✓	✓	✓
Community, People and Relationships	Includes: Democracy Services, Customer Service, Community Relations and Te Pou Takawaenga	✓	✓	✓	✓
Community Services	Arts and Culture	✗	✓	✗	✓
	Venues and Events	✓	✓	✓	✓
	Community Partnerships	✗	✓	✗	✓
	Elder Housing	✓	✗	✗	✓
	Libraries	✓	✓	✓	✓
Economic Development	Airport	✓	✗	✗	✓
	Economic Development	✗	✓	✓	✓
Emergency Management	Emergency Management	✗	✓	✓	✓
Marine Precinct	Marine Precinct	✓	✗	✗	✓
Regulatory and Compliance	Animal services	✓	✓	✗	✓
	Building services	✓	✓	✗	✓
	Environmental Planning	✓	✓	✗	✓
	Environmental Health and Licensing	✓	✓	✗	✓
	Regulation Monitoring	✓	✓	✗	✓

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Table 1: Summary of Operating Expenditure Funding Sources by Activity - Continued

Activity Group	Activity	User charges	General rates	Targeted rates	Grants, subsidies, interest revenue & other
Spaces and Places	Cemeteries	✓	✗	✓	✓
	Beachside Holiday Park	✓	✗	✗	✓
	Marine Facilities	✓	✓	✗	✓
	Spaces and Places	✓	✓	✓	✓
Stormwater	Stormwater	✓	✓	✓	✓
Support Services **	Includes: Asset Services, Capital Programme Assurance Division, Digital Services, Finance, Legal, Risk and Procurement, Human Resources, Property Management, Strategy and Corporate Planning, Strategic Investment & Commercial Facilitation	✓	✓	✓	✓
Sustainability and Waste	Sustainability and Waste	✓	✓	✓	✓
Transportation	Transportation (includes local roading and parking)	✓	✓	✓	✓
Wastewater	Wastewater	✓	✗	✓	✓
Water Supply	Water Supply	✓	✗	✓	✓

4. CAPITAL COSTS

Capital expenditure is the money spent on property, plant and equipment (for example bridges, libraries and swimming pools). Council has three types of capital expenditure.

- **Level of service:** capital expenditure that is not growth related – shifts level of service
- **Growth:** growth related capital expenditure required to provide additional capacity
- **Renewals:** capital expenditure that increases the life of an existing asset with no increase in service level

Table 2 below sets out how the three types of capital expenditure will be funded.

Council does not fund its capital costs on an activity-by-activity basis.

Due to borrowing covenants constraints, rates and user fee funded debt retirement may be required to enable further capital expenditure

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Table 2: Funding Sources for Capital Expenditure

New capital expenditure (not growth related)	Renewals expenditure	Growth-related capital expenditure
Preference 1		
Other sources, where available for example NZTA grants, IFF or regional or subregional funding.	Other sources, where available for example NZTA grants.	Other sources, where available for example NZTA grants,
Preference 2		
Reserves Asset sales	Depreciation Reserves Asset sales	Development/ Financial Contribution Reserves Asset sales
Preference 3		
Loans Funded through general rates or targeted rates or other funding sources.	Loans	Loans Targeted rates or general rates may also be considered for the portion of capital that offers wider benefit.

Depreciation reserves are the accumulated funds retained by each activity from the depreciation on all Council's fixed assets (excluding land). Within each of Council's activities, revenue is raised to fund the depreciation expense, and the money is transferred to a depreciation reserve for that activity.

Development contributions fund growth related capital expenditure over the planning period for an urban growth area, or the capacity life of the project (e.g. the number of years until a pipe reaches capacity and a new pipe has to be built) or the period over which benefits are expected to be provided by the assets resulting from the capital expenditure (limited to a reasonable period in the case of perpetual assets such as land).

Situations in which Council will require a Financial contribution are set out within Council's operative Development Contributions Policy and are payable in accordance with the relevant provisions of Chapter 11 of the Tauranga City Plan.

5. OVERALL FUNDING CONSIDERATIONS

Council is required by section 101(3)(b) of the LGA to consider the overall impact of the allocation of liability for revenue needs on current and future social, economic, and cultural well-being of the community. It allows Council, as a final measure, to modify the overall mix of funding that would otherwise apply after the 101(3)(a) analysis.

In considering the overall impact Council is proposing to:

- increase the commercial differential to 1.6, to

apply to the general rate, resilience rate and the proposed new targeted rates in community, transportation and stormwater.

6. RATES

When determining a rate Council in the exercise of section 101(3)(a) and (b) of the LGA will seek to reflect the following:

- Fairness and equity; in that those who benefit contribute to costs and due consideration is given to the ability to pay.
- Transparency in that rating is clear and readily understandable.
- Simplicity and cost-effectiveness; in administration and implementation

6.1 VALUATION BASIS

The general rate will be set on the basis of capital value. Capital value better reflects the level of benefit a property is likely to receive from services rather than land or annual value.

6.2 UNIFORM ANNUAL GENERAL CHARGE

Council will set and assess a Uniform Annual General Charge for each separately used or inhabited part of a rating unit. Every rating unit will make a minimum contribution to councils' costs. Council sets the Uniform Annual General Charge, and other rates set on a uniform basis, excluding wastewater, at around 10% of the total rates requirement to assist with affordability for lower value properties.

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6.3 RATES DIFFERENTIALS

It is the council's view that some land uses receive more benefit from, or place more demand on, council services and/or may have a differing ability to pay rates. The differentials will be determined based on location or land use on the activities that are permitted, controlled or discretionary for the area in which the land is situated.

After considering both the overall impact on the community and the benefits to the commercial sector from the stormwater, transportation, and community and resilience activities Council proposes to increase the commercial differential for these activities. Initially, the Commercial Differential will be a factor of 1.6 on the base rate. This is greater than the previous factor and could be subject to further review in years two and three of this Long-term Plan through the annual plan consultation.

6.4 TARGETED RATES

The council uses targeted rates where there is a clearly identifiable group benefiting from a specific council activity. Targeted rates will apply to properties that receive certain services, or which are located in specific areas. Targeted rates may also be used where council wishes to incentivise development in areas where infrastructure investments have been made and/or provide more certainty over the timing of payments for those investments. Targeted rates may also apply universally to fund a specific group of activities projects or outcomes where a greater degree of transparency, accountability, and/or and ring fencing of funding is desired.

7. RELEVANT DELEGATIONS

The implementation of this Policy is delegated to the Chief Executive and/or his/her sub-delegate.

8. REFERENCES AND RELEVANT LEGISLATION

The Funding Needs Analysis for the Revenue and Financing Policy 2021-2031, provides the background and analysis to explain the funding decisions made by Council.

The following legislation direct this policy:

- Local Government Act 2002: Section 101, 102, 103.

This policy is also supported by the following policies:

- Funding Depreciation and Use of Depreciation Reserves
- Development Contributions
- City Investment Partnerships
- Strategic Property
- Rates Remission
- Rates Postponement
- Rates Remission and Postponement on Māori Freehold Land

Policies - Funding Needs Analysis

FUNDING NEEDS ANALYSIS

1. PURPOSE AND SCOPE

1. The Funding Needs Analysis provides the background and analysis to explain the funding decisions made by Council. It is guided by the principles in the Revenue and Financing Policy.
2. Council must comply with section 101(3) of the Local Government Act 2002 (LGA). For each activity, Council must determine the appropriate sources of funding that will meet the funding needs of each activity (step one). In determining this Council must take into consideration the:
 - community outcomes to which the activity primarily contributes;
 - distribution of benefits between the community as a whole, any identifiable part of the community, and individuals;
 - period in or over which those benefits occur;
 - extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
 - costs and benefits, including the consequences for transparency and accountability, of funding the activity distinctly from other activities.
3. Having completed the above analysis Council

must then consider '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' (step two).

2. FUNDING SOURCES FOR OPERATING EXPENDITURE

4. Operating expenditure is the day to day spending that maintains the services delivered by Council. This includes contributions to the wear and tear on assets used (depreciation), interest charges on borrowing for capital projects and corporate overheads.
5. Section 103(2) sets out the funding sources that Council must consider in developing a Revenue and Financing Policy. The funding needs analysis considers all of these funding sources.
6. The available funding sources for operating expenditure under the Local Government Act 2002 include:
 - User Charges
 - Grants, sponsorship, subsidies and other income
 - Investment income
 - Financial contributions
 - Reserve funds
 - Borrowing

- Rates
 - o General rates
 - o Targeted rates
- 7. Tauranga City Council may use all of the above sources to fund operation costs, the most common are:
 - User charges
 - Grants, sponsorship, subsidies, interest revenue, borrowing and other
 - General rates; and
 - Targeted rates
- 8. Council must consider the funding for each activity after considering the 5 criteria of section 101(3)(a) step one (see **Table 1**).
- 9. **Table 4** documents Council's section 101(3)(a) consideration for each activity.

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Table 1: Legal requirements for operating costs

Step one reference	Considerations
Community outcomes - s.101(3)(a)(i)	Determine which of its community outcomes an activity primarily contributes to. Need to consider how their funding choices will contribute to the community outcomes
Distribution of benefits -s.101(3)(a)(ii)	Consider how the benefit of an activity applies to households, businesses and the community as a whole. Determining this involves the exercise of judgement by Council. It is inherently subjective. Where Council considers there is a clearly identified relationship between users and the services provided then Council is will consider fees and charges or targeted rates. Where Council considers the services provide a benefit to the community as a whole; or where Council is not able to identify a strong or direct relationship between users and the service the Council will consider general rates.
Period of benefit – s.101(3)(a)(iii)	For most operational expenses the benefit is received in the year the expense is incurred. For most activities Council funds depreciation (an operating expense) from revenue sources and this is recorded in reserves for the future renewal of assets. Some operational expenses (provisions) may have a benefit over multiple years and so Council may choose to fund the activity over that period.

Step one reference	Considerations
Who creates the need - s.101(3)(a)(iv)	Some services Council must do because the actions or inactions of individuals or groups create the need to undertake the activity. Council may choose to target these people or organisations through fines, charges or rates
Separate funding - s.101(3)(a)(v)	Council must consider the practicalities of separate funding along with transparency and accountability. In some cases, while it may be desirable to charge individuals there may be no practical way of doing so. For all activities Council must identify what proportion of operational expenses is recovered from each funding source.

3. FUNDING BANDS

10. After considering the section 101(3)(a) components, Council considers how much of each funding source is allocated to fund each activity.
11. This Funding Needs Analysis is intended to be in place for the next three years before it is reviewed and because things change over time, it is not possible to precisely determine the percentage allocated. Therefore, Council has decided to band the percentage into the categories listed in **table 2**.

Table 2: Funding Bands

Name	Range
Unlikely	0
Low	0-30%
Medium	30-70%
High	70-100%
Potential to be used	*

The assessment in **Table 4** identifies which of the funding sources Council plans to use in budgeting to fund the operating costs of each activity.

4. OVERALL IMPACT FUNDING CONSIDERATIONS

12. After completing the **Step 1** analysis for each activity Council must then determine the 101(3)(b) **Step 2**. Consideration of 'the overall impact of

Policies - Funding Needs Analysis

any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community'

13. This step 2 process allows Council to modify the impact of its funding choices in response to these considerations.

5. FUNDING SOURCES FOR CAPITAL COSTS

14. Capital costs are the money spent on creating assets such as property, plant and equipment that provide benefits and enable Council to deliver goods and services over a number of years.
15. There are three types of capital expenditure
 - a. **Level of Service:** capital expenditure that is not growth related – shifts level of service
 - b. **Growth:** growth related capital expenditure required to provide additional capacity
 - c. **Renewals:** capital expenditure that either replaces or continues the life of an existing asset with no increase in service level
16. A capital project is expected to contribute to community outcomes in the same way as the activity in which it is funded, unless Council resolves otherwise.
17. Capital expenditure benefits the same groups as the operating expenditures for each activity.

Council may choose to target specific groups through use of financial and development contributions, lump sum contributions or targeted rates. When financial and development contributions are used the distribution of benefits and rationale regarding funding sources is discussed within the Development Contributions policy.

18. For most capital projects the benefit is received over the life of the assets. Council will have regard to the equitable distribution of costs over time for the building and renewal of the assets.
19. Some capital costs are due to the actions or inactions of individuals or groups that create the need to undertake the activity. Council may decide to target these people or groups to help fund the capital expenditure.
20. Council will also consider the practicalities of separate funding along with transparency and accountability.
21. Council's preferences when considering the funding of capital projects are set out in table 3 to the right.

Table 3: Funding Sources for Capital Expenditure

New capital expenditure (not growth related)	Renewals expenditure	Growth-related capital expenditure
Preference 1		
Other sources, where available for example NZTA grants, IFF or regional/ sub regional funding.	Other sources, where available for example NZTA grants.	Other sources where available for example NZTA grants, IFF or regional/ sub regional funding.
Preference 2		
Reserves Asset sales	Depreciation Reserves Asset sales	Development/ Financial Contribution Reserves Asset sales
Preference 3		
Loans Funded through rates or targeted rates or other funding sources	Loans	Loans Targeted rates or general rates may also be considered for the portion of capital that offers wider benefit.

