

MANAWATU MEKE

# Shaping our next 10 years







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# A message from the Mayor

## Nā te Kahika

*Kei aku nui, kei aku rahi o te whaitua nei o Manawatū, tēnā koutou katoa.*

This 10 Year Plan is mostly about getting on with business as usual.

We are cracking on with core infrastructure developments that Council committed to as part of the 2015–25 and 2018–28 Long Term Plans. We are making good progress on the Feilding Water Supply upgrade, the Wastewater Centralisation Project, and roading, footpaths and water and wastewater systems for our growth precinct on the northern boundary of Feilding. The new Mangaweka Bridge, a joint project with Rangitikei District Council, is due for completion this year. We are also making progress on the Feilding Library redevelopment and hope to bring concept designs to the community in coming months. Progress on these and several other key projects are described on pages 15–19.

Our District has been experiencing particularly high population and employment growth over the last five years. The corresponding economic growth suggests a bright future for our businesses and community as a whole. With strong growth forecast to continue, the investment we have been making in our three waters infrastructure across the District means that we are well placed to accommodate the expected increase in population. Our infrastructural investment over recent years has also increased our community's resilience in the face of natural hazards and climate change. We are not anticipating any new major projects in the near future. Our focus is finishing the capital projects we've started, keeping rates and debt at manageable levels and maintaining the levels of service we provide to the community.

One project that I would like to mention is the Ōhakea Rural Water Scheme. This scheme, which is funded by central government and scheduled to be completed by the end of this year, will ensure that the Ōhakea community will have safe drinking water.

Council has worked hard to keep any rates increases as low as possible. This can be seen in the average rates increase of 0% in 2020/21, and compared to many

councils around the country, our projected increases for the next ten years are modest. The total amount of rates required to run Council business for 2021/22 is 6.8% higher than was required for 2020/21. However, because of the population growth across the District in the last year, the total rates required will be distributed across more ratepayers. Council is proposing a rates rise of 5.10% for year one which takes into account this growth. For year two we are proposing 5.87% and year three, 4.99%. Across years four–ten we are looking at an average rates rise of 2.87% (see page 40 for more detail).

We are seeking your feedback on two key questions regarding this 10 Year Plan. The first is about the character and future of the Feilding town centre. Would you and our wider community be prepared to contribute a small amount through your rates to assist towards the compliance costs of strengthening priority earthquake-prone buildings in the Feilding town centre? See page 28 for more information.

The second question is about community funding. Council recently reallocated its District development budget to support small businesses, to help stimulate a thriving local economy. This has meant a reduction in funding available for other community development activities, such as supporting community and major events and other community initiatives. How important is it for you that Council is able to contribute towards requests for funding support for community development activities and events? Would you support a small increase in rates to do this? See page 32 for more details on this.

As always, Council is keen to get your feedback, as this helps us with our decision making on behalf of our community. I invite you to share your thoughts both in writing and in person, by asking to speak to your submission – it is so much more personal than just a feedback form or email. We look forward to hearing from you, and together planning our next 10 years!

Tēnā koutou, tēnā koutou, tēnā tātou katoa.



Mayor Helen

# Key takeaways from the 10 Year Plan

## Kia mau ki te aka matua<sup>1</sup>

*E rua ngā aronga matua o te mahere auroa. Tuatahi, kia haere tonu ngā kaupapa matua i whakatauria ai ki roto i Te Mahere Auroa 2018-28. Kua tīmata kē ētehi. Tuarua, ko te āta penapena i te moni a te Kaunihera me te manaaki anō i ngā kaiutu rēti, kia tino whaihua ai te whakapaunga o ā tātou moni.*

### This plan is about finishing what we started and managing affordability

**Finishing what we started** - Council has been investing strongly in core infrastructure over the last ten years, therefore there are no new critical, big ticket items that Council needs to invest in in the near future. This is reflected in the modest projected rates increases for the period of this plan, particularly in the latter years (see page 40). We are mostly getting on with what we committed to in the 2015–25 and 2018–28 Long Term Plans.<sup>2</sup> This includes:

- continuing upgrades of existing water and wastewater infrastructure
- expanding existing infrastructure to cater for growth, particularly in Feilding
- planned upgrades to key recreation and leisure facilities.

The two new projects included in the 10 Year Plan 2021–31 are the Ōhakea Rural Water Supply Scheme and the Feilding Town Centre Refresh. See page 17 and 19 for more details.

**Managing affordability** - The cost of doing business is increasing. There is a lot of pressure on Council's budget from things we simply can't avoid (more detail on page 27). While Council funds its activities from a range of sources other than rates, unfortunately there is only so much we can do to minimise the impact on rates.

### Key challenges – the context for Council decision making

Council has a lot of things to consider when it is setting its budget and planning its work programme. Some of the main considerations for the next ten years are listed below. For more detail on each of these challenges, see pages 20-27.

- Climate change
- Population growth
- A changing regulatory environment
- A likely change to the way water services are delivered
- Affordability

Council has worked very hard to keep any rates increases as low as possible. The total amount of rates required to run Council business for year one is 6.8% higher than was required for 2020/21. However, because of the growth across the district in the last year, the total rates required will be distributed between more ratepayers resulting in an average rates increase of 5.10% in year one and 5.87% in year two and 4.99% in year three. Council has proposed an average increase of 2.87% in years four-ten (see page 40) but due to the uncertainties related to the challenges listed in the *Key challenges* section above, these rates increases could change when the plan is reviewed and updated in 2024.

### 10 Year Plan Consultation – proposals for your feedback

1. Assistance for strengthening earthquake-prone buildings in the Feilding CBD. See pages 28-31.
2. The availability of funding for community events and initiatives. See pages 32-35.

<sup>1</sup> *Grasp hold and follow the main vine.* This is from a proverb which references Tāwhaki's ascent to the heavens to retrieve the baskets of learning. He was given advice to avoid climbing with the loose hanging vines (which may have been tempting), and only climb on the main vine.

<sup>2</sup> Our key areas of focus in the coming years can be found on pages 14–19.







Proudly provincial. A great place to land.  
Wehi nā te kāinga taurikura nei ki tuawhenua



## Council priorities for 2021–2031

### Kia papa te tū, kia rangi te tiro<sup>3</sup>

Here are Council's priorities for the next 10 years. Have a look at how we plan to make the Manawātū District a productive and vibrant place to live and work, to visit and invest.

*Kei konei ngā matawhānui, ngā whāinga me ngā kaupapa matua hei whakatutuki, haere ake nei. E tino whai ana i te wairua o te kīanga kōrero nei 'ManawaTūmeke'.*

#### A place to belong and grow

He kāinga e ora pai ai te katoa

We provide leisure and sports facilities and support community activities to encourage social and cultural well-being for everyone.

#### A future planned together

He kāinga ka whakamaherea  
tahitia tōna anamata e te  
hapori tonu

We work with all parts of our community to plan for a future everyone can enjoy.

#### An environment to be proud of

He kāinga ka rauhitia tōna taiao

We protect and care for the Manawātū District's natural and physical resources.

#### Infrastructure fit for future

He kāinga ka tūwhena tonu  
ōna pūnahahanga, haere ake  
nei te wā

We ensure the Manawātū District has infrastructure (water, roads, etc.) that meets the needs of the community now and into the future.

#### A prosperous, resilient economy

He kāinga ka tōnui tōna ōhanga

We aim to make the Manawātū District a great place to live, to visit and to do business.

#### Value for money and excellence in local government

He kāinga ka eke tōna  
kāwanatanga ā-rohe ki ngā  
taumata o te kairangi

We take pride in serving our communities. We focus on doing the best for the District.