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Table 4: Funding needs analysis by activity – operating expenditure

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
City and Infrastructure Planning											
City and Infrastructure Planning	Promotes sustainable management of Tauranga City's natural and physical resources for existing and future people and communities.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Council, the community and the development industry to facilitate planned and sustainable growth.	Benefit is expected to arise in the year funding is sourced. However, some benefits to future generations occur in the future.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user charges assists in the accountability and transparency of Council's expenditure on this activity	LOW	MED	LOW	MED	The use of the general rate to fund City & Infrastructure Planning recognises that the benefits are to the whole community and are property based. Targeted rates provide transparency and certainty for funding.

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community, People and Relationships											
Activities include: Democracy Services, Customer Service, Community Relations and Te Pou Takawaenga Māori Unit	Enables democratic, local decision-making and action by and on behalf of our communities	We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	All members of the community benefit from this activity	Benefit is expected to arise in the year funding is sourced	The actions of individuals and groups impact on this activity	Council considers that there is little benefit of separate funding for this activity	LOW	HIGH	LOW	HIGH	General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefits to the whole community.
Community Services											
Arts & Culture	Understanding of our heritage and experiencing art and the opportunity to share artwork.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Those people who access the Art Gallery, either as a visitor or an exhibitor. The community as a whole has a collective sense of history and art is celebrated.	Occurs in the year funding is sourced.	Those accessing the Art Gallery show a need for this activity. The actions of most individuals and groups have a minor impact on this activity.	Council considers that there is little benefit from separate funding for this activity.		HIGH		LOW	General rates are the appropriate funding source for the community as they are easy to administer, and it recognises the benefit from art and heritage promotion.

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Community Partnerships	Empowers communities to actively participate, make decisions and work towards self-reliance to build strong, resilient sustainable communities.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity.	All members of the community benefit from this activity.	Benefit is expected to arise in the year funding is sourced. Benefits are on-going for the community.	The actions of most individuals and groups have a minor impact on this activity.	Council considers that there is little benefit of separate funding for most of this activity.		HIGH		LOW	General rates are the appropriate funding source for households and businesses as they are easy to administer and recognises the benefit from community development.
Elder Housing	The provision of long term affordable accommodation for low income residents over the age of 65.	We are inclusive, and value our culture and diversity.	Tenants primarily benefit from elder housing. The community also indirectly benefits as this activity supports the community outcome of inclusive safe and healthy.	Benefits to individual tenants last for as long as the accommodation is used. Benefits are ongoing for the community	The actions of most individuals and groups have a minor impact on this activity. Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.		HIGH		LOW	The use of fees and charges in the form of rent, represent the benefit to the individual tenants.

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Events and Venues	Economic and social benefits including encouraging visitors to Tauranga, contributing to community pride, and belonging.	We have a well planned City. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Individuals, visitors, businesses and the community.	Benefit is expected to arise in the year funding is sourced.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user charges assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	POTENTIAL	LOW	The use of the general rate to fund Events and venues recognises the benefits to the whole community. Where it is reasonable and practical, direct customers will be charged to generate revenue from external users.

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Community Services											
Libraries	<p>Provides a hub for community connection.</p> <p>Provides accessible educational opportunities, supports literacy and encourages lifelong learning, research and innovation.</p> <p>Preservation and sharing of Tauranga history and taonga.</p> <p>Programmes, events and learning opportunities engage the community</p>	<p>We have a well planned city.</p> <p>We support business and education.</p> <p>We are inclusive, and value our culture and diversity.</p>	<p>The primary benefit is to those that borrow and use library material and resources.</p> <p>Benefits also accrue to the wider community through the availability of library resources.</p>	<p>Benefit is expected to arise in the year funding is sourced.</p>	<p>The actions of individuals and groups have a minor impact on this activity.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	LOW	HIGH	LOW	POTENTIAL	<p>The private good component of the library activity is recovered through user charges and fines.</p> <p>High levels of user charging will in many cases, restrict accessibility to those who currently benefit the most for the activity.</p> <p>General rates are the appropriate funding source for households as they are easy to administer and recognise the benefits of the libraries.</p>

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Economic Development											
Airport	Provides a facility for air transport services to connect Tauranga with the rest of the country and the world.	We support business and education. We can move around our city easily. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Individuals users of the airport Those who lease Airport land to operate their businesses Business and community as it brings visitors to the city.	Occurs in the year funding is sourced.	Individuals using the airport as passengers, to transport goods and for aviation education. Those who lease Airport land to operate their businesses.	Appropriate to separate out funding required by direct airport users to assist accountability and transparency.	HIGH			LOW	User fees and charges recognise that the benefits of the airport activity occur to individual users of the airport. These are well established methods for charging airport users.
Economic Development	Facilitates value creation and employment opportunities to enable our economy to become more competitive, resilient and sustainable.	We support business and education. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	Benefits from this activity are considered to be received by businesses in Tauranga. Indirect benefits accrue to the city as a whole from the efforts to grow the economy.	Economic incentives could accrue over a number of years as a result of some costs. However, the benefit of most operating expenditure is expected to arise in the year funding was sourced.	The actions of individuals and groups impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW		A targeted rate acknowledges that the benefit of this activity goes to commercial ratepayers. The contribution from general rates recognises the community benefit from this activity.

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Emergency Management											
Emergency Management	Reduces the risk from hazards by ensuring a coordinated effective response during civil emergencies and business continuity incidents.	We value and protect our environment. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	The whole community benefits from the emergency management activity.	The benefit comes from having plans in the event of an emergency at some time in the future. The annual operating costs ensures that there are up to date plans and staff and volunteers are trained. This benefit occurs in the year that funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Council considers that there is little benefit from separate funding for this activity.		HIGH	LOW	POTENTIAL	The whole community benefits from planning for an emergency so this activity is fully rates funded. A targeted rate for resilience provides transparency and certainty for funding emergency preparedness. It also acknowledges the benefit received from emergency preparedness.
Marine Precinct											
Marine Precinct	Delivers a purpose built marine servicing facility.	We value and protect our environment. We support business and education.	Those using the marine precinct – predominately the marine and fishing industries.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.		HIGH		POTENTIAL	User charges recognise the benefits for people who use marine precinct.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Animal Services	Maintains animal control. People feel safe.	We value and protect our environment	Dog owners	Occurs in the year funding is sourced.	Actions or inactions of animal owners create costs for this activity and negatively impact on the community.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on the dog control part of this activity.	HIGH	LOW		LOW	User charges recognise that the benefit of registration activities are to dog owners.
	Dog registration benefits dog owners by allowing legal ownership and enabling impounded dogs to be traced.	We are inclusive, and value our culture and diversity.	Wider community -benefit from the city being safer from dangerous dogs and other animals the public nuisance is reduced.		The negative impacts affect the whole community.						General rates are the appropriate funding source for the wider community as they are easy to administer, and it recognises the benefit from animal control.
						It is not practical to separate out the funding for the control of stock and other animals.					

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Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Building Services	Implements processes to ensure buildings are safe and legally compliant.	We value and protect our environment. We have a well planned city. We are inclusive, and value our culture and diversity.	Individuals that apply for consents and use the other services in this area. Also provides safety benefits to the public entering buildings and future owners and occupiers of the buildings. Information is supplied to public through inquiries. Wider community benefits from enhancing the safety of the buildings.	Occurs in the year funding is sourced.	The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH	LOW		LOW	Users charges recognise the benefits from building owners having their building certified legally compliant. General rates are the appropriate funding source for the community as they are easy to administer, and it recognises the safety benefit to the community.

NOTE: Subsidies for building consents relating to the installation of solar panels are completely funded by general rates.

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Environmental Planning	Enables sustainable growth and development throughout the city.	We value and protect our environment.	Individuals who apply for resource consents and use the other services of this activity such as accessing information relating to planning issues.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups drive the costs of this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED		MED	POTENTIAL	User charges recognise the benefits for people who apply for resource consents.
	Delivers assets associated with the subdivision and land development processes that are fit for purpose.	We have a well planned city.	This activity also provides benefits to those other than the applicant such as occupiers of the building and future owners.								General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit of a safer community.
		We support business and education.	The whole community benefit as this activity seeks to protect Tauranga's unique environment and quality of life.								
		We are inclusive, and value our culture and diversity.									
	We can move around our city easily.										

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Environmental Health and Licensing	Creates a safe and healthy environment through the effective regulation of key legislation.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity.	The benefit of inspection and licensing of premises occurs mostly to business owners. The benefit of public health by ensuring those premises meet requirements is a benefit to the community	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity. However, those who breach or complain about alleged breaches of regulations contribute to the need for this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED	MED		POTENTIAL	User charges recognise the benefits for people who apply for resource consents. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit of a safer community.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Regulation Monitoring	Ensures and encourages compliance with the city's bylaws and various Land Transport legislation. Contributes to community well-being by responding to social issues and promoting road safety.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily.	The whole community benefits from the efficient monitoring of bylaws.	Benefit is expected to arise in the year funding is sourced.	The actions of some individuals and groups have an impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	POTENTIAL	User charges and fines recover costs from those using the services and breaching the bylaws. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit to the community.	

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Regulatory and Compliance											
Cemeteries	The provision of supportive cemetery and cremation services.	We value and protect our environment. We are inclusive, and value our culture and diversity.	Those using the services of the cemetery and crematorium. The Community also benefit through the protection of public health and the maintenance of cemeteries and cemetery records for future generations to locate their ancestor's burial plot/site.	Expected to arise in the year funding is sourced. However, some benefits to future generations occur in the future.	The actions of some individuals or groups have some impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH		POTENTIAL	LOW	Individuals pay user charges for the initial acquisition and use of burial site or the crematorium.

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Beachside Holiday Park	Provides accommodation and on onsite visitor information centre at the base of Mauao. Encourages tourism and a social atmosphere in the Mount North area. Generates revenue for Council.	We support business and education.	Those using the accommodation. The business community also benefits from visitor spending. The wider community also indirectly benefit from the revenue generated by the activity.	Occurs in the year funding is sourced.	Those using accommodation indicate the need for this. The actions of most individuals and groups have a minor impact on this activity.	Identifying separate user pays funding assists in the accountability and transparency of Council's expenditure on this activity.	HIGH			LOW	User charges recognise the benefits from the Beachside activity are to those using the accommodation.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Marine Facilities	Provides both recreational and commercial marine facilities. Leases land and commercial premises in marine areas.	We value and protect our environment. We have a well planned city. We support business and education.	Benefits accrue to commercial and recreational users of marine facilities and leaseholders of land and premises held by the Marine activity. Benefits also accrue to the wider community through the provision of safe marine structures.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	MED	MED	LOW	User charges recognise the benefits for people who use marine facilities. General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefits of marine facilities to the community.	

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Spaces and Places											
Spaces and Places	Protects and enhances a network of quality reserves and community facilities, that enable a range of experiences and services to the community. Protects the environmental, cultural, heritage, ecological and biodiversity values of the varied open spaces.	We value and protect our environment.	Benefits accrue to the users of facilities and spaces and to the whole community for the maintenance of quality natural environments. Users of facilities and areas of the environment also come from outside the community from the wider region and through national and international visitors.	Benefit is expected to arise in the year funding is sourced.	The actions of individuals and groups have a minor impact on this activity.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW	LOW	User charges set at an appropriate level to promote the sustainable use of these facilities. Targeted rates acknowledge the higher level of service for some areas and can also ring fence revenue for investment on particular amenities over time General rates are the appropriate funding source for households and businesses as they are easy to administer and recognise the benefit to the community.
		We have a well-planned city.									
		We support business and education.									
		We are inclusive, and value our culture and diversity.									
		We can move around our city easily.									

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Stormwater											
Stormwater	Management of stormwater to reduce flooding and prevent water contamination for all residential, commercial properties.	We value and protect our environment We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity.	Both households and businesses receive benefits as their properties are protected from flooding. Areas with less permeable surfaces benefit from stormwater infrastructure This extends to the wider community as storm water is also removed from public places such as the roading and public health and safety is protected.	Benefit of most operating costs is expected to arise in the year funding is sourced. Some benefits - from the stormwater reserve fund are likely to arise in the future.	The actions of some individuals and groups impact on this activity. For example, some stormwater runoff is a direct result of land works and individual actions. Properties with less permeable surfaces also create more need. The Freshwater NPS will put more pressure on treating stormwater.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	HIGH	LOW	LOW	Funding from a from a mix of general and targeted rates reflect the benefit to property owners and the wider community benefit of stormwater management. Increased funding from targeted rates allows for the ability to better reflect the impact from different sectors on stormwater infrastructure in the future. Properties with less permeable surfaces have a greater stormwater requirement. A targeted rate for resilience also acknowledges the benefit received by households and businesses from emergency preparedness.

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Activity: Support Services											
Activities include: Asset Services, Strategic Investment & Commercial Facilitation, Digital Services, Finance, Infrastructure Delivery, Legal, Risk and Procurement, Human Resources, Property Management and Strategy and Corporate Planning	Contribute to the other activities by enabling them so indirectly contribute to all of the outcomes.	We value and protect our environment. We have a well planned city. We support business and education. We are inclusive, and value our culture and diversity. We can move around our city easily.	The wider community benefits as corporate services enable all other Council activities to provide services to the community.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals.	Council considers that there is little benefit of separate funding for this activity.	LOW	LOW	LOW	HIGH	Corporate services are primarily recovered through the other activities listed above.