<sup>3</sup> *Stand firm in the achievable and cast your vision to lofty aspirations.* This is from a proverb that inspires connection with our environment and encourages us to assume the traits of both Ranginui (Sky Father) and Papatūānuku (Earth Mother) in our behaviour and approach to the future.





## Key projects

### Ngā mahi matua

Upgrade of Feilding Water Supply

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Wastewater Centralisation

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Stanway-Halcombe Rural Water Scheme Upgrade

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Precinct 4 - Growth Works

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Precinct 5 - Turners Road Extension Growth Works

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Mangaweka Bridge

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Ōhakea Rural Water Scheme

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Feilding Public Library Redevelopment

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Kōwhai Park Upgrade

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Council Administration Building - Earthquake Strengthening

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District Plan Review (rolling review)

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Feilding Town Centre Refresh

## Services

### Ngā ratonga

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Business as usual for

- Makino Aquatic Centre
- District Libraries
- Property portfolio
- Halls and recreational complexes
- Parks, reserves and sports grounds
- Cemeteries
- Public conveniences
- District Development
- Emergency Management
- Regulatory services
  - Animal Control
  - Building Control
  - Compliance and Monitoring
  - Consent Planning
- Governance and Strategy
- Roading
- Solid Waste
- Stormwater
- Wastewater
- Water Supply
- Corporate Services



# Early engagement with the community

## He rau whakaaro e eke kairangi ai te whakamāherehere<sup>4</sup>

*E whai ake nei ngā take he nui te kōrerotia i waenga i te hapori me te kaunihera. He whakawhitinga kōrero i roto i ngā hui tūmatanui, he whakawhitinga kanohi ki te kanohi i te māketē me wāhi kē atu, he whakawhitinga i runga ipurangi. He taonga katoa ngā kōrero i tukuna mai. Nāku te rourou, nāu te rourou, ka ora ai te iwi.*

From April to October 2020, we invited the community to provide feedback on some of the big issues facing the District. We did this through Facebook Live sessions, the 10 Year Plan page on our website and sessions at the Farmers' Market. Recordings of our Facebook Live sessions can be found on the 10 Year Plan page on the Council website.

Outlined below is a summary of our early engagement with the community on each of these issues.

### The future of Feilding's earthquake-prone buildings

#### Ngā whare whakaraerae o Kawakawa ina rū te whenua

 **Facebook** Live sessions |  1,700 views |  60 comments | **Building owners forum** 15 Sep 2020 | **Survey** 50 attendees | 378 responses




**The issue:** Our heritage buildings are central to the identity of Feilding, but they can also pose a risk if there's an earthquake. Around 40 buildings in the Feilding CBD have been identified as 'priority buildings' under the Building Act. The owners of these buildings have seven and a half years to strengthen to the new standard. If they are unable to do so, they need to demolish the buildings. See pages 28-31 for more details on this issue.

**The feedback:** Following the Facebook Live session, Council conducted a public survey<sup>5</sup> about whether Council should support building owners with the costs of strengthening their buildings. We got 378 responses to the survey and overall the response was not in support of providing building owners with financial support.

**What Council is doing:** We are seeking further community feedback on the Council proposal to ease the costs associated with the consenting process for strengthening and/or restoring heritage buildings in the town centre, and would like to hear from you. Go to pages 28-31 to find out more.

### Climate change

#### Te Āhuarangi Hurihuri

 **Facebook** Live sessions |  1,600 views |  16 comments | **Public forum visits during Council meetings**

20 Jun 2019 Extinction Rebellion requesting declaration of climate emergency  
15 Oct 2020 Kimbolton School  
05 Nov 2020 Feilding High School

**The issue:** Climate change is a reality facing all communities in New Zealand. We wanted to understand more about how our communities feel about climate change.

**The feedback:** We learned that people are concerned about the impacts of climate change on their lives and livelihoods, and they want to see Council show some leadership in reducing the District's carbon footprint and planning for community and infrastructure resilience in the face of a changing climate.

**What Council is doing:** In response to these concerns, Council is in the process of developing an Environmental Sustainability Strategy and Action Plan in 2021, which is likely to include climate adaptation and mitigation measures.

<sup>4</sup> With the thoughts and ideas of many, the planning will be of a high standard. This translation is a play on a proverb "He rau ringa e oti ai" (With many hands the job will be completed).

<sup>5</sup> This survey was available online, and advertised through a range of Council channels. It was also made available at the building owners' forum, in shops and at other locations such as the Farmers' Market.



## Sealing our rural gravel roads

Te whakapapatau i ngā huarahi kirikiri o tuawhenua



Requests from members of the rural community

**The issue:** Maintenance and dust issues on rural gravel roads can be frustrating for people who live on, or travel those roads. Unfortunately, roads are expensive to seal. Even if a project meets the criteria for a NZ Transport Agency subsidy, Council must cover about half of the cost.

**The feedback:** We wanted to see if there was an appetite in the community for more rates to go towards sealing these roads. Overall the feedback was not in support of such a move.

**What Council is doing:** Council has since developed a Road Sealing Policy which describes the process Council will take to consider requests to seal a gravel road. The Policy can be found on Council's website.

## Affordable housing in the Manawātū District

He kāinga utu iti ki te rohe o Manawātū



12 Aug 2020

Manawātū District Council (run by the Manawātū Health and Wellbeing Group) hosted the Housing Forum

**The issue:** The Manawātū District is facing a housing shortage, house prices and rents are going up and our population is growing. Low to middle income families are struggling to find a place to rent or buy. An aging population means we will have an increasing number of residents on fixed incomes who may like to downsize, but there is only limited housing that is suitable.

**The feedback:** The comments and questions during our Facebook Live session showed that there is significant community concern about this issue.

**What Council is doing:** Council is currently developing a Housing Strategy to set out the role it can play in being part of the solution. We are also reviewing our Development and Financial Contributions Policy and preparing a Development Contribution Rebate Policy and an accompanying Social and Affordable Rental Housing Residential Unit Rebate Scheme as a way to support the development of more social and affordable rental housing in the District. We will be consulting on the Rebate Policy and Scheme alongside consultation on the reviewed Development and Financial Contributions Policy and the 10 Year Plan from 12 April to 12 May 2021.

## Community facilities

Ngā taiwhanga rēhia o te hāpori



**The issue:** Council invests in a range of community facilities to help people connect and form relationships. Over the next five to ten years, several of our community facilities will reach the end of their useful life. As our population increases and demographics change, it is important that we design and build facilities that are versatile (i.e., accommodate a range of uses) and have the capacity to meet growing use.

**What Council is doing:** On 18 February 2021 Council adopted its Community Facilities Strategy which provides a framework for future investment and decision making in relation to community facilities. Input from the community during the 10 Year Plan early engagement period was considered as part of the development of this strategy.



# Investing in future resilience

## Te whakamārohirohi haere ake nei

### Infrastructure Strategy

#### Te Rautaki Pūnahahanga

*Kua oti kē, kua mārō rānei te haere o ngā kaupapa matua i whakatauria ki roto i Te Rautaki Pūnahahanga 2018–48. Ka whāia tonuhia te mahere mō te whakapakari i ngā pūnahahanga matua i roto i Te Rautaki Pūnahahanga 2021–2051, e tūwhena tonu ai, e kaha tonu ai ērā pūnahahanga, ahakoa te piki o te taupori e matapaehia ana, me te piki anō o ngā mōrearea ka takea mai i te āhuarangi hurihuri. Arā hoki ngā wero e hāngai ana ki te tūtohunga me te āhei ki te utu i ēnei kaupapa.*

Major projects signalled in the 2018–48 Infrastructure Strategy are now either complete or well underway.