* Support Services work collaboratively with other activities so indirectly contribute to all of the outcomes.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Sustainability & Waste											
Sustainability & Waste	Improves sustainability and ensures the protection of public health and the environment via managing the collection and disposal of the community's waste.	<p>We value and protect our environment</p> <p>We are inclusive, and value our culture and diversity.</p> <p>We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.</p>	<p>Individuals benefit directly from waste collection and waste facilities. Businesses benefit from waste facilities</p> <p>The whole community including business benefits from waste minimisation, education, improved sustainability performance and waste collection.</p> <p>Benefits primarily to individual users and partly to the whole community.</p>	<p>Benefit of most operating costs is expected to arise in the year funding is sourced.</p> <p>Some benefits from the sustainability initiatives are likely to arise in the future.</p>	<p>The actions of individuals and groups impact on this activity. This activity is required because waste is created.</p> <p>Individuals and business create waste.</p>	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW	LOW	HIGH	LOW	<p>The actions of individuals or groups create the need to have this activity. Targeted rates and user fees and charges appropriately recognise this.</p> <p>The new kerbside waste collection and recycling service provides benefits that households have access to. A targeted rate appropriately recognises this benefit.</p> <p>Funding from the general rate reflects benefit of waste collection in public spaces and the benefits to the whole community of having waste disposed of safely.</p> <p>The fees and charges at landfill and transfer stations reflect the benefits.</p>

Long-term Plan Amendment 2021-2031

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Transport											
Transport (includes local roading and parking)	Management of the transport network, road safety and access to different modes of transport.	<p>We support business and education.</p> <p>We are inclusive, and value our culture and diversity.</p> <p>We can move around our city easily.</p> <p>We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.</p>	<p>Everyone in the community benefits from their personal use of the transport network and parking management. The business sector relies on the transport network for the movement of goods, including employees and customers. Users of transportation include people and businesses from outside the city.</p> <p>The benefits are expected to accrue primarily to businesses, both within the city and in the wider region or nationally (e.g., due to access to the port) along with local road users for personal use.</p>	<p>Benefit is expected to arise in the year funding is sourced.</p>	<p>There is an impact of action or inaction of others.</p> <p>Costs are driven by traffic volumes and size. Large vehicles have a greater impact on roads than cars and other forms of transport.</p>	<p>Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.</p>	LOW	HIGH	LOW	LOW	<p>There are limited practical options for charging for the individual benefits received from using the transport network. Tolling is one practical way however it requires an Order in Council to be made*.</p> <p>Grants from other organisations, particularly NZTA, that are funded from licensing revenue represent some element of user pays.</p> <p>General and targeted rates are the appropriate funding source for households and businesses as they are easy to administer and reflect the benefit to residents and businesses from the transport network.</p> <p>Parking management is fully funded by user fees (parking fees and fines) to reflect the benefit received from those using parking spaces.</p> <p>Targeted rates may be used to fund operations, maintenance and renewal where a project benefits a group or sector ratepayers.</p> <p>A targeted rate for resilience also acknowledges the benefit received from emergency preparedness.</p>

* An Order in Council is a type of legislative instrument that is made by the Executive Council lead by the Governor-General

* An Order in Council is a type of legislative instrument that is made by the Executive Council lead by the Governor-General.

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Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Wastewater											
Wastewater	Provides a network of infrastructure to manage sewage, protecting public health and the natural environment.	We value and protect our environment We have a well planned city. We are inclusive, and value our culture and diversity.	All households, organisations and businesses that are connected to Council's wastewater system benefit from safe, sanitary removal of wastewater from their homes and businesses. The whole community benefits by protecting public health and the environment. Households and businesses who use more water are likely to benefit more from Council's wastewater system.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals. Heavy commercial producers have an adverse impact greater than most users.	Identifying separate funding assists in the accountability and transparency of Council's expenditure on this activity.	LOW		HIGH	LOW	In most cases, it is not practical to measure the quantity of each individual's contribution to the wastewater system. In the case of heavy commercial users of the waste system it is practical to measure the volume and quality of waste and charge appropriately for this through user fees and charges. Targeted rates are the appropriate funding source for households and businesses as they access the benefit from the wastewater activity. A targeted rate for resilience also acknowledges the benefit received from emergency preparedness.

Long-term Plan Amendment 2021-2031

Policies - Funding Needs Analysis

Activity	Nature of benefit	Community Outcomes	Beneficiaries	Period of benefit	Who creates need?	Separate funding	Proposed Funding Sources				Rationale for Funding
							Fees & Charges	General Rates	Targeted Rates	Grants, subsidies, interest revenue, borrowing & other	
Water Supply											
Water Supply	Provides residents and businesses with drinking water.	We value and protect our environment. We have a well-planned city. We support business and education. We are inclusive, and value our culture and diversity. We recognise we are an integral part of the wider Bay of Plenty region and upper North Island.	All those connected to Tauranga's water supply system. There are also some benefits to the community from the provision of drinkable water. This includes public health benefits and water for firefighting and the benefits of reliable water supply to the economy.	Benefit is expected to arise in the year funding is sourced.	Limited impact from the actions or inactions of individuals. Large water users create a greater need.	Identifying separate funding – in the form of a targeted rate based on water use - assists in the accountability and transparency of Council's expenditure on this activity.	LOW		HIGH	LOW	Metered water rates (targeted rates) are appropriate for charging those that benefit from the supply of drinkable water. A targeted rate for resilience also acknowledges the benefit received from emergency preparedness to those using water from the water supply.

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Policies - Rates Postponement

1. POLICY OBJECTIVES

- To provide rating relief to ratepayers experiencing financial hardship
- To provide rating relief to ratepayers whose farmland has increased in value due to the potential residential, commercial or other non-rural use.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing Policy apply.

3. DEFINITIONS

Farmland means land which is used principally or exclusively for agricultural, horticultural, or pastoral purposes, or for the keeping of bees or poultry or other livestock.

Ratepayer means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rate postponement means the payment of rates is not remitted but delayed until a certain time, or until certain events occur.

4. POLICY STATEMENT

4.1 GENERAL

Postponements will be considered under this policy on receipt of a postponement application.

When considering any postponement Council will take into account the circumstances at the time payment was due.

Postponed rates will be registered as a statutory land charge on the rating unit title.

A postponement fee will be added to the postponed rates reflecting the administrative and financial costs of postponement.

When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council, and will:

- State the amount of postponement; and
- State that a postponement fee will be charged; and
- State the timeframe or conditions upon which the postponed rates will become due and payable; and
- Acknowledge that the postponed rates will be registered as a charge against the land.
- Be signed by both parties.

4.2 FINANCIAL HARDSHIP

Ratepayers with at least 25% equity in their property, who are unable to access financial assistance from private sector financial institutions, and have applied for a rates rebate, may be able to postpone part of the rates. The ratepayer will be required to pay the first \$1,000 of the rates.

Ratepayers applying for a rates postponement on the grounds of extreme financial hardship must provide evidence of their financial circumstance.

Any postponed rates will be postponed until the:

- death of the ratepayer(s); or
- the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- the ratepayer(s) ceases to use the property as his/her residence; or
- the date specified by the Council in the postponement agreement.

The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

4.3 FARMLAND

Council will postpone rates on farmland where the value of the rateable unit is influenced by the potential residential, commercial or other non-rural use.

The level of postponement granted will be based on the difference between the rateable value of the rateable unit and the valuation of a comparable farmland rating unit elsewhere in the district or surrounding district, as determined by Council's valuation service provider. Council's valuation service provider's decision is final.

If the rating unit is subdivided, changes use, or sold all rates postponed and unpaid for six years or less will become payable on the issue of a resource or building consent that is not principally for agriculture, horticulture or pastoral purposes, or the issue of a separate Record of Title for the sub-divided land.

Policies - Rates Postponement

5 RELEVANT DELEGATIONS

The following officers, and all officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Team Leader: Revenue Services

Any officer who performs or exercises the same or substantially similar role or function as to the officer above, whatever the name or his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (in particular section 87)

Local Government Act 2002

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Policies - Remission and Postponement of Rates on Māori Freehold Land

1. POLICY OBJECTIVES

- To enable Council to acknowledge the special circumstances where there is no occupier or person gaining an economic or financial benefit from the land.
- To provide relief for land that is appropriately set aside for non-use due to its natural features.
- To provide relief where the land may be physically inaccessible.
- To recognise and take account of the presence of waahi tapu that may affect the use of the land for other purposes.
- To grant remission for the portion of unoccupied land where a block of land is partially occupied.
- To facilitate the development and use of the land for economic use where Council considers utilisation would be uneconomic if full rates are required during the years of development.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing policy apply.

Under Section 91 of the Local Government (Rating) Act 2002, Māori freehold land is liable for rates in the same manner as if it were general land.

Council and the community benefit through the efficient collection of rates that are properly payable and the removal of rating debt that is considered non collectible.

3. DEFINITIONS

General Rate is the rate that the local authority sets for the general purposes of the local authority.

Māori Freehold Land is land which has beneficial ownership that has been determined by a Freehold Order issued by the Māori Land Court.

Occupied land is land used as a place of residence, or occupied for a period of time exceeding six months in a calendar year.

Ratepayer means the person or persons identified in the rating information database as the person who is liable for rates – generally that person is the owner of the rating unit.

Rating Unit is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates. The main criteria is the existence of a separate Record of Title.

Remission is the requirement to pay the rate for a particular financial year is forgiven.

Residential means the use of land and buildings for domestic or related purposes.

Services Charges are a targeted rate specifically relating to the provision of water and wastewater services to a rating unit.

Unutilised Land is land that has not been developed from its natural state and not generating revenue and not used in any way, other than for the purposes of vegetation control.

Waahi Tapu means the place sacred to Māori in the traditional, spiritual, religious, historical, or mythological

sense. Those places defined as 'waahi tapu' vary from hapu to hapu.

4. POLICY STATEMENT

In determining this policy, Council has considered the matters set out in Schedule 11 of the Local Government Act 2002.

4.1 RATES REMISSION

Tauranga City Council will assess all Māori freehold land on an annual basis to determine the eligibility of rates remission using the below criteria.

Remissions will also be considered on receipt of a remission application, to ensure an opportunity for specific properties to be considered on a case-by-case basis exists.

Applications for remission must be in respect of Māori freehold land.

Applications for remission are to specify:

- the number of owners on the land; and
- the physical location of the land; and
- the nature and extent of any Waahi Tapu and the impact of that Waahi Tapu on land development and usage; and
- the amount of income being derived from the block; and
- whether the land is occupied and to what extent it is occupied; and
- whether the block of land is connected to Council services e.g. water and sewerage; and

Policies - Remission and Postponement of Rates on Māori Freehold Land

- whether there are any potential development options for the block of land.

Consideration of the above will determine whether a remission will apply.

4.2 LEVEL OF REMISSION

Occupied Properties

The level of remission will be negotiated with an owner or occupier according to the benefits of occupation, having regard to equity with charges made to other ratepayers. No remission will be applied to Uniform Annual General Charges on occupied land.

Unoccupied Properties with Multiple Owners

Where the land is unoccupied, unutilised, not suitable for occupation and ownership is fragmented so that any form of collection action is impractical, then full or partial remission may be granted to both General rates and Uniform Annual General Charges.

Partitions for Building Sites Subject to Te Ture Whenua Māori Act 1993

Rates may be remitted on vacant Māori freehold land which has been partitioned under Te Ture Whenua Māori Act 1993 and the land has two or less owners.

4.3 POSTPONEMENT OF RATES

A postponement of rates will be considered on receipt of an application and where land is:

- unoccupied; and
- has no service connection; and
- has the potential for development

When an application to postpone rates has been approved, a formal postponement agreement will be entered into by both the ratepayer and Council and will:

- state the amount of postponement; and
- state the timeframe or conditions upon which the postponed rates will become due and payable; and
- acknowledge that the postponed rates will be registered as a charge against the land; and
- be signed by both parties.

The postponed rates or any part thereof may be paid at any time. The ratepayer may elect to postpone the payment of a sum lesser than that which the ratepayer would be entitled to have postponed under this policy.

5. RELEVANT DELEGATIONS

The following officer, and all of the officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies (and therefore rates are postponed or remitted), including the exercise of any Council discretion provided for in the policy, and to sign on behalf of Council the postponement agreements.

Manager: Transaction Services

Revenue Collections and Māori Land Specialist

Any officer who performs or exercises the same or substantially similar role or function as to the officers above, whatever the name or his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (Section 87).

Local Government Act 2002 (Section 108, Schedule 11).

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Policies - Rates Remission

1. POLICY OBJECTIVES

- To enable Council to acknowledge the special circumstances of particular ratepayers.
- To provide targeted financial relief to community organisations.
- Provide relief to ratepayers who have excessive water rates due to a leak.

2. PRINCIPLES

The overarching principles identified in the Revenue and Financing Policy apply.

3. DEFINITIONS

General rate is a rate that the local authority sets for the general purposes of the local authority.

Uniform Annual General Charge (UAGC) is a fixed dollar rate set on each separately used or inhabited part of a rating unit for the general purposes of the local authority.

Wastewater rate is a fixed dollar targeted rate set on the number of water closets and urinals within the rating unit.

Ratepayer is the person or persons identified in Council's rating information database as the person liable for rates – generally that person is the owner of the rating unit.

Rates penalty is an additional rates charge made when payment is not received by the due date specified.

Rating unit is defined in the Rating Valuations Act 1998. It is the block of land which attracts the liability for rates.

The main criterion is the existence of a separate Record of Title.

Remission means the requirement to pay the rate for a particular financial year is forgiven in whole or in part.

Residential means a rating unit whose primary use is residential, rural, education, recreation, leisure or conservation.

Commercial means a rating unit whose primary use is commercial, industrial, port, transportation or utilities network, and includes any land not in the residential category.

4. POLICY STATEMENT

4.1 GENERAL CONSIDERATION

When considering any remission Council will take into account the circumstances at the time the rates are set.

4.2 REMISSION OF UNIFORM ANNUAL GENERAL CHARGE (UAGC)

Council may remit on application the additional UAGC for a separately used or inhabited part of a rating unit where a person is unable to fully utilise the unit's facilities e.g. due to disability and/or age.

Utilities owned by Tauranga City Council will receive 100% remission of Uniform Annual General Charges (as such rates would otherwise be indirectly recovered from ratepayers).

4.3 REMISSION OF GENERAL RATES

Utilities owned by Tauranga City Council will receive 100% remission of General rates (as such rates would

otherwise be indirectly recovered from ratepayers).

4.4 RATES PENALTY

In order to provide relief of penalties incurred on unpaid rates where specific events or circumstances have occurred, Council will remit penalties on rates where any of the following apply and a remission application has been received:

- An agreement has been reached for the ratepayer to make payment within two weeks of the penalty being issued or make regular automatic payments to settle all arrears and current rates within the current rating year, and the ratepayer has a good payment history (being three clear years' history without penalty).
- A bereavement, serious illness or relationship breakdown in the ratepayer's family occurred around the time the instalment was due.
- The penalty is less than \$10.00 for any rates excluding water rates or \$2.00 for water rates.
- An administrative error.

The Team Leader: Revenue Services or the Team leader: Water Revenue and Metering Operations may remit rates penalties for reasons other than those specified up to \$1,000 on any one rating unit. Applications to remit penalties on any one rating unit over \$1,000 for reasons other than those specified above are to be decided upon by the Manager: Transaction Services.

4.5 COMMUNITY AND NOT-FOR-PROFIT ORGANISATIONS

In order to provide relief to applicable community and not-for-profit organisations, who deliver social benefits to

Policies - Rates Remission

the community where neither government nor business is best or appropriately placed to do so Council will allow the following:

Land used for a place of religious worship, Marae or not-for-profit early childhood centres with a non-rateable status under the Local Government (Rating) Act 2002 may be remitted 66.66% of the Wastewater rate.

Land used for a place of religious worship or Marae with a non-rateable status under the Local Government (Rating) Act 2002 may receive full remission of the water base rate over the minimum base rate where there is a water meter connection greater than 20 millimetres.

Land used primarily for the promotion of sport, art, health, recreation or education and not used for private pecuniary profit may receive a 100% remission on General rates. These organisations must provide evidence of a significant portion of local community voluntary contribution to operations and funding (other than from Government Agencies).

This remission will not apply to land used for organisations who are affiliated or who could be affiliated to Clubs New Zealand Incorporated or used for horse racing.

Land designated a Māori Reservation under the Te Ture Whenua Māori Act 1993, excluding land used for permanent housing, will be granted a 100% remission on General rates.

4.6 WATER RATES ATTRIBUTABLE TO WATER LEAKS

In order to provide relief to people in situations where water usage is high due to a water leak, Council may remit water consumption rates where all of the following apply:

- A remission application has been received; and
- Council is satisfied a leak on the property has caused excessive consumption and is recorded on the water meter; and
- The leak has been repaired within 14 days of being identified (an extension of 14 days may be granted if written evidence is provided that the services of an appropriate repairer could not be obtained within this period); and
- Proof of the leak being repaired has been provided to Council within 14 days after repair of the leak.

The amount of the remission will be the difference between the average consumption of the property prior to the leak, as deemed reasonable by Council, and the consumption over and above that average.

Remission is limited to the period where the leak was identified and fixed and the last invoice. Remission for any particular property will generally be granted only once every year. Where a remission for a water leak has been granted to a property under this policy within the last year, the remission decision is to be made by the Manager: Transaction Services.

4.7 REMISSION FOR WASTEWATER RATES COMMERCIAL PROPERTIES

In order to provide relief to commercial ratepayers that choose to install more toilets than required by the building code, Council may partially remit the wastewater rate for commercial ratepayers where the number of toilet pans installed exceeds the number of pans required under the building code.

4.8 REMISSION FOR WASTEWATER RATES SCHOOLS

Land used for an educational establishment which has a non-rateable status under Schedule 1 Part 1 section 6 (a) and (b)(i) & (ii) of the Local Government (Rating) Act 2002 may be remitted 50% of the Wastewater rate for the 2016/2017 rating year.

This remission will reduce as follows:

- 50% of the Wastewater rate in the 2016/2017 rating year
- 40% of the Wastewater rate in the 2017/2018 rating year
- 30% of the Wastewater rate in the 2018/2019 rating year
- 20% of the Wastewater rate in the 2019/2020 rating year
- 10% of the Wastewater rate in the 2020/2021 rating year
- 0% of the Wastewater rate in the 2021/2022 rating year

4.9 REMISSION FOR NATURAL DISASTERS AND EMERGENCIES

In order to provide relief to ratepayers where a natural disaster or other type of emergency affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit all or part of any rate or charge where it considers it fair to do so.

Individual events causing a disaster or emergency are to be identified by Council resolution. Council will determine the criteria for the remission at that time and those criteria

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Policies - Rates Remission

may change depending on the nature and severity of the event and available funding at the time.

Remissions approved under this policy do not set a precedent and will be applied for each specific event and only to properties directly affected by the event.

4.10 REMISSION FOR BUILDINGS UNDERGOING EARTHQUAKE STRENGTHENING

In order to provide relief to ratepayers of commercial properties in Tauranga City that are undergoing earthquake strengthening, including rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit all or part of the general rate where it considers it fair to do so.

Applications must be received before 1 July prior to the year when the remission is to apply. If the earthquake strengthening work is over multiple rating year's applicants must reapply before 1 July to be eligible for remission for the next year.

4.11 REMISSION FOR UNLIVEABLE RESIDENTIAL BUILDINGS UNDERGOING REMEDIAL REBUILDING

In order to provide relief to ratepayers of residential properties in Tauranga City, that are undergoing rebuilding, that affects one or more rating units' capacity to be inhabited, used or otherwise occupied for an extended period of time, Council may remit rates to the extent that rates would be assessed on that land, as if it was a vacant rating unit.

Applications must be received before 1 July prior to the year when the remission is to apply. If the rebuilding work is over multiple rating year's applicants must reapply

before 1 July to be eligible for remission for the next year.

Applications must meet the relevant criteria as approved by the Chief Financial Officer.

4.12 EXCEPTIONS

Rates may be fully or partially remitted where the Manager: Transaction Services considers that the characteristics of land use, location or special circumstances warrant a remission.

5. RELEVANT DELEGATIONS

With the exceptions of decisions required to be specifically made by Council (section 4.9)) or that which is specifically delegated to the Manager: Transaction Services (sections 4.6 and 4.12), the Team Leader: Revenue Services, and all officers in a direct line of authority above them, including the General Manager of their division, are delegated the authority to make decisions as to whether and how this policy applies, including the exercise of any Council discretion provided for in the policy, and to sign on behalf of the General Manager.

Team Leader: Revenue Services

Any officer who performs or exercise the same or substantially similar role or function as to the officer above, whatever the name of his or her position.

6. REFERENCES AND RELEVANT LEGISLATION

Local Government (Rating) Act 2002 (in particular sections 85 and 86)

Local Government Act 2002

Te Ture Whenua Māori Act 1993,

Lead Policy: Rating Policy

Policies - Significance and Engagement

1. PURPOSE

- 1.1. To enable Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities.
- 1.2. To provide clarity about how and when communities can expect to be engaged in decisions made by Council.
- 1.3. To inform Council from the beginning of a decision-making process about the extent, form and type of engagement required.

2. SCOPE

- 2.1. This policy guides when and how the Council will engage, which will be in line with the level of significance of the proposal.
- 2.2. This policy will be applied to all proposals enacted under the Local Government Act 2002; it does not affect other local government legislation that has specific consultation requirements (e.g. the Resource Management Act 1991).
- 2.3. Guidelines for engaging with Tangata Whenua are identified in the specific iwi/hapu protocols, which are agreements entered into between Council and iwi / hapu and are not specifically set out in this policy. See clause 5.5 of this policy and the Consultation with Tangata Whenua Procedure included in the protocols for further information on engagement with Māori.

3. DEFINITIONS

Term	Definition
Community	includes people or groups of people who have a connection with Tauranga City, or are affected by the issue, proposal, decision or matter subject to community engagement or consultation.
Community Engagement	is the process of working collaboratively with the community to develop ideas, concepts and/or proposals in order to inform and assist Council decision-making.
Council	means Tauranga City Council or any Committee, Sub Committee or elected member of Council or officer or other person authorised to exercise the authority of Council
Consultation	involves Council providing information relevant to a proposal, seeking information and perspectives that may otherwise not have been taken into account, listening to what the community has to say, considering their responses and then making a decision. Consultation is one of the tools used in community engagement.

Term	Definition
Significance	in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for,— <ol style="list-style-type: none"> a. the current and future social, economic, environmental, or cultural well-being of the district or region; b. any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision, or matter; c. the capacity of the local authority to perform its role, and the financial and other costs of doing so.
Significant	in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.
Special consultative procedure	means the procedure set out in section 83 of the Local Government Act 2002.
Strategic asset	means an asset or group of assets as set out in section 5(1) of the Local Government Act 2002.
Sub-groups	means an assortment of people commonly recognised as a relatively large group/ collection within the city's community, i.e. residents of a recognised suburb (e.g.; Greerton, Papamoa, etc), ward or area (e.g.; CBD), households/businesses along the length of a major road, dog owners, users of a city reserve/facility/service, etc.

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4. PRINCIPLES

- 4.1. Council acknowledges its responsibility as a decision-making authority on behalf of the community and recognises its role in encouraging people to become involved in community issues that may affect them through educating, informing and inspiring people.
- 4.2. Council acknowledges that public input into decision making is an essential part of ensuring they reflect the aspirations of the communities of Tauranga.
- 4.3. Council will encourage and enable community input and involvement in the decision-making process and has a flexible approach to this depending on the level of significance of an issue, proposal, decision, or matter. Council will aim to achieve balanced and representative views.
- 4.4. Council recognises that the more significant an issue, proposal, decision, or matter, the more likely Council will need to engage with the community on their views, and the more time and resources will need to be put towards those engagement processes.
- 4.5. Council will adapt how it engages with communities depending on the target audience.
- 4.6. Any engagement Council has with the community will be conducted in good faith and in an open, honest and transparent manner. Council will be clear about the scope and purpose of the engagement.

- 4.7. Council will take into account the views presented, respect and value input, and make decisions with an open mind.

5. POLICY STATEMENT

In applying this policy, the Council will establish the level of significance of each issue, proposal, decision or other matter on a case by case basis using the steps outlined in Schedules 1 and 2, and will engage accordingly, using the guidelines set out in Schedule 3 of this policy.

In general terms, the more significant the issue is, the more time and resources Council will spend in relation to community engagement.

5.1. Significance

The key considerations used to determine the degree of significance are outlined in Schedule 3. A ranking of high, medium or low is used to help guide the scale of community engagement.

The key considerations are derived from the definition of Significance set out in section 5(1) of the Local Government Act.

5.2. Strategic Assets

The council's strategic assets are those vital for delivery of its services to the community. The council considers a strategic asset to be an asset class (i.e. a network) that delivers the service. A network is deemed to include those components which are integral to the functioning of the network as a whole.

Not all trading decisions made regarding these assets are regarded as significant as they do not

affect the asset's strategic nature.

Any transfer of ownership or control, or the construction, replacement or abandonment, of a strategic asset as listed in this policy is considered to be a matter of high significance.

Council considers the following assets to be strategic assets:

- Airport
- Aquatic network
- Trustpower Arena
- Baycourt
- Baypark
- Community Housing
- Library network
- Open space networks, parks, walkways, sports fields and indoor facilities
- Reservoirs and water network
- Roothing network
- Stormwater network
- Wastewater network

5.3. Special Consultative Procedure (SCP)

In certain circumstances Council is required to undertake a SCP as set out in Section 83 of the Local Government Act 2002 regardless of whether they are considered significant as part of this policy. Schedule 2 outlines when a SCP process must be used under this Act.

The SCP process may be considered in other

Policies - Significance and Engagement

circumstances, but it will not be a requirement to use this process unless stated by the Local Government Act (as set out in Schedule 2) or any other Act.

5.4. Principles of Consultation (Section 82)

Under section 82, Council is required to:

- Provide access to information
- Encourage those affected to present their views
- Give clear information about purpose and scope of consultation
- Provide opportunity to present views in an appropriate manner and format
- Hear views with open mind
- Provide access to clear record of decisions and explanatory material
- Have processes in place for consulting with Māori

Council is required to carry out consultation in accordance with or giving effect to section 82 of the Local Government Act 2002 on certain matters, issues, proposals or decisions (regardless of whether they are considered significant as part of this policy).

For any other issues, proposals, or matters requiring a decision, the council will determine the appropriate level of engagement on a case by case basis using the principles of section 82.

5.5. Engagement with Māori

Māori as Tangata Whenua have a unique relationship with Councils through the Treaty of

Waitangi and supporting legislation.