The focus of the 2021–51 Infrastructure Strategy is on continuing with planned investment in core infrastructure to ensure network capacity and resilience in response to projected population growth and the likelihood of increased natural hazards due to climate change, and also taking into account increasing compliance impacts and affordability challenges (see pages 20–27).

Like most Councils around the country, part of Council's water and wastewater networks were constructed during the early 1900s and accurate information on these older assets is not available. Consequently there are some gaps in the data resulting from poor information in the asset database. However, Council has made a considerable investment in renewing the water and wastewater networks in recent years and our critical assets are routinely maintained and monitored. Council considers the risk of critical asset failure to be minimal.

In years one–three of the draft 10 Year Plan 2021–31 the shortfall for theoretical based renewals as shown in Council's asset management database is \$19M. This includes above ground assets at the Manawatū Wastewater Treatment Plant and the Armadale Water Treatment Plant, some of which have already been renewed through the implementation of the Feilding Water Strategy. This theoretical renewal expenditure will not be required, and the asset data verification will be completed in the implementation of the asset data improvement plan (referenced in point 1 above). Renewal expenditure of \$8M is planned in years four–ten. This increase will provide the ability to renew additional assets that are identified in Council's ongoing condition assessment which will be added to the targeted renewals programme.

Renewals that are due on or before years four–ten will be reviewed as part of our ongoing condition assessment to see if they are in need of renewal or if we can increase the expected useful life. The targeted renewals programme for years four–ten will contain the assets that are identified in the condition assessment as a priority for renewal. Condition assessment will provide higher confidence around current low-quality data which is expected to reduce the assets due for renewal in the next 10 years.

Council expects that it will have both the internal and external resources required to achieve most of its annual capital works programme over the life of the 10 Year Plan. If the availability of resources are such that some work is not able to be completed according to the plan, this may result in a reduction of levels of service over time. This would be addressed through the annual plan process.

The full Infrastructure Strategy can be found on pages 55–89 in the draft 10 Year Plan.





# Projects on the go

## Ngā mahi matua haere ake nei

This section outlines the key projects in the Infrastructure Strategy as well as key community facilities and development projects. Project figures have been adjusted for inflation.



## On-the-go

Kua tīmata kē

### Infrastructure Projects



**2018-2026**

Upgrade of Feilding Water Supply



**2018-2025**

Wastewater Centralisation



**2021-2022**

Stanway-Halcombe Rural Water Scheme Upgrade



**2020-2032**

Precinct 4 - Growth Works



**2018-2029**

Precinct 5 - Turners Road Extension Growth Works



**2020-2022**

Mangaweka Bridge



**2020-2022**

Ōhakea Rural Water Scheme

### Community Facilities and Development Projects



**2020-2023**

Feilding Public Library Redevelopment



**2018-2027**

Kōwhai Park Upgrade



**2021-2023**

Council Administration Building - Earthquake Strengthening



District Plan Review (rolling review)

## In the pipeline

He mahi hou



Feilding Town Centre Refresh

## Infrastructure projects

### He mahi pūnahahanga

For more details on these projects, see Section 4 of the 10 Year Plan – Infrastructure Strategy.



### Upgrade of Feilding Water Supply

Te whakatika i te ratonga wai māori o Kawakawa

*He taonga te wai māori, he oranga mō te iwi. Kua tō te rā<sup>6</sup> ki te pūnahahanga wai māori e whakarato ana i te tāone o Kawakawa. Nō reira kua tahuri mātou ki te waihanga i ētehi wāhanga hou, e pai ake ai te whakarato i te wai māori i roto i ngā tau e heke mai nei.*

Signalled in the 2018-28 Plan, this is a project to upgrade and future-proof Feilding's water supply, which commenced in 2018/19 and is due to be completed in 2024/25. The upgraded infrastructure will replace Feilding's reservoir at Almadale and the trunk water main into town, which are nearing the end of their useful lives. The project involves constructing a new water treatment plant, a new trunk water main into town, and a new bore. This project was determined to be both the most cost-effective and resilient option for renewing Feilding's water supply.

Since the adoption of the 2018–28 Long Term Plan, an additional \$2.9 million has been budgeted for the upgrade of Feilding water supply networks. This additional budget will allow for the extension of the trunk main resilience in the town centre (CBD) and projects in the industrial area (Precinct 5), the disposal of the Almadale Water Treatment plant and associated pipelines.

Project costs 2018–2020: **\$2.7M**

Project spend 2020/2021: **\$1.5M**

### Budgeted Expenditure

2021/22	<b>\$1.5M</b>	2023/24	<b>\$278,250</b>
2022/23	<b>\$528,416</b>	2024-31	<b>\$1.2M</b>

<sup>6</sup> The sun is setting – a Māori expression used to identify a timely completion.





## Wastewater Centralisation

Te whakakotahi i te ratonga wai para o te rohe

*He kaupapa tēnei hei whakawhanake i te pūnahahanga e kawea ai te wai para o ngā tāone iti o te rohe ki Te Taupuni Wai Para o Manawatū, ki reira horoia ai ngā para, tukuna anō ai ki te taiao.*

The Manawatū Wastewater Centralisation Project was discussed in the 2018-28 Plan. Work began in 2018/19 and is planned to be completed in 2025/26 (with budget allocated for ongoing costs associated with the project). The project involves the development of infrastructure to pipe untreated or pre-treated wastewater from the villages of Halcombe, Sanson, Rongotea, Awahuri, Cheltenham and Kimbolton to the Manawatū Wastewater Treatment Plant in Feilding for treatment and disposal. Progress to date:

- construction of Sanson to Feilding pipeline
- design work for Halcombe to Mt Stewart pipeline
- design of Rongotea to Awahuri Road pipeline underway
- preliminary work on Cheltenham to Feilding, Kimbolton to Cheltenham, and Kauwhata to Awahuri pipelines.

Project costs 2018–2020: **\$747,000**

Project spend 2020/2021: **\$5.8M**

### Budgeted Expenditure

2021/22	<b>\$1.8M</b>	2023/24	<b>\$1.2M</b>
2022/23	<b>\$1.7M</b>	2024-31	<b>\$2.5M</b>



## Stanway–Halcombe Rural Water Scheme Upgrade

Te whakapai ake i te ratonga wai māori o Stanway-Halcombe

*He mea whakatū tēnei ratonga tuku wai i mua, mō te mahi pāmu. Engari nā te nui o ngā whare e whakatūria ana ki tēnei rohe mōhoa noa nei, e tika ana kia whakahouhia te ratonga kia pai ai te wai hei kai mā te tangata. Kua tukuna mai e te kāwanatanga ā-motu tētehi wāhanga o te tahua hei whakatutuki i tēnei kaupapa.*

The Stanway–Halcombe Rural Water Scheme was originally primarily designed to provide stock watering

on a restricted flow basis. In recent years, there has been a reallocation of a proportion of units to lifestyle properties, as farms have been subdivided. This means that water that was not intended for human drinking purposes is now being used for this purpose. The scheme does not comply with current drinking-water standards requiring the removal of protozoa (Drinking-water Standards for New Zealand 2005, revised 2018).<sup>7</sup> The upgrade will involve the installation of a UV treatment system at the point of supply for the Stanway–Halcombe Scheme. Council is receiving central government (Department of Internal Affairs) stimulus funding for this project (\$750,000 in the 2020/21 financial year). The future investment in this scheme is \$528,900 for reticulation extensions and resilience.

Project spend 2020/2021: **\$750,000**

### Budgeted Expenditure

2021/22	<b>\$313,500</b>	2022/23	<b>\$215,680</b>
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## Precinct 4 - Growth Works

Te mahi whakawhanake i te takiwā ki te huarahi o Pharazyn

*E āta whakaraupapahia ana tā te Kaunihera waihanga i ngā pūnahahanga ki tēnei kokonga o te rohe. Ko tētehi wāhanga o tēnei mahi, ko te whakatau i te whenua ka hiahiaia hei hanga huarahi ā tōna wā.*

In 2013, Feilding's Urban Growth Strategy identified areas in town suitable for development. Precinct 4, centred around the Pharazyn Street area, was identified as a priority for development. Since then a lot of planning has been done and project work is now underway. Precinct 4 will provide for most of Feilding's residential growth over 2021-31, with space for approximately 1,700 houses. The costs outlined below include water, wastewater, stormwater, roading and footpaths.

Project costs 2018–2020: **\$2.4M**

Project spend 2020/2021: **\$2.5M**

### Budgeted Expenditure

2021/22	<b>\$2.3M</b>	2023/24	<b>\$3.1M</b>
2022/23	<b>\$2.7M</b>	2024-31	<b>\$18.4M</b>

<sup>7</sup> These standards can be found at: <https://www.health.govt.nz/publication/drinking-water-standards-new-zealand-2005-revised-2018>



## Precinct 5 - Turners Road Extension Growth Works

Te mahi whakawhanake i te takiwā ki te huarahi o Turners

*Ko te whakaroa i te huarahi o Turners kia hono atu ai ki te huarahi o Kawakawa tētehi mahi i whakatauria i te mahere auroa o mua.*

In the 2018-28 Plan, Council committed to the Turner's Road extension, which will link the existing Turners Road to Kawakawa Road to help facilitate the development of industrial zoned land in this area (Precinct 5).

Planning has been underway for some time but there have been unexpected delays in the land acquisition process which has affected construction start time. The work is expected to continue through the life of this plan.

Project costs 2018-2020: **\$407,000**

Project spend 2020/2021: **\$2.9M**

*(Due to project delays this money will be carried forward to 2021/22).*

### Budgeted Expenditure

2021/22	<b>\$314,000</b>	2024-31	<b>\$1.6M</b>
2022/23	<b>\$323,000</b>		



## Mangaweka Bridge

Te Arawhiti o Mangaweka

*Kua tō te rā ki te arawhiti o Mangaweka i te huarahi o Ruahine, nō reira e hangā ana he arawhiti hou. Kua tukuna e Waka Kotahi tētehi pūtea āwhina, waihoki he wāhanga anō o te tahua e pīkautia ana e Te Kaunihera ā-Rohe o Rangitikei.*

This project involves the replacement of the existing Mangaweka Bridge on Ruahine Road at Mangaweka, which has reached the end of its useful life and is now limited to use by lighter vehicles. This project was originally signalled as a future project in the 2015-25 Plan. Waka Kotahi NZTA funding was made available as part of the 2018-28 budget and construction began in January 2021 and is scheduled for completion in June 2022.

The total cost of the bridge replacement will be about \$11 million which includes the initial business case, pre-implementation and design costs, and construction costs. As this is a boundary bridge, costs will be split equally with Rangitikei District Council. The project

also qualifies for a Waka Kotahi NZTA subsidy so the total actual cost to Council will be approximately \$2.6 million.

Project spend 2020/2021: **\$2.75M**

*\$1.3M MDC + \$1.46M Waka Kotahi NZTA (53% subsidy)*

### Budgeted expenditure for construction phase

2021/22 **\$1.9M**

*\$0.9M MDC + \$1M Waka Kotahi NZTA (53% subsidy)*



## Ōhakea Rural Water Scheme

Te ratonga wai māori tuawhenua o Ōhakea

*I tāhawahawatia kinotia te wainuku i te takiwā ki te uru o Te Taupuni Tauaarangi o Aotearoa i Ōhakea, nō reira e waihangatia ana he ratonga wai māori mō ngā whare me ngā pāmu o reira. He wāhanga nui o te tahua ka tukuna mai e te kāwanatanga ā-motu, mā te Kaunihera te toenga e pīkau.*

The Ōhakea Rural Water Scheme will involve the construction of a potable water supply in the area affected by polyfluoroalkyl substances (PFAS) compounds to the west of the Ōhakea Defence Force Base. Around 85 rural properties will be supplied with reticulated drinking and stock water rather than having to rely on tanks and bores.

Central government will fund \$10.8 million of the costs for the design and construction of the new water scheme, while Council has committed to \$2 million of loan funding as a contingency (this will only be borrowed if required).

This is the only project set out in this 10 Year Plan that is expected to result in a change to levels of service. Currently, the affected properties have private water supply systems. The provision of a reticulated scheme will ensure safe and reliable drinking water for households and stock for the future. Construction of the scheme began in early 2021 (expected completion in December 2021). Once construction is complete the scheme will make potable water available to users. The associated costs will be paid for using reserve funds until the following financial year when the targeted rate can be set for those users who are connected to the scheme.

Project spend 2020/2021: **\$6.2M**

### Budgeted expenditure

2021/22 **\$4.6M**



## Community Facilities and Development Projects

Ngā taiwhanga o te hāpori me ngā mahi whakawhanake



### Feilding Public Library Redevelopment

Te whakahou i te whare pukapuka o Kawakawa

*E whakamaheretia ana te whakahoutanga o tēnei whare, e pai tonu ai mō te hāpori haere ake nei te wā, e pakari anō ai tōna tū ina rū te whenua. Ka whakawhiti kōrero te Kaunihera ki te hāpori i mua i te tīmatanga o ngā mahi.*

Plans are being developed to modernise, extend and carry out seismic strengthening to the existing library building, to ensure the building meets the needs of the community now and in the future. Originally budgeted for the 2020/21 financial year, the project was delayed due to further site and feasibility analysis requested by Council and the impact of COVID-19 on the availability of staff to progress the project (key project staff also held responsibilities during the emergency response which took priority). The budget of the library redevelopment has been carried forward and spread across the first two years of the 2021-31 Plan (2021/22 – 2022/23).

Before any redevelopment proceeds, Council will undertake consultation with the community on the concept designs. The project will be funded by loans and possible external funding (not included in this plan).

The budget includes:

- \$153,000 renewal furniture and fittings including new floor coverings
- \$424,000 for upgrade of library spaces and increased accessibility
- \$4.9 million of major renewals, seismic strengthening and redevelopment.

Project spend 2020/2021: **\$80,000**

#### Budgeted Expenditure

2021/22	<b>\$2.7M</b>	2022/23	<b>\$2.8M</b>
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### Kōwhai Park Upgrade

Te whakawhanake i Te Papa Rēhia o Kōwhai

*Ko tā tēnei mahi he whakahoki i te papa rēhia nei ki tōna āhua taiea o mua.*

We are undertaking a range of operational, renewal and development projects to return Kōwhai Park to its iconic status in the Manawātū District. Key components include the development of a new exotic bird aviary, fenced playground, renewal of boardwalks and walkways and replacement of the pond bridge.

This project was budgeted for in the 2018-28 Plan and some individual projects began in 2018. The work is expected to continue through the lifespan of the 2021-31 10 Year Plan. In 2019/20 Council made an application to Eastern and Central Community Trust for funding to upgrade the Kōwhai Park playground. The application was successful and Council received \$114,000.