The Local Government Act 2002 seeks to increase Māori contributions to Council's decision-making processes.

In summary, the Act requires local authorities to:

- Take into account Māori interests where any significant decisions are to be made affecting 'land or a body of water'
- Establish and maintain processes to provide opportunities for Māori to contribute to decision-making processes
- Consider ways to foster the development of Māori capacity to contribute to decision-making processes
- Put in place processes to consult with Māori
- Assist Māori to better participate generally in decision-making

Tauranga City Council has a number of Iwi / Hapu protocol agreements which focus on facilitating Tangata Whenua engagement at all levels of Council's activities. Operational issues may be addressed directly with relevant staff and input to processes such as policy development provided for at an early stage. Protocols are reviewed regularly and amended, where necessary, by mutual agreement.

The protocol agreements set out:

- The basis of the relationship between Council and the Hapu / Iwi
- Representation and mandates

- Communication and consultation process
- Specific issues relating to each Hapu / Iwi
- Boundary map areas

The Consultation with Tangata Whenua Procedure included in the protocols outlines procedures to be followed when consulting with Tangata Whenua on an issue that is, or will be, subject to formal consultation.

The Resource Management Act 1991 (recognises the relationship Māori have with land, water, Taonga). Council refers to Iwi / Hapu Management Plans for matters decided under this Act.

5.6 Informal Engagement

Council may seek to develop ongoing relationships with the community on general matters, rather than purely on issues that require a decision. This will also allow the community to raise matters that are not currently under consultation. This could include having a presence at markets, events and in public spaces for the purposes of hearing community views and preferences.

5.7 When will Council not engage?

There are times when it will not be appropriate to engage with the community on certain issues, proposals, decisions, or matters. Examples of this include where the Council:

- Is protecting the privacy and safety of individuals (as provided for in the Privacy Act 1993)

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- Is maintaining confidentiality and/or commercial sensitivity to enable Council to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987)
- Is acting with urgency in a crisis (for example under the Civil Defence Emergency Management Act 2002)
- Already has clear direction on a strategy or plan and has already made up its mind about an issue and therefore does not have a sufficiently open mind to carry out meaningful engagement.

5.8 Significant and Significance in Other Contexts

The Local Government Act 2002 uses the term significant and significance in a number of contexts. Unless it is inappropriate in the context, the considerations set out in this policy and in the statutory definitions will apply.

6. RELEVANT DELEGATIONS

Elected Members will retain all decision-making authority relating to the determination of the significance of issues, proposal and decisions and how we engage on those issues.

7. REFERENCES AND RELEVANT LEGISLATION

Iwi / Hapu Protocols

Consultation with Tangata Whenua Procedure

Civil Defence Emergency Management Act 2002

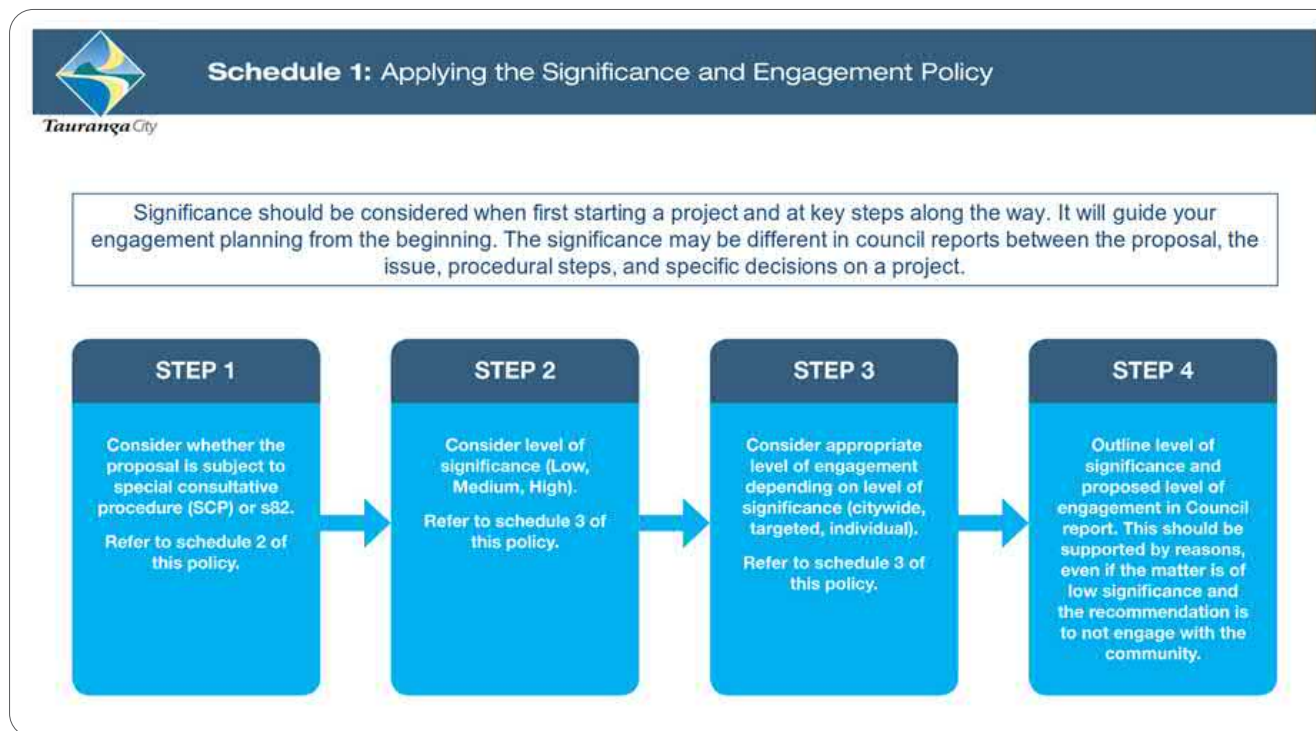
Local Government Act 2002

Local Government Official Information and Meetings Act 1987

Privacy Act 1993

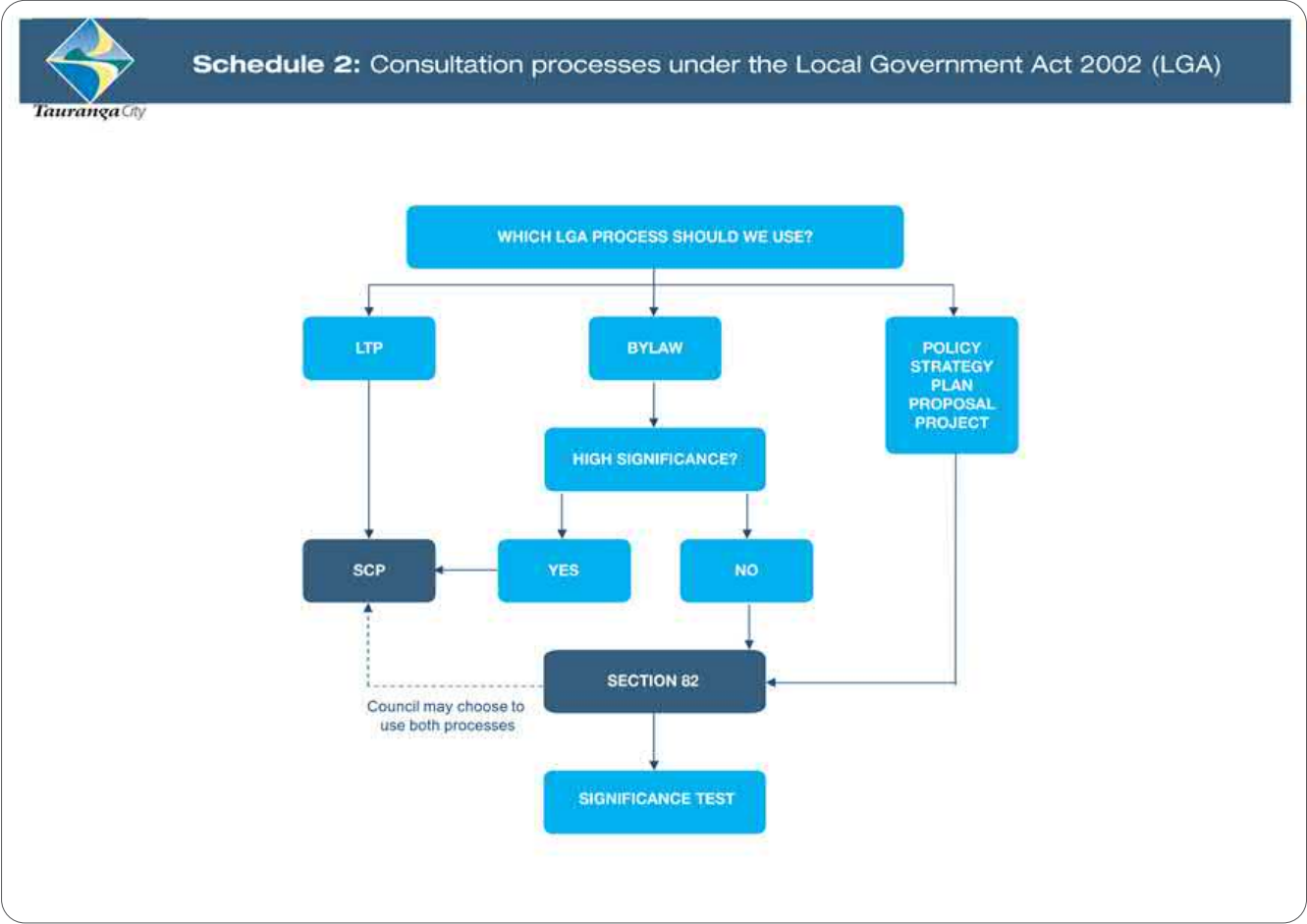
8. SCHEDULES

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Policies - Significance and Engagement

 Schedule 3: Guide to Significance and Engagement			
Rating	Key Considerations	Examples	Engagement
High	<ul style="list-style-type: none"> Affects wide range of people Has high public interest Large consequences for the city or region Large impact on Council being able to perform its role Unbudgeted capex of more than \$4 million Unbudgeted opex of more than \$1.7 million Highly difficult to reverse Does not have a strong and logical flow from a prior decision 	<ul style="list-style-type: none"> Adopting a significant bylaw (e.g. Street Use & Public Places Bylaw) Adopting a policy that has wide community interest (e.g. Local Alcohol Policy) A large investment (e.g. building a new wastewater treatment plant) A change to Council user fees and charges that affects a wide range of people (e.g. increase in water rates) Ceasing a Council activity Transfer of strategic asset Adopting a Long-term Plan 	<p>If a matter is of high significance, Council must engage with the community under this policy.</p> <p>This will likely involve large scale publicity and promotion. There could be an informal engagement / discussion phase plus a formal phase of consultation. There is likely to need to be a consideration of different cultural styles and needs for engagement. Likely to include a range of events and a focus on online activities.</p>
Medium	<ul style="list-style-type: none"> Affects subgroup Has moderate public interest Moderate consequences for the city or region Moderate impact on Council being able to perform its role Unbudgeted capex \$1 - \$4m Unbudgeted opex \$500k - \$1.7m Moderately difficult to reverse Flows from a prior decision, but with some notable variations 	<ul style="list-style-type: none"> An amendment or adoption of a bylaw that will affect a subgroup or have a moderate public interest (e.g. Freedom Camping Bylaw) Adoption of a policy that has medium community interest (e.g. Public Art Policy) A moderate investment (e.g. investment in Greerton Library) A change to Council user fees and charges that affects a subgroup (e.g. increase in dog registration fees) A moderate change in the way an activity operates (e.g. the length of grass in reserves) Adoption of Annual Plan 	<p>If a matter is of medium significance Council may decide it is not appropriate or necessary to engage.</p> <p>If Council does engage, it may involve targeted engagement with the affected audience, online engagement which may include a survey and social media. Information available through libraries and service centres. Promotion through e-newsletters, the local media or through Our City News.</p>
Low	<ul style="list-style-type: none"> Affects individuals Has very little public interest Low consequences for the city or region Low impact on Council being able to perform its role Less than \$1m capex Less than \$500k opex Able to be reversed Has a strong and logical flow from a prior decision 	<ul style="list-style-type: none"> A minor amendment to a bylaw Adoption of a policy that has low public interest and does not affect the wider community or a subgroup (e.g. Significance and Engagement Policy) A minor investment (e.g. to fund an increase in a maintenance contract) A minor change to user fees and charges (e.g. adjusted for CPI) A minor change in the way the activity operates (e.g. undertakes a tender with a different contractor) 	<p>If a matter is of low significance the Council can choose to not engage unless required by legislation, otherwise may choose to adopt some of the methods above.</p>

More Time
More Resources

Less Time
Less Resources

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**Significant
forecasting
assumptions**

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Introduction

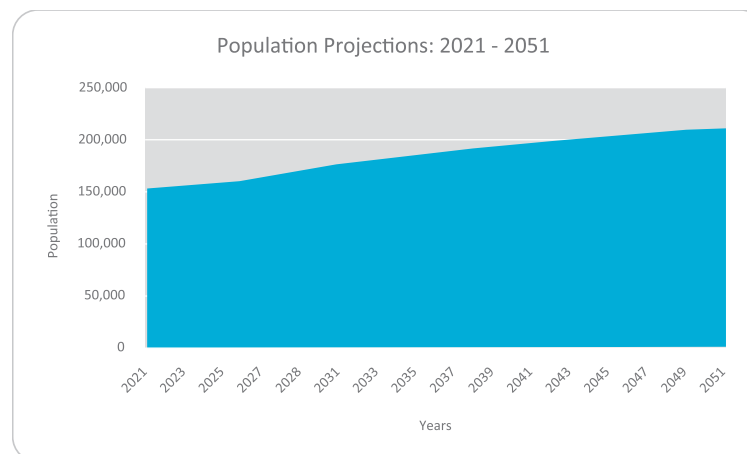
Forecasting assumptions identify important trends and projections and assess the risk and potential impact that are expected to affect the Council and community. These assumptions are essential in providing the basis for the Long-term Plan (LTP).