Project costs 2018–2020: **\$85,000**

Project spend 2020/2021: **\$583,000**

#### Budgeted Expenditure

2021/22	<b>\$172,000</b>	2023/24	<b>\$98,000</b>
2022/23	<b>\$145,000</b>	2024-31	<b>\$898,000</b>



### Council Administration Building - Earthquake Strengthening

Te whakapakari i te whare o te Kaunihera – mō te rū whenua te take

*Kei raro iho tēnei whare i te paerewa mōkito, nō reira e tahuri ana mātou ki ngā mahi whakapakari, e haumarua ai mō ngā mahi o ia rā, e pai ai hoki hei pokapū ohotata ina karawhiua tō tātou hāpori e te aituā ohotata.*

The Council administration building does not meet the new minimum standard for earthquake strengthening under the Building Act. Strengthening work is required to ensure the building is fit for every-day operations and also to function as an Emergency Operations Centre in the event of a civil defence emergency. This work must be completed by March 2028. Council is exploring other options that maybe used for our Emergency Operations Centre.

This project was signalled in the 2018-28 Plan as a project for 2021 however, due to delays caused by the COVID-19 lockdown in 2020, the main construction will not begin until 2021/22.

Project spend 2020/2021: **\$60,000**

#### Budgeted Expenditure

2021/22 **\$976,814**      2022/23 **\$1M**



#### District Plan Review (rolling review)

Te arotake i Te Mahere ā-Rohe

*E herea ana te Kaunihera ki te whakaoti i tēnei mahi i ia ngahuru tau i raro i te ture. He mahi nui, he mahi tuatini e whai wāhi ai ngā pūkenga ahumahi ngaio, me te whakawhiti kōrero rangiwhāwhā ki te hāpori.*

Council is required by law to review the District Plan every ten years. Reviewing the plan is a significant and complex project requiring input from a range of technical experts and industry professionals, and requires extensive community consultation. An increase in funding ensures Council will meet new government direction and achieve the review within the ten-year timeframe.

#### Budgeted Expenditure

2021/22 **\$235,000**      2023/24 **\$351,000**  
2022/23 **\$292,000**      2024-31 **\$4M**

## In the pipeline

### He mahi hou



#### Feilding Town Centre Refresh

Te whakahou i te pokapū o Kawakawa

*Inātata kua whakawhiti kōrero mātou ki te hāpori e pā ana ki te anamata o te pokapū o Kawakawa tāone me ngā matawhānui, tae atu ki te tau 2040. Kei konei te mahere tōmua e kitea ai ngā aronga matua e whakaarohia ana. Hei te 2021 ka āta whakawhanakehia he mahere hoahoa, ā, tīmata ai te whakatinanatanga hei te 2022.*

We recently sought feedback from the community on your vision for the Feilding Town Centre in 2040, and based on this feedback, we are developing a Feilding Town Centre Concept Plan (see Council's website). Based on further feedback on this concept plan, Council will be developing a detailed design plan in 2021/22. Any significant costs associated with physical works for this project will be budgeted for in the next 10 Year Plan (2024–34). At this stage, it is too early to project the rates impact of the Town Centre Refresh

however, it is likely that, given the significance of the project, it will result in an increase to the projected rates figures set out on page 40 from 2024 onwards.

#### Budgeted Expenditure

2021/22 **\$45,000**

## Other projects of interest

### Vinegar Hill Rural Water Scheme

Council is working with rural landowners in the Vinegar Hill area to develop a feasibility assessment for a potential rural water scheme which could service up to 40,000 hectares of hill country farmland in the northern part of our district. The feasibility study received \$90,000 of funding from the Provincial Growth Fund. Council staff are providing technical, engineering and administrative resources to progress the project, including the collection of financial contributions from the local farming community towards the feasibility study. If deemed feasible, the wider project team will seek external capital funding to construct the rural water scheme over the next few years.

### Extension to Stanway Halcombe/Te Reureu Valley Rural Water Scheme

Council is actively engaging with local iwi landowners in Te Reureu Valley on the eastern banks of the Rangitikei River north of Halcombe to develop a feasibility assessment for either a potential extension of the Stanway Halcombe Rural Water Scheme, a new standalone Te Reureu Rural Water Scheme, or combination of the two options. This initiative could service up to 1,200 hectares of fertile river terrace farmland in the western part of our district for domestic and stock use. Council staff are providing technical and engineering support to local iwi as well as assisting with a business case to further support planning for the project.

A total of \$3.7M has been provisionally allocated to year two of the plan (2022/23) for this project, however it is dependent on external, third party funding, therefore it will not impact rates or debt. If external funding is not secured the project is unlikely to proceed.



# Challenges facing the District in the next ten years

## Ngā mātātaki kei mua i te aroaro

### Climate change<sup>8</sup>

#### Te āhuarangi hurihuri

*Huri i te ao, huri i Aotearoa, e ngangahu ana te kite, e māraakerake ana te rongo i ngā hua o te mahana haere o te āhuarangi e pā kino nei ki a Papatūānuku. Kāore e kore ka nui haere te huarere hārukiruki ki te rohe nei o Manawatū hei ngā tau e heke mai nei, arā, ko ngā āwhā me ngā wā o te tauraki. Ko tā te Kaunihera he āta whakariterite i ngā pūnahanga e haumarū ai te hāpori, me ngā kaupapa e manawaroa ai te iwi.*

We are already seeing the effects of climate change both in New Zealand and globally. In New Zealand, average annual temperatures are rising, with record or near-record warm temperatures set almost every month somewhere in New Zealand. Rainfall patterns are changing, with some drier regions experiencing more drought, and some wetter regions experiencing more frequent and intense rainfall events.

In the Manawatū-Whanganui region, there has been an increase in mean annual temperatures (at Whanganui) since records began in 1940 – an increase on par with the increase in national mean temperature over the same period. As we have only limited information on climate change projections and impacts specific to the Manawatū District, it is not yet clear how climate impacts will play out in the District (see the



Climate Change section of the 10 Year Plan for more information). However, we do know that there is likely to be more extreme weather – more frequent and intense rainfall events on the one hand, with a higher likelihood of droughts on the other. Sea level rise is likely to be in line with the national projection.

A significant proportion of the District is vulnerable to flooding, even without taking into account climate change projections. The increased level of flood risk and coastal inundation will affect both infrastructure and people. Of the nine districts included in the Horizons Region, the Manawatū District has the largest number of people in the projected flood hazard area. To mitigate this risk, the District's major infrastructural assets, including the Manawatū Wastewater Treatment Plant, have been located outside the area likely to be affected by a one in 200-year flood event. In addition to this, Council is working with Horizons Regional Council on the Reid's Line spillway flood protection scheme to minimise any flood risk to Feilding. Improvements to our stormwater network are ongoing, and new development in Feilding will adhere to stricter standards so that they do not add any additional pressure to our stormwater network or waterways.



A safe and resilient roading network is crucial to the economic and social wellbeing of the Manawātū District. Roads open up our district to economic opportunities and enable access to crucial social and health services. We continue to make ongoing drainage improvements to our roading network to strengthen resilience and ensure reliable access around the district and to the wider market.

At the other end of the spectrum, we can expect an increased incidence of droughts. This will make it more important for council-serviced rural communities to build resilience into their water supplies, for drinking water, general household and firefighting use. Feilding currently has adequate water supply both under its current system (Almadale Water Treatment Plant and the Campbell Road/Newbury Line bores) and under Council's future plans to extract more of the town's drinking water supply from groundwater. This will place less pressure on the Ōroua River, which may experience reduced median flows as climate change progresses.

Rural communities that are not serviced by a Council water scheme, which rely solely on rainwater, will be more vulnerable to the impacts of climate change, especially drought. Some communities have already experienced water supply issues in recent years. Council will be working with likely to be affected community groups and other relevant organisations to support them as they seek to increase their drought resilience for localised drinking and stock water. This will help these communities to be more prepared for the potential impacts of climate change.

While sea level rise will occur in this District as it will across all of the country, the predominantly inland distribution of our towns and settlements means that it will have less impact on our communities than elsewhere in New Zealand.

Given Council's considerable investment in renewing water and wastewater networks in recent years and its ongoing commitment to maintaining the roading network to a high standard, Council expects to be able to maintain existing levels of service throughout the life of the draft 10 Year Plan within its self-imposed debt restrictions and maximum allowable rate rises.

In 2021 we will be developing an Environmental Sustainability Strategy and Action Plan which will address how we will respond to the range of challenges to our environmental well-being, including our changing climate.<sup>9</sup>

<sup>8</sup> Sources include: <https://www.mfe.govt.nz/publications/environmental-reporting/chapter-3-changes-in-our-climate-and-environment-observed>; NIWA, 2019 'Climate change implications for the Manawātū-Whanganui Region' (Report commissioned by Horizons Regional Council).

<sup>9</sup> A commitment to this strategy and action plan was made by Council in its 'MDC Statement on Climate Change', dated 25 July 2019.



## Growth

### Kia tipu whakaritorito

*E matapaetia ana ka tipu te taupori o te rohe mā te 34.5% i roto i ngā tau e 30 haere ake nei. Kia takatū ka tika! Arā kē ngā āhuatanga hei āta whakaaroaro, hei āta whakamāherehere mā tātou, e pai ai te tipu o tō tātou rohe. Ko te tipu o ngā tāone iti me te tāone matua o Kawakawa, ko ngā wāhi e whakatūria ai he whare hou, ko ngā pūnahanga, ko ngā taiwhanga rēhia, ko ngā wāhi ahumahi ētehi. Arā hoki ētehi kaupapa nui e whakatūria ana ki tō tātou rohe, pērā i te tipu o te taupuni o Tauaarangi Aotearoa ki Ōhakea, te whakatū i te Pokapū Utanga Rerewhenua i te takiwā o Bunnythorpe, me te waihanga i te huarahi matua hou o Te Ahu a Tūranga. Ko te whāinga matua, mā roto i te āta whakamahere e taurikura tonu ai tō tātou rohe.*

Our population is estimated to increase by about 34.5% by 2051. This means the District is projected to grow from 32,700 people to 43,700 people in the next 30 years. We expect that about 60% of that growth will be in Feilding, while the rest will occur in rural and village areas.

The 2013 Feilding Framework Plan sets out how we are preparing for growth of Feilding. In the short-term the development of Precinct 4, on the northern edge of town, provides for an extra 2,000 homes which we expect to reach full capacity in 20 years. Other urban growth areas are being considered for development as part of Council's District Plan Review.

Council will also review the Feilding Framework Plan to identify future growth areas in accordance with the Future Development Strategy requirements of the National Policy Statement: Urban Development. This work will take place in the later years of this plan.

Growth of the villages and rural/lifestyle development will be reviewed through the District Plan and will mean that land-use planning and infrastructure provisions are aligned.

Council's recent and ongoing investment in infrastructure, including the upgrade of Feilding Water Supply, the Wastewater Centralisation Project and growth works in Precinct 4 (Pharazyn Street area) and Precinct 5 (Turners Road extension) anticipates the growth planned for these areas. Council's Development Contribution Policy outlines the growth-related work programme for Precincts 4 and 5 growth areas (see *Projects On the Go* section, pages 14-19, for more details on budgeted expenditure for each of these projects). The majority of this work is funded from development contributions. A small portion of this work can be categorised as renewal, which is rates funded. Council has a process for vesting Council assets once construction has been completed.

We need to make sure that the district has activities and services that will encourage families to move here and stay. While we know that our population is growing, we also know that our district is getting older, with the percentage of older people growing from 17% in 2020 to 21% in 2050. This is an increase of almost 3,750



residents aged over 65 in the District. This means that we have to ensure our planning accounts for the needs of the elderly, for example, by ensuring our public spaces and recreational facilities are easily accessible and elder-friendly, and facilitating the provision of appropriate housing and transport options for those on fixed incomes.

A changing population means we also have to plan for different forms of housing and ownership. This means we need to ensure smaller, medium density houses and social housing are also part of the development mix and our response to growth.

In the last five years the number of people on the waiting list for social housing<sup>10</sup> in the district has increased from 8 in September 2015 to 76 in September 2020. This indicates a worrying lack of social housing, which must be addressed in the short term and planned for in the medium to longer term.

More generally, large development projects happening in and around our district in the next few years will create employment, bringing more people to the Manawātū District and generating further demand for housing. These developments include:

- Ōhakea Airbase: It is expected that 275 staff, along with their families, will relocate from Whenuapai to Ōhakea between 2022 and 2023. Some of the relocated families are expected to settle in the District. In addition, it is forecast that more than 2,000 jobs will be sustained during the construction phase.

- KiwiRail Regional Freight Hub, which is set to be located west of Railway Road between the Palmerston North Airport and Bunnythorpe. It is expected that about 300 jobs will be created during the construction phase alone. While this project is located within Palmerston North city boundaries, its proximity to the Manawātū District means it is likely that some workers will choose to find homes in our district.
- Te Ahu a Tūranga Manawātū Tararua Highway, which runs between Ashhurst and Woodville, started in summer 2020/21 and is scheduled for completion in 2024. It is expected that at its peak the highway construction will employ 350 people, with at least 60% of the jobs going to people from the wider Manawātū. This is likely to mean some additional demand for housing in the region, including, potentially, in the Manawātū District.

<sup>10</sup> The Housing Register is managed by the Ministry of Social Development and includes both social housing and for transitional housing needs. Needs are provided for by both Kainga Ora and community housing providers.







## A changing regulatory environment

### Ko ngā aratohu hou a te ture

*Ka whakahaerehia ngā mahi katoa a te Kaunihera i raro i ngā ture ā-motu. Ina whakarerekēngia ngā ture ā-motu, me urupare e te Kaunihera. I ētehi wā ka piki ngā utu i runga i ēnei panonitanga, ngā utu whakahaere o ia rā, me ngā utu hei whakahou i ngā pūnahahanga. I roto i ngā tau tata nei, kua panonihia ngā ture ā-motu e pā ana ki te whakarato i te wai māori, ki te whakapakari i ngā whare tūmatanui mō te rū whenua te take, ki te whakawhanake tāone, ki te tiaki i ngā arawai māori. Koia rā ētehi.*

Council operates within a heavily regulated environment, in which legislation, regulations and other requirements are constantly changing. As these requirements change, Council needs to incorporate them into our policies and processes, and in some cases, undertake work to meet new requirements. This can lead to increased operating costs or the need for expensive infrastructure upgrades.

In recent years, there have been a number of significant regulatory changes that Council has needed to make further investment to comply with or respond to, including:

#### Recent regulatory changes

- Drinking-water standards for New Zealand (see next section Taumata Arowai – changing the way water services are delivered)
- Earthquake-prone building standards – national framework for identifying and remediating high-risk, earthquake prone buildings
- National Policy Statement on Urban Development 2020 – requires councils to plan for growth and ensure a well-functioning urban environment for all people, communities and future generations
- National Policy Statement on Freshwater Management – provides direction to councils on managing the activities that affect the health of freshwater
- More stringent resource consent requirements – for example, discharge consents for wastewater.