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1. Population and household projections and locations

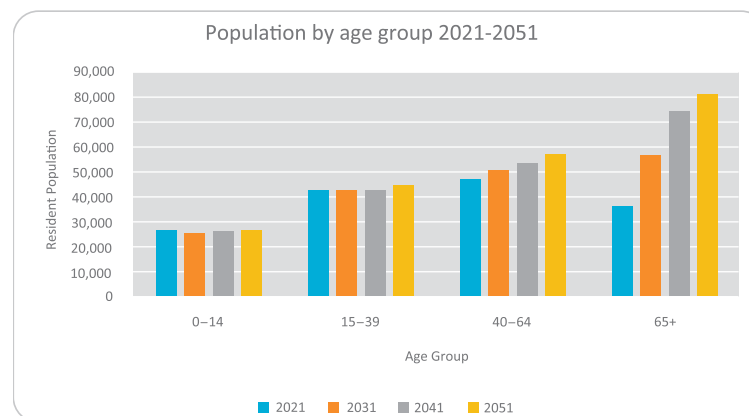
Detail	Risks	Level of uncertainty	Effect	Mitigation
Population and household growth, and location of growth, align with SmartGrowth projections	Population and household growth will occur faster or slower than predicted, and/ or in different locations than assumed	Overall level of uncertainty is medium. As with all long term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth is experienced through a projection period	High - the potential financial impact of over or under investing in infrastructure based on modelling of the growth allocations, could be significant	Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change. The timing of projects will then be amended, as necessary.



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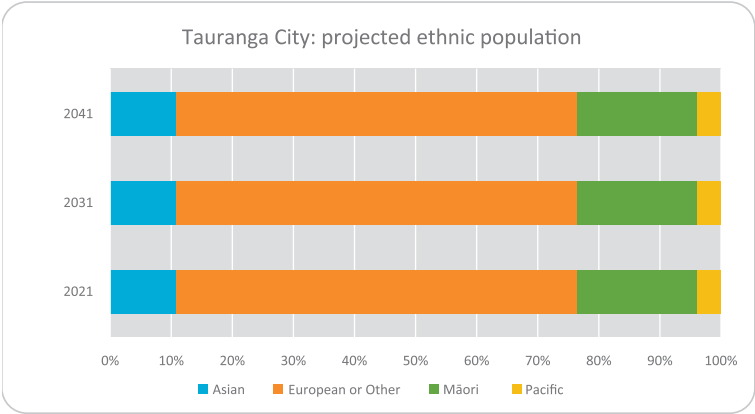
2. Demographic changes - Age

Detail	Risks	Level of uncertainty	Effect	Mitigation
That the proportion of the city population over 65 will continue to rise inline with projections from the National Institute of Demographic and Economic Analysis.	A different population demographic profile is realised than the rapidly aging one that is currently projected.	The level of uncertainty is considered low - medium. At a national level the population is aging as is projected for Tauranga City. However, factors such as high house prices in Auckland, growth of the University, and change in immigration policy could potentially lead to more families and younger people moving to the area than currently assumed.	A different age demographic may have a different impact on housing, recreation, health and service provision in particular. This may require alterations to our work programmes	Continually monitor age composition of the population at each Census to see how this aligns with projections.



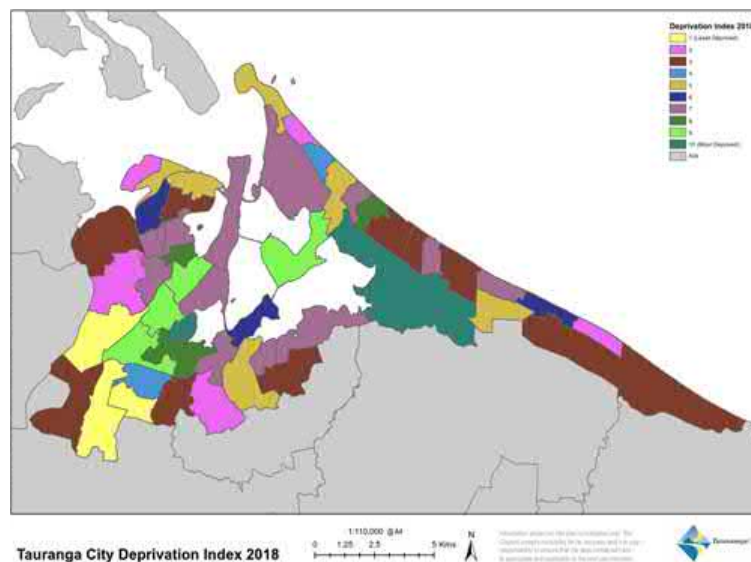
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3. Demographic changes - Ethnicity				
Detail	Risks	Level of uncertainty	Effect	Mitigation
That the city's ethnic profile will continue to change, following the pattern in Stats NZ projections, which will see an increase in the Maori, Pacific and Asian proportion of the city population, and a decline in European or Other.	The city's ethnic profile may deviate from the projections.	The level of uncertainty is considered low - medium. Migration policy and job opportunity may have impacts on ethnic composition	Growth in different ethnic groups may bring different demands on service provision, and different opportunities.	Continually monitor ethnic composition of the population at each Census to see how this aligns with projections.



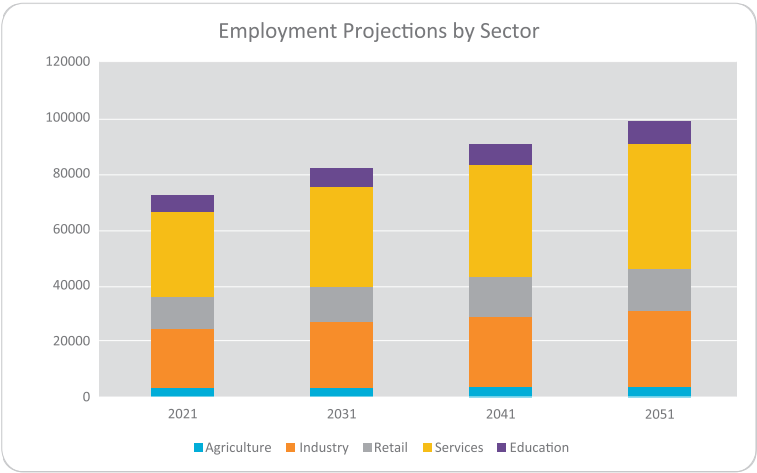
4. Demographic changes - Socioeconomic

Detail	Risks	Level of uncertainty	Effect	Mitigation
The pattern of socioeconomic deprivation will continue along the same lines as the 2018 results. The Deprivation Index provides an indication of deprivation at suburb level, based on the 2018 Census data.	The city's pattern of socioeconomic deprivation may deviate from the current pattern	The level of uncertainty is considered low - medium. Housing affordability and job opportunity may have impacts on the socioeconomic profile of some communities.	Changes in socioeconomic deprivation in neighbourhoods may place increased or reduced demands on some services.	Continually monitor research in this area to see how this aligns with projections.



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5. Employment projections and sector projections				
Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>More than three quarters of the employment growth in the Western Bay Sub Region is expected to be located in Tauranga and this is dominated by shifts in service related employment.</p> <p>The Tauranga CBD is expected to experience significant growth in the services and retail sectors, whilst Tauriko (and Te Maunga after 2050) are expected to see a large growth in industry sectors.</p>	<p>Employment growth will occur faster or slower than predicted, and/or in different locations than assumed.</p>	<p>As with all long term growth projections there is a relatively high risk of short term fluctuations as periods of high and low growth are experienced through a projection period.</p>	<p>Medium - the potential impact of over or under investing in infrastructure based on these projections.</p>	<p>Continual monitoring and updating of the allocations in particular reduces risk and enables Council to respond where clear departures are evident or where assumptions change.</p>



6. Climate change - Natural hazards / events

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Tauranga is subject to a range of natural hazard events. We have mapped the majority of the areas that suffer from these hazards. Varying management approaches are in place for the hazards, which are governed through the New Zealand's laws. The upcoming City Plan review (in this Long-term Plan) will bring a new regulatory approach to natural hazard risk, and risk reduction.</p> <p>As low likelihood, high consequence natural disasters are difficult to predict, we have not assumed any will occur in the course of this Long-term Plan. Instead we have invested in susceptibility mapping, infrastructure resilience planning and risk reduction through regulatory control.</p>	A high consequence natural disaster occurs.	The probability of a large natural hazard event causing widespread damage to the City, or parts of the City is low however, the consequences will be significant. The most common hazard event will be flooding from intense rainfall events which feature in over 90% of our resilience projections.	<p>Should an event occur, and depending on the scale of that event, there will be a need for Council to be prepared and respond accordingly to that need.</p> <p>Significant financial costs may be incurred due to a significant natural hazard event occurring.</p>	<p>Council is focusing on new tsunami planning and continues its hazard modelling and delivery of evacuation areas, alongside wider work programmes with Civil Defence.</p> <p>Council has insurance cover in relation to natural disasters, both for buildings and for underground assets.</p> <p>TCC initiated a Citywide Infrastructure Resilience project in 2018 which has now identified hazard exposed assets and areas. Mitigation projects to reduce the risks have been proposed and implementation of these will reduce city risk to natural hazards.</p> <p>TCC is progressing with the development of Plan Change 27 (flooding from intense rainfall events) to include a regulatory approach into the City Plan, reducing the risk of flooding to buildings (through redevelopment).</p> <p>The review of the City Plan will also include a wider natural hazards risk reduction approach to all identified 'high' risk areas across the City, based upon natural hazards risk identification.</p>

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7. Climate change - Stormwater events

Detail	Risks	Level of uncertainty	Effect	Mitigation
The consequences of flood events are consistent with Council's modelling programme.	Flooding events occur to a greater extent than predicted or in areas we have not predicted.	Moderate. Modelling is underway to better understand the risk of 1 in 500 year flooding.	Should flooding events occur, affected communities will want Council to amend its approach to flood risk management and invest in infrastructure delivery; resulting in high capital costs to Council.	<p>Complete projects identified by the Resilience Management of Reactive Reserve Fund, and progression of site specific projects to reduce risk.</p> <p>Project Management of flood risk approach and implementation during flood events.</p> <p>Complete Plan Change 27 (flooding from intense rainfall events) o include a regulatory approach into the City Plan, reducing the risk of flooding to buildings (through redevelopment).</p>

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8. Climate change - Sea-level rise

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Sea-level rise will affect Tauranga harbour margins and open coastal areas; directly through sea level rise, and indirectly by exacerbating coastal hazards of storm surge and erosion, as well as land based liquefaction.</p> <p>Sea-level rise consideration of 1.25m by 2130 is directed through New Zealand and Bay of Plenty coastal policies for intensification and 1.6m for greenfield development. Hazard modelling has assumed high greenhouse gas emissions for projections over the next 100 years.</p>	<p>Current projected rise indicates a number of low lying zones may be forced to consider withdrawal from those areas.</p> <p>Should sea level rise occur faster than predicted, then the effects of that rising sea will be felt sooner.</p> <p>That a proactive approach to sea-level rise planning is not put in place.</p>	<p>High - while a range of modelling and verification has been undertaken, there is no clear confirmation of which modelling assumption will best represent our future.</p>	<p>High - the effects can result in loss of land that has been developed, or has further development potential affecting land supply, infrastructure and wider transport connections.</p> <p>Loss of developed or developable land will reduce TCC ability to provide for housing demand.</p>	<p>The effects of a changing climate need to be advanced as part of wider urban form discussions and long term planning. Strategies developed so policy decisions and funding can be progressed.</p>

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9. Land use changes (intensification)

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Land use changes are inevitable in a growing city. This is doubly so, given the National Policy Statement on Urban Development, which requires high growth councils (including Tauranga City Council) to plan, deliver and monitor development capacity in their city within both brownfield and greenfield areas. Recent strategies, including SmartGrowth, Urban Form and Transport Initiative, Tauranga Urban Strategy, and the NPS-UD all require a focus on intensification; in addition, Council has endorsed the Te Papa Indicative Business Case and is currently making changes to the city plan to enable intensification within suburban areas and Te Papa.</p> <p>Given this policy and city plan structure, we assume infill housing in existing residential areas and existing consented greenfield sites will meet 50% of the supply otherwise provided by Te Tumu and Tauriko West.</p>	<p>Land use change may occur at a faster or slower rate than anticipated. It may occur in areas other than those we have planned for.</p>	<p>Medium - land use change is certain. The proportion of this change that equates to intensification is less certain. It relies on community responses, political willingness, costs of additional infrastructure, market forces, and government agency partnerships. Significant commitment is being made to enable and support intensification.</p>	<p>Intensification has both significant costs (in dollars) and benefits (in dollars, wider economic benefits, and four well-beings). Intensification will significant supporting infrastructure (including social infrastructure) investment over time; economic evaluation shows that there will be significant wider economic benefits.</p>	<p>Land use changes need to be advanced as a comprehensive package of greenfield and brownfield development. Partnership with other government agencies will play a key role; as will staged development and investment.</p> <p>Provision is made for growth and bulk funds established to provide for citywide infrastructure and investment for intensification. (This is discussed further in the Infrastructure Strategy).</p> <p>Strong input and collaboration with Western Bay of Plenty District Council and Bay of Plenty Regional Council will significantly aid the advancement of future land use changes.</p>

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10. Local government reorganisation

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the business and structure of Local Government in Tauranga will not alter within the lifetime of the LTP.</p> <p>We recognise the future is highly uncertain in this space and we could have reasonably assumed that the local government sector will undergo significant change over the next ten years. We are keeping a close watch on how regulation develops to ensure we are prepared for whatever happens.</p>	<p>Local government amalgamation processes have been undertaken in other regions. Within ten years there may be significant changes to the boundaries of local government in our region.</p>	High.	<p>The effect may be high, depending on the level of change. There could be significant restructuring, reorganisation or establishment costs incurred. There would be associated financial and rating changes as a consequence.</p>	<p>A reorganisation process would take place over a sizeable period of time, this would allow the Council to fully prepare. The Council will proactively monitor and engage in discussions of this nature.</p>

11. Service delivery method

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the existing services and methods of delivery will continue, except where this has been clearly stated in the LTP.</p>	<p>That future investigations reveal more cost-efficient methods of delivering services which may be preferred.</p>	High.	<p>Low to high, depending on the level of change.</p> <p>Changes in the delivery of services may have substantial impacts on budgets and financial forecasts and may require an amendment to the LTP.</p>	<p>We will continue to seek collaboration opportunities with other councils.</p> <p>Council will pursue shared service options through BOPLASS Ltd (a company owned by us and other local councils to assist in the acquisition of services) and other methods, such as public/private partnerships. The Council will carry out periodic service delivery reviews to assess options.</p>

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12. Inflation - Our costs

Detail	Risks	Level of uncertainty	Effect	Mitigation
That our costs will rise in line with the Local Government Cost Index (LGCI) for operational and capital expenditure, as forecast by our economic advisor, BERL, as a faster rebuild scenario.	The actual price of our inputs and outputs will not increase at the rate assumed.	Medium.	Low to high, depending on the level of variation. Changes could have a significant financial impact on our costs.	BERL price change projections have been used to prepare the prospective financial statements. These are an industry recognised measure. Council will monitor annual updates and may respond if there are significant changes.

13. Inflation - Your costs

Detail	Risks	Level of uncertainty	Effect	Mitigation
The general cost of living across all types of expenditure for people living in Tauranga will rise in line with the national Consumer Price Index forecast prepared by our economics advisor, BERL.	The actual rate of CPI inflation does not increase at the rate assumed.	Medium.	Low to high, depending on the level of variation. Changes could have a significant financial impact on rates affordability.	BERL CPI projections have been used. These are an industry recognised measure and are chosen to align with our LGCI projections.

SIGNIFICANT FORECASTING ASSUMPTIONS 389

14. Interest rates - Borrowing and interest rates

Detail	Risks	Level of uncertainty	Effect	Mitigation
Average borrowing interest rates range from 3.00% to 4.00% for the period 1 July 2021 to 30 June 2031.	Significant market interest rate rises.	Medium.	Medium. Impact relatively small in the first three years. Inflation is likely to be higher during times of increasing interest rates and therefore revenue will increase at a higher rate to offset higher interest costs.	Maintaining around 70% of fixed interest rates for debt and interest costs are managed on a net basis.

15. Interest rates - Investment interest rates

Detail	Risks	Level of uncertainty	Effect	Mitigation
Average investment interest rates range from 0.5% to 3.25% for the period 1 July 2021 to 30 June 2031.	Significant market interest rate reductions.	Medium.	Low – relatively small impact due to low existing rates and deposit levels.	Maintain detailed cashflows to manage the investment portfolio and interest is managed on a net basis.

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16. Development Contributions

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The growth related component of infrastructure required for new developments – stormwater, wastewater, water supply, roading and facilities and reserves – will be funded by development contributions.</p> <p>Significant assumptions in relation to development contributions are included within the Development Contributions Policy.</p>	<p>That development contributions received do not cover the growth component of capital works planned.</p>	<p>Medium.</p>	<p>High - delays in receiving development contributions will lead to increased interest costs. Under collection may require general rates funding however this will be brought to Council for a decision should this occur.</p>	<p>The growth assumptions within the Development Contributions Policy are considered robust as they are based on SmartGrowth modelling used across the LTP. The policy is adopted by Council after a robust process including the Special Consultative Procedure and external audit. The Policy is updated annually to address any potential issues.</p>

17. Waka Kotahi NZ Transport Agency Funding

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Financial assistance rate (FAR) from Waka Kotahi NZ Transport Agency (NZTA) will continue on the same basis and at the rates set by them in the October 2014 Funding Assistance Rate Review.</p> <p>The overall average for FARs is 51%.</p> <p>NZTA funds specific programmes of work and agrees 3-year funding envelopes across such items as maintenance operations and renewals and low cost/low risk programme, as well as funding for specific roading projects.</p> <p>Some funding decisions have been made with lower funding levels provided than had been requested, while other funding decisions are outstanding.</p>	<p>Changes to NZTA road prioritisation may impact on future funding.</p> <p>Total funding levels may be less than assumed in the LTP.</p>	<p>High - central government policy may change with change of Government.</p> <p>Funding decisions for large projects are dependent on business cases and will not be confirmed for several years.</p> <p>Funding decisions for regular programmes of work have not all been finalised and may affect programmes in the first three years.</p>	<p>High. Changes to the level of funding received may lead to increased costs for Council to complete its roading programme and may limit the viability of some projects. If the projects are unable to secure funds from NZTA then Council may be approached to meet any shortfall. If this is the case, this request will be considered through the annual budget process. If the project does not proceed, Council will remove the funding contribution (if applicable) from the budget. This may have impacts on the level of service of lower risk roads.</p>	<p>Maintenance of a positive relationship with NZTA allows frequent communication and the awareness of issues in advance. Our working partnership with Western Bay of Plenty District Council and Bay of Plenty Regional Council, through SmartGrowth, provides the basis of long term investment decisions. Our planning has been done in partnership with NZTA (including Transport System Plan) and is well aligned with the Government Policy Statement.</p> <p>TCC has managed the uncertainty relating to NZTA funding in the first three years of the LTP by making a capital delivery adjustment, reducing the level of expenditure in those years and redistributing it over later years of the LTP.</p>

18. Sale of assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The Te Tumu block sale will occur in the final years of this LTP period once the infrastructure to the boundary is in place, the plan change is completed, and there is an available infrastructure corridor through to the block.</p>	<p>Delay in rezoning of the Te Tumu Urban Growth Area.</p>	<p>Medium.</p>	<p>Any delay in settlement will impact on Council's debt ratios.</p>	<p>TCC has worked, and will continue to work, closely with the owners of land at Te Tumu to ensure this land is ready for development.</p>

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19. Ownership of water infrastructure assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>TCC will retain ownership of water supply and wastewater infrastructure assets.</p> <p>Note: central government is currently undertaking a reform of the way that three waters (wastewater, water supply and stormwater) is managed in New Zealand.</p> <p>In 2020 TCC signed a Memorandum of Understanding, to collaborate with central government on the reform programme, which proposes significant changes to the future provision of these services in New Zealand.</p> <p>If the changes are implemented, these would materially impact some of the information in this document.</p> <p>No changes have yet been confirmed and this consultation document has been prepared on the basis that Council's management of these services will continue.</p>	<p>There may be unanticipated material changes to the legislative landscape that cause significant changes to what we do and how we pay for it.</p> <p>Failing to account for legislative reform in the LTP could lead to unnecessary underinvestment in infrastructure due to TCC's current balance sheet constraints.</p> <p>As the timing and implications for the three waters reform is currently not yet confirmed by central government, TCC may need to review this LTP once further information is available.</p>	High.	<p>High - changes could have a significant financial impact on the way we operate.</p> <p>Because the three waters capital programme is a significant contributor to TCC debt currently and over the next ten years, this reform would materially assist the financial sustainability of TCC and the extent to which debt would need to be reduced through debt retirement charges.</p>	<p>The projects contained in the LTP have been based on the current legislative regime.</p> <p>Legislative change is often progressed with a long lead time, allowing Council to respond accordingly.</p> <p>The capital programme proposed aims to meet the required investment outcomes to enable housing supply, build communities and meet environmental standards particularly within three waters. The LTP therefore presents the increased revenue requirements across three waters funding and transportation to meet these infrastructure requirements.</p>

20. COVID-19 Recovery

Detail	Risks	Level of uncertainty	Effect	Mitigation
New Zealand (i) does not see a widespread resurgence of community transmission of COVID-19 (or a variation thereof) requiring regional or national lockdowns at Level 3 or Level 4; and (ii) New Zealand's borders have begun to open in a staged manner to certain other countries by 2023.	COVID-19 (or a variation thereof) re-enters the community requiring a lockdown of the Bay of Plenty region or more broadly.	High.	Until such time as a vaccine is available and widely applied, a resurgence of COVID-19 may temporarily close or substantially reduce the functionality of some TCC activities until the lockdown ends with consequential negative impacts on revenue.	The primary mitigation for this risk is the development and widespread uptake of an effective vaccine in New Zealand. It is anticipated this will occur in the medium term over the course of 2021 and through into 2022. In the meantime, the secondary mitigation is utilising operational resilience practices developed during 2020 to ensure TCC's essential activities continue to function in the event of a lockdown and non-essential services have the capacity to operate as fully as is safely possible.

21. Legislative/Regulatory environment

Detail	Risks	Level of uncertainty	Effect	Mitigation
That current national and regional policies, strategies and legislation will not change significantly during the period of the LTP. We recognise the future is highly uncertain in this space and we could have reasonably assumed that legislation and regulation will undergo significant change over the next ten years. We are keeping a close watch on how regulation develops to ensure we are prepared for whatever happens.	That there will be major unexpected changes to the legislation that may cause significant changes to how we operate, what we do, and/or who pays for things.	High.	High - changes could have a significant financial impact on the way we operate.	The projects contained in the LTP have been based on the current legislative regime. Legislative change is often progressed with a long lead time, allowing council to respond accordingly.

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22. Funds available for new assets and replacement and upgrade of significant existing assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Sources of funds for operating and capital expenditure are as per the Revenue and Financing Policy.</p> <p>This policy will consider:</p> <ul style="list-style-type: none"> - increasing debt retirement through rates and user fees to improve TCC's borrowing capacity - off balance sheet options where borrowing capacity is not available through TCC. - the role of regional partners in contributing to infrastructure capital costs and operations of services used by people outside TCC boundaries. 	<p>That sources of funds are not achieved.</p> <p>That the cost of alternative funds is high to certain ratepayer groups leading to constraints on these options.</p> <p>The community does not support use of these options.</p>	Low.	<p>High - Council may have to utilise alternative sources of funding with potential impacts to rates and debt.</p>	<p>User charges have been set at previously achieved levels. Depreciation is funded through either rates or user fees depending on the funding of the activity where the assets are utilised. The Council is able to access borrowings at levels forecast within the LTP.</p> <p>Council can reduce capex levels and opex (levels of service) to meet funding constraints.</p>

23. Asset lifecycles and depreciation methods

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Asset lifecycles will align with those forecast and be used as the basis of depreciation.</p> <p>It is assumed that assets will be replaced at the end of their useful life (based on condition and/or performance).</p>	<p>That assets wear out earlier or later than estimated or are replaced prior to reaching the end of their useful lives.</p> <p>That asset condition is not correctly assessed.</p>	<p>Low – asset lives are based on estimates made by engineers and registered valuers.</p>	<p>Low - depreciation and interest costs would increase if capital expenditure was required earlier than anticipated.</p> <p>Levels of service could be diminished if condition not appropriately assessed.</p>	<p>Capital projects could be reprioritised in the event of early expiration of assets.</p> <p>Council has an extensive asset management planning process which includes regular condition monitoring and assessment. Where a decision is made not to replace an asset, this will be factored into capital projections.</p>

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24. Revaluation of assets				
Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>For the purposes of the financial model, all assets are revalued annually in order to reduce the distraction of year on year peaks and troughs in revenues and expenditure that are generated by these revaluations.</p> <p>Council's policy is to value assets triennially, and each year a different category is valued by an independent valuer. The valuation timetable is as follows: Transportation and Marine Infrastructure (1 July 2021, 2024, 2027 and 2030), Airport and Parks Infrastructure (1 July 2022, 2025, 2028 and 2031) and 3 Waters (1 July 2023, 2026 and 2029). For the purpose of the Long-term plan financial model only, revaluation is calculated and applied annually to smooth the uneven impact on revenues (including rates) and expenditure that would otherwise be generated by triennial revaluation.</p>	<p>Asset values are under/overstated and therefore the balance sheet does not reflect accurately the value of TCC owned assets.</p>	<p>Low – our regular valuation cycle ensures valuations are regularly brought up to date.</p>	<p>Low.</p>	<p>Depreciation rates based on incorrect valuations will impact the LTP process if valuations are not conducted in their cycles.</p> <p>Assessment of risk of higher cost of waters assets replacement has meant we are revaluing that asset class in 2021 out of cycle to ensure asset values are relevant for the LTP.</p>