In addition, the three waters reform programme is in its early stages of development and it is unclear at this point what form proposals will take or what implications reforms will have for local government (including whether the responsibility for three waters will remain with Council or whether it will be transferred to another agency). More detail on this reform programme and its possible implications is provided in the next section.



## Taumata Arowai – changing the way water services are delivered

### Ngā panonitanga ratonga wai

*I roto i ngā tau tata nei kua mahi tahi ngā kaunihera ā-rohe me te kāwanatanga ki te whakatū i a Taumata Arowai, he rōpū ka whaimana ki te tiroiro, ki te uruhi i ngā ture e pā ana ki ngā ratonga wai e toru nei, te wai māori, te wai ua me te wai para. E haere tonu ana ngā kōrero ki waenga i Te Kaunihera ā-Rohe o Manawatū me te Karauna e pā ana ki ngā take pēnei i ēnei:*

- Mā wai e waihanga ngā ratonga wai<sup>3</sup> ki te rohe;
- Mā wai e utu;
- Mā wai e whakahaere ngā ratonga wai<sup>3</sup> ki te rohe;
- Me pēwhea e pupurihia ai ngā utu kia kore ai e patua ngā hapori ki ngā utu nui;
- Ko te whakawhiti kōrero ki te hapori;
- Ko te whai wāhitanga mai o ngā mana whenua.

A significant challenge facing New Zealand in the coming years is the safe and cost-effective provision of drinking water to local communities. Several events around the country in the last few years have demonstrated a lack of robust regulation, consistent enforcement and under-investment in relation to three waters infrastructure. As a country, our three waters infrastructure is not in good shape.

This is not the case for Manawatū District. In the last decade, Council has invested proactively in its core infrastructure, including the three waters, and is very confident of the resilience of our network to provide safe drinking water for decades to come. For example:

#### Wastewater

Irrigation - Manawatū wastewater treatment plant  
Digester - Manawatū wastewater treatment plant

#### Amount

**\$1.53M**  
**\$2.04M**

#### Completion

**2019**  
**2020**

#### Water Supply

MacDonald Heights reservoir  
MacDonald Heights old reservoir earthquake strengthening  
Sanson water treatment plant  
Rongotea water treatment plant

#### Amount

**\$2.17M**  
**\$772,000**  
**\$2.02M**  
**\$2.54M**

#### Completion

**2019**  
**2020**  
**2020**  
**2016**

#### Stormwater

Tangimoana stormwater and pump station  
Derby Street stormwater

#### Amount

**\$451,000**  
**\$933,000**

#### Completion

**2021**  
**2018**



Over the past three years central and local government have been considering solutions to challenges facing the regulation and delivery of the three water services. This has seen the development of new legislation to create the new Water Services Regulator, Taumata Arowai, to oversee and enforce a new drinking water regulatory framework with an additional oversight role for wastewater and stormwater networks.

On 24 August 2020, Manawātū District Council signed a Memorandum of Understanding (MoU) with the Crown to work constructively together to explore future service delivery options and identify an approach to service delivery reform that considers how the government might design:

- water service delivery entities that are:
  - big enough to achieve economies of scale over the medium to long-term (most likely multi-regional)
  - asset-owning entities with financial autonomy, able to access a wider range of funding sources than individual councils
  - structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards.
- delivery of drinking water and wastewater services as the main priority, with the ability to extend to stormwater service provision only where effective and efficient to do so

- water entities that are publicly owned entities, with a preference for collective council ownership
- ways to enable communities to provide input in relation to the new entities.

It is also critical to involve iwi/Māori, as Treaty of Waitangi partners, in the discussion, design and decision making.

This reform process creates a level of uncertainty around how drinking water and wastewater services will be delivered to the community in the future (including by what agency). However, the 30 year Infrastructure Strategy and 10 year Financial Strategy in Council's 10 Year Plan assumes the status quo (Council ownership and delivery). The Three Waters Asset Management Plan 2021-31 (found on Council's website), provides all the asset condition information and life cycle management information that would be required for a different entity to manage the service from day one.

Council has stated two planning assumptions related to the delivery of drinking water, one on legislative change and one on the New Zealand Drinking Water Standards. Find them on page 277 and 278 of the draft 10 Year Plan.



## Affordability

### He utu ka taea e te katoa

*Kei te piki haere ngā utu hei pīkau mā te Kaunihera e tutuki pai ai ā mātou mahi. Hāunga tērā, e mārāma kehoheho ana te Kaunihera ki ngā taumahatanga o mua tata nei e ngau kino ana i te hapori, nō reira e tino whāia ana kia kaua e tino piki ai ngā rēti. Kei raro nei ētehi huarahi e whāia ana e te Kaunihera.*

The cost of doing business is increasing. There is significant pressure on Council's budget from things we simply can't avoid, such as insurance and depreciation. In the last three years, Council's insurance has increased by 33%. The ongoing impact of higher revaluations of assets is driving an increase in depreciation costs.

We are conscious that no one likes paying rates. For those on a fixed or low income, it can be especially hard. Council has options available to assist with easing the burden of rates in certain circumstances (see Council's Rates Remissions Policy on the website). However, like taxes, rates are a reality that we can't avoid. Council does its best to keep rates as low as possible, while at the same time providing levels of service that the community expects and enjoys.

While there are a range of ways Council receives money, there is only so much we can do to minimise

the impact on rates. Council recognises the ongoing impact of COVID-19, especially on local businesses and employment, and has made a conscious effort to keep rates for 2021/22 (year one of this 10 Year Plan) as low as possible. This has meant that we have scheduled the start of some projects later than we originally anticipated, delaying them to year two and beyond.

Some of the other ways we have worked to keep rates as low as possible are by:

- considering the appropriate balance between funding services through rates and user pays, and by making adjustments where appropriate (see pages 41 and 42)
- moving some planned projects to later years in the 10 Year Plan
- using loans to fund new capital work, which spreads the cost over a longer period of time
- looking for ways to secure external funding sources for projects (e.g., central government subsidies, community funding grants).

Council has invested strongly in core infrastructure over the last ten years. Other than a new water scheme currently under construction at Ōhakea which is mostly funded by central government (see page 17) there are no new critical, big-ticket items that Council needs to invest in in the near future. We are mostly getting on with what we committed to in the 2015–25 and 2018–28 Long Term Plans. Our key areas of focus in the coming years can be found on pages 14–19.





# Council decisions for your feedback

## Ngā take whakawhiti kōrero

### Proposal One

#### Assistance for strengthening earthquake-prone buildings in the Feilding CBD

He āwhina mō te whakapakari i ngā whare whakaraerae rū whenua

Kua whakaturehia e te kāwanatanga ētehi paerewa e haumaruru ai ngā whare puta noa i te motu e whakaraerae rū whenua ana. E 57 ngā whare kei te pokapū o Kawakawa kei raro iho i ngā paerewa mōkito, nō reira me whakapakari ērā whare. He utu nui hei pīkau mā te hunga nō rātou aua whare, nō reira e āta tiroiro ana te Kaunihera i ētehi huarahi e āwhinatia ai taua hunga rā. Kei raro iho nei ngā kōrero whakamahuki.