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25. Environmental Standards - Resource consent requirements

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That resource consents required for capital works are granted and that this process does not significantly impact timing of projects.</p> <p>That all existing resource consents will be renewed where appropriate.</p> <p>It is expected that the environmental standards expected to be met will increase, with corresponding requirements imposed through resource consents.</p>	<p>That significant delays to capital works projects are experienced due to the resource consent process.</p> <p>That existing consents are not renewed or require us to meet significantly changed conditions.</p> <p>Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.</p>	Medium.	<p>High - delays to capital works projects may have material cost implications. Failure to renew existing consents, or the requirement to meet significantly higher consent conditions may require significant expenditure.</p>	<p>Budget revisions will take place where there are anticipated changes to consent requirements.</p> <p>Early communication with affected parties and resource consent issuing bodies may enable early identification of issues.</p>

26. Leaky Home Settlements

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>We have provided for all leaky home claims that have been made.</p>	<p>That further claims are made against Council.</p>	High.	<p>Low to high, depending on the level of claims received.</p>	<p>We monitor the development of legal cases regarding leaky homes claims across the country. This provides an indication of likely future claims. Changes may be anticipated and planned for through the Annual Planning process.</p>

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27. Level of Service changes

Detail	Risks	Level of uncertainty	Effect	Mitigation
That levels of service change will be limited to that indicated in the LTP only.	There may be significant changes in customer expectations regarding demand for services or levels of service from those planned in the LTP.	Low.	High - a significant change in customer expectations of a level of service may require substantial investment, may result in investment in an area being unwarranted, or may lead to a significant reduction in customer satisfaction.	The Council has well defined service levels for its planned activities which have been reviewed as part of the LTP process. Customer satisfaction surveys and other engagement strategies generally support the key assumptions made within the LTP and therefore there are currently no known additional areas of the Council's service that require significant modification.

28. Project costings

Detail	Risks	Level of uncertainty	Effect	Mitigation
That project costs will not exceed those set out in the LTP.	Costs for some projects listed in the LTP are estimates only. Project costs may exceed those planned for through the LTP.	Medium.	Low - High, depending on the level of variation. Significant changes to the cost of the project may make it unviable or lead to increased costs to Council.	Project underway to provide guidance to the organisation on developing budgets for LTP. This will include guidance on setting contingencies and risk funding allowances. Many capital expenditure budgets will involve a contingency whether they are at outline design stage or detailed design stage. Cost estimates are updated annually and when detailed design is undertaken.

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29. Housing Infrastructure Fund (HIF)

Detail	Risks	Level of uncertainty	Effect	Mitigation
Council has signed agreements for interest free HIF loans in relation to Te Maunga Wastewater Treatment Plant upgrades (\$51.8M) Waiari Water Treatment Plant (\$105.9M) to aid in delivering growth infrastructure to support housing development. There is a third bid in relation to Te Tumu (\$58.9M) that has been approved in principle, but the loan agreement is not signed pending the completion of a third party case through the Court of Appeal (TCC not a party). A total of \$15.8M has been received in relation to HIF loans by 30 June 2020.	The Te Tumu bid is at risk pending the outcome of a third party legal claim (not involving TCC).	Low for the two projects with signed loan agreements. High for the Te Tumu agreement due to legal delays not able to be controlled by TCC.	High (for Te Tumu) – to progress the infrastructure items put forward in the Te Tumu HIF Application, Council may have to fund growth outside of using the HIF which will have an impact on our balance sheet and financing costs or result in limiting growth (as infrastructure is required to enable growth to proceed within the new growth areas and across the city).	Monitor progress on legal case.

30. Vested assets

Detail	Risks	Level of uncertainty	Effect	Mitigation
That vested assets will be received by Council in accordance with the assumed growth of the city based on overall growth expectations and the average value of vested assets per lot. There is also an estimation made for large infrastructure projects that have, in the past, been constructed by Council where these are now to be provided for by the developer.	That Council will have significantly more assets vested thereby increasing the depreciation expense in subsequent years.	Moderate.	Low.	Growth forecasts are updated regularly in order to ensure vesting predictions are kept up to date.

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31. Civil Defence / Emergency Preparedness / Business Continuity				
Detail	Risks	Level of uncertainty	Effect	Mitigation
That we are able to continue operating to deliver essential services to the community in the event of disruption or a disaster.	<p>That Council's ability to function is severely disrupted in the event of a disaster, we will be unable to:</p> <ul style="list-style-type: none"> a. protect the community, from hazards or events which compromise their physical and emotional wellbeing b. provide essential services to the fullest extent possible within appropriate timeframes. 	Medium.	<p>High - Tauranga could incur moderate to severe levels of community illness, loss of life, assets and infrastructure, financial impact on the community and reduction in local/ sub-regional economy requiring significant investment in recovery.</p> <p>Council may be required to make considerable resourcing and financial investment to return essential services to pre-impact capacity.</p>	<p>The Council has:</p> <ul style="list-style-type: none"> a. business continuity plans and business continuity enhancement programme b. civil defence response plans and enhancement programme c. community resilience programme d. public alerting and warning systems and protocols e. lifelines plans f. partnership structures with emergency service and social sector partners. <p>Council is also undertaking risk profile assessments of the integrated human, natural and technologically induced hazards on communities over the period of the next LTP to understand community risk tolerance and appetite to inform on going mitigation efforts.</p>

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32. Credit rating

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That the Council maintains its A+ credit rating.</p> <p>All interest rates used to determine projected borrowing costs have been based on this assumption.</p>	<p>That the council's credit rating differs from forecasted in this plan.</p>	Moderate.	Moderate - high - credit rating downgrade will increase long term cost of funds.	Manage debt levels to maintain credit rating.

33. Disruptive technologies

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>That there will be no technological changes that render some projects unnecessary, or that radically alters people's interactions with the city.</p> <p>Disruptive technologies that we are aware of are incorporated into our planning.</p>	<p>Technological changes are rapid and unpredictable, and can have significant impacts on our lives, the way we work and the way we use our city.</p> <p>Being unaware of technological advances may result in substantial inefficiency if (i) new infrastructure investment is not suitable for emerging technology; and (ii) communities may not benefit from the most beneficial or appropriate resources to overcome social and/or environmental challenges.</p>	<p>High - the rate and impact of technological developments is uncertain. The exact timing of developments cannot be assumed. Of particular note are the potential impacts of transportation changes and driverless cars, increasing automation affecting business and employment and opportunities of increased data analytics through 'big data'.</p>	<p>Medium - project scopes may be altered to reflect changes in available technology, with corresponding implications for costs.</p>	<p>Council will monitor and keep informed of developments in this area and will amend projects as suitable.</p>

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34. Resourcing (staff)				
Detail	Risks	Level of uncertainty	Effect	Mitigation
That we are able to employ and retain staff that are suitably qualified and able.	The availability of staff limits the ability of Council to deliver its agreed work programme.	Medium.	Medium - costs may be negatively affected by the availability of resources. Projects may not be fully resourced leading to delays.	Council attracts and retains people through offering employment arrangements that are valued by employees and ensure productivity and engagement. These include flexible work options that address changing demographics/ needs of employees, utilising relevant technologies as well as other drivers of employee engagement i.e. development opportunities/ career options, competitive remuneration/benefits etc. In the event of unavailability of employees; contractors and consultants may be used.

35. Resourcing (suppliers)				
Detail	Risks	Level of uncertainty	Effect	Mitigation
In order to deliver on the Long-term Plan, suppliers are required to deliver a significant portion of works. It is assumed that suppliers are available, suitably qualified and will be able to deliver projects on time and to cost.	The availability of suppliers limits the ability of Council to deliver its agreed work programme, particularly if there are wider national demands on a specific sector.	Medium.	Medium - costs may be negatively affected by the availability of suppliers. Projects may not be able to be resourced leading to delays.	Council has comprehensive procurement procedures in place to guide the procurement process. Council works to develop a healthy marketplace based on our procurement policy. It is intended that we will develop better partnerships with key suppliers to drive better outcomes. Annual supplier information meetings are held to provide our key infrastructure providers with an indication of Council's forward works programme.

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36. Deliverability of the capital programme

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>The capital programme in this plan is much larger than previous programmes.</p> <p>Adjustments have been made to reduce expenditure in the early years and move it into later years. This reflects possible delays that are common in the early stages of projects while they are designed, community feedback is sought, and consents are obtained. The main purpose of the adjustments is to ensure budgets for interest, debt and depreciation are realistic.</p>	<p>The capital programme is larger than we have delivered in the past. Significant changes are being made to our organisation and procurement and delivery processes to achieve this.</p> <p>There are risks of delays in the early stages of consent and design, and in procuring delivery from contractors. If this happens work will be deferred to later years of the Long-term Plan and affected programmes of work will be rephased accordingly.</p> <p>The financial implications of such delays include lower borrowings and a reduction in the need for rates-funded debt retirement in early years, although it is expected that most of this would be undertaken in later years of the Long-term Plan.</p> <p>Some government funding from Crown Infrastructure Partners and NZTA depends on delivery within prescribed timeframes. Consequently, this work is being prioritised to be delivered on time.</p> <p>If delivery of the capital programme is delayed, then proposed outcomes will not be achieved in the timeframes originally intended.</p> <p>Renewals projects will be prioritised to ensure existing levels of service are maintained.</p>	High.	<p>While there is a high chance that the full programme will not be delivered in the timeframes budgeted, it is likely that the delays for individual projects will not be significant. Costs of the total project and a delay in achievement of desired community outcomes may occur.</p> <p>Delays to projects where suppliers cannot be sourced, or prices are too high requiring longer negotiations or change in scope of projects. Leading to suboptimal community outcomes.</p>	<p>Investment in staffing to form the Capital Programme Assurance Division to prioritise, monitor and iterate the capital programme to ensure key performance requirements around capital delivery are met.</p> <p>Adjustments to the capital programme have been made to ensure debt servicing budgets are set at realistic levels.</p>

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37. Revenue from user fees received by Bay Venues Limited

Detail	Risks	Level of uncertainty	Effect	Mitigation
Bay Venues Limited (BVL) is a wholly-owned Council-Controlled Organisation. TCC borrows externally on behalf of BVL to fund its capital investments, so in recognition that a portion of debt in TCC is on behalf of BVL, its external operating revenue from user fees is included in the financial ratios relating to debt (debt to revenue and interest ratio.)	This approach is considered low risk as the amount of BVL borrowing is approved by Council based on business cases for the investments proposed.	Low.	Our lender, the Local Government Funding Agency, and Standard and Poor's have endorsed this change.	Total borrowing limits are maintained at financially prudent levels.

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38. Memorial Park - Recreation hub and aquatics facility

Detail	Risks	Level of uncertainty	Effect	Mitigation
<p>Capital costs projects as part of the Community Facilities investment Plan for Memorial park including recreation hub and aquatics facility will be incurred by Council.</p> <p>These projects are being treated differently from the rest of the BVL capital programme.</p> <p>While preparing the LTP, there has been no final decision made at this stage to transfer the ownership of the memorial recreation hub and aquatics facility to Bay Venues Limited (BVL) after the completion of these projects.</p> <p>The assumption used in the LTP is that the proposed assets will remain as TCC's assets for the 10-year period of this LTP.</p>	<p>A future decision is made to transfer the ownership from these assets to BVL after the completion of these projects</p>	High.	<p>If assets are transferred to BVL, depreciation will be lower and grants may be higher depending on the treatment of operation and depreciation of these assets under BVL ownership.</p>	

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39. Funding for Civic Precinct Capital Programme				
Detail	Risks	Level of uncertainty	Effect	Mitigation
Funding for this programme assumes \$152m of external funding from a variety of sources including various government agencies, philanthropists and other groups. The amount of grant funding is uncertain as we will not be in a position to seek funding support until we have approved plans in place.	That sufficient grant income is not obtained.	Medium.	If there is a significant shortfall in grant income across the programme, further consultation would be undertaken. Ultimately, either the programme would be reduced to fit within the funding available, or alternative funding, likely rates-funded debt, would be agreed.	Gateways have been built into the programme where funding of the individual projects can be assessed and adjustments made against the programme as a whole.



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Audit Opinion

**To the reader:****Independent auditor's report on Tauranga City Council's 2021-31 long-term plan**

I am the Auditor-General's appointed auditor for Tauranga City Council (the Council). The Local Government Act 2002 (the Act) requires the Council's long-term plan (the 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 26 July 2021.

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 310 to 317 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.

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

Emphasis of Matters

Without modifying our opinion, we draw attention to the following matters:

Uncertainty over three waters reforms

Page 11 outlines the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because final decisions have not yet been made. The plan was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the plan has been based.

Uncertainty over the delivery of the capital programme

Page 14 outlines that the Council is proposing to spend \$4.6 billion on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, as outlined on page 397, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could affect intended levels of service.

Breach of statutory deadline

Page 8 states the Council failed to adopt the plan before the commencement of the first year to which it relates. This is a breach of section 93(3) of the Local Government Act 2002.

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 control

We have complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council.



Clarence Susan, Audit New Zealand
On behalf of the Auditor-General, Tauranga, New Zealand



Tauranga City

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