#### Related priorities

- A place to belong and grow
- A future planned together
- A prosperous and resilient economy

#### Related projects and plans

- Feilding Town Centre Vision 2040
- Feilding Town Centre Refresh

### Feilding town centre

**57** earthquake prone buildings  
**31** of those have heritage status

### Owners of priority earthquake prone buildings only have...

**7.5 yrs**  
to strengthen them



How much will it cost? For some owners: thousands, for some: hundreds of thousands, in some cases it could be millions.

#### The facts

- Around 60 earthquake-prone buildings in the Feilding town centre\*
- Around 40 of those are classified as "priority buildings"\*
- Around 30 of the "priority buildings" have heritage status\*
- Owners of buildings classified under the Building Act as priority buildings (EPB) have only seven and a half years to strengthen them
- Owners of buildings that are earthquake prone but not classified as 'priority' have 15 years
- How much will it cost? For some owners thousands, for some hundreds of thousands, in some cases it could be millions.

\*Information received by Council from building owners and structural engineers may result in a change in initial classification.

#### Wider considerations

- The future of Feilding – is heritage character to be a feature of the Town Centre Refresh?
- How do you weigh up the public vs private value of the character buildings?

## The issue

At the heart of it, this issue is about what we all want for the future of Feilding. In 2018 Council asked the community to share the things they most value about the Feilding town centre. The response was that residents valued vibrancy, attractiveness, friendliness, safety, inclusivity and rural character.

One of the major themes from around 4,000 comments we received is that the community values the heritage character of the town. This feedback highlighted that Feilding's heritage buildings are part of what makes the town unique.

Legislation introduced in 2017 requires Council and the owners of these heritage buildings to strengthen earthquake-prone buildings to the new standard.

The future of earthquake buildings is about more than just the buildings themselves. Council is undertaking a major Town Centre Refresh project which will set the programme for rejuvenating the town centre to be a place that reflects the heart of our district into the future. These earthquake-prone heritage buildings will be a key consideration in developing the vision for the town centre.

In most cases, it is the building façades that contribute to the character of the town centre, rather than the building itself. While the frontage provides aesthetic appeal, most of the upper floors are unable to be rented out by the owner (the cost of bringing buildings up to code for residential purposes would be prohibitive) so they do not provide any income to offset the costs of strengthening.

In many cases, the buildings behind the façades could be demolished and rebuilt to today's standards.

Depending on the size and type of the building or facade, earthquake strengthening alone will cost the owner hundreds of thousands of dollars – even millions! And that doesn't include the cost of restoration. Owners can seek grant funding from Heritage Equip [<https://heritageequip.govt.nz/>] to help with these costs, but this kind of funding is limited. In 2020 Council supported several owners in their applications for funding and eight buildings received assistance.

The façades are very unstable in an earthquake and therefore a major risk to vehicle and pedestrian passers-by.

In September 2020, Council ran a public survey to see what the community thought about contributing a small amount to earthquake-prone building owners in the town centre to assist with strengthening and renovation costs. Because the whole community benefits from having an attractive and distinctive town centre, Council wanted to find a way to help owners invest in these buildings and by doing so, invest in the future of the town centre. However, survey results indicated that ratepayers were not keen to contribute rates support to the strengthening or restoration of character buildings in the Feilding town centre.

A small contribution from ratepayers would help ease the financial burden for owners of earthquake-prone buildings. An average annual increase of just \$6.84 (or 57 cents per month) would enable Council to give building owners who wish to strengthen and renovate their buildings a discount on the relevant building consent and resource consent fees. While this is a small amount for these owners, it would let them know that the community supports their efforts to invest in maintaining the town's character for the future.





# Some of the options Council considered

(Note: the figures provided are based on an average Feilding residential rates invoice of \$3,500 per year.)

## Option A. Business assistance (Council’s preferred option)

Council recognises the importance of the heritage character to Feilding’s identity. To date, Council’s support for owners of priority buildings has been to provide non-financial support and assistance by liaising with experts and external agencies to explore funding and technical support options. It would like to be able to do more. Council’s preferred option is to make a small, but tangible gesture of support to encourage affected owners to invest in the future of these buildings and the town. This option has less of an impact on rates than Options C and D, but is a higher level of support than Option B.

A discount on consenting fees for owners of earthquake-prone buildings who choose to strengthen their building.

Council would allocate an annual budget of \$75,000 for the period of 2021–28 to discount consenting fees in the following ways:

- Building consent fee discount of \$2,500 per consent for all earthquake-prone buildings
- Resource consent fee discount for \$2,500 per consent for earthquake-prone heritage buildings.

Impact:	Rates	Debt	Levels of service
	<b>Increase</b> An extra 0.19% on total rates per year (on average). About 57 cents extra per month	<b>None</b>	<b>None</b>

# Other options considered

## Option B. Status Quo

Council provides non-financial support and assistance for priority building owners by liaising with experts and external agencies to explore funding and technical support options.

Impact:	Rates	Debt	Levels of service
	<b>None</b>	<b>None</b>	<b>None</b>



### Option C. Façade Grant

Council provides a one-off contribution to the costs of strengthening and restoring priority building façades.

#### Option C1.

Total grant funds of \$200,000 per year over 5 years (total value \$1 million)

<b>Impact:</b> Rates <b>Increase</b> An extra 0.51% on rates per year (on average). About \$1.53 extra per month.	Debt <b>None</b>	Levels of service <b>None</b>
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#### Option C2.

Total grant funds of \$100,000 per year over 5 years (total value \$500,000)

<b>Impact:</b> Rates <b>Increase</b> An extra 0.26% on rates per year (on average). About 76 cents extra per month.	Debt <b>None</b>	Levels of service <b>None</b>
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### Option D. Rates Holiday

A 100% rates remission ('rates holiday') for the duration of any strengthening and renovation work for a maximum of up to two years. After completion of strengthening they will be eligible for a 50% rates holiday for a maximum of three years. Only available during the period of 2021–28.

The rates remission would apply to strengthening and renovation of façades, strengthening and renovation/refit of the building, or demolition and rebuild of building.

An approximate total cost of \$113,000 per year over the period of 2021–28.

<b>Impact:</b> Rates <b>Increase</b> An extra 0.29% on rates per year (on average). About 86 cents extra per month.	Debt <b>None</b>	Levels of service <b>None</b>
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### Question for your feedback

Would you support any of these forms of Council assistance for earthquake-prone buildings in the Feilding CBD?

*Please see page 51 to provide your feedback.*

## Proposal two

### The availability of funding for community events and initiatives

Ngā pūtea e wātea ana ki ngā takunetanga me ngā kaupapa a te hāpori

*Karekau he moni i whakatahangia i roto i te mahere pūtea o te tekau tau haere ake nei, hei tahua ka tonoa e ngā rōpū o te hāpori, hei āwhina i a rātou ki te whakatū, ki te whakahaere i ā rātou kaupapa. Hāunga tērā ka haere tonu ngā ratonga kirimana, te tuku tonu i ngā tahua pūmau ki ngā rōpū whakahaere i ngā kaupapa whakawhanake i te hāpori me te ōhanga, me ngā kaupapa e mahia tahitia ana ki rōpū kē. E whai ake nei ngā whakamārama:*

#### Related Strategies

- Community Development Strategy
  - Housing Strategy
  - Youth Action Plan
  - Better Later Living Action Plan
- Economic Development Strategy

#### Related priorities

- A place to belong and grow
- A future planned together
- A prosperous and resilient economy

There are no funds budgeted in **year one of the 10 Year Plan** for Council's events grants or contestable and on-application community grants



Any increase to the budget to allow for replenishing these funds will have a direct impact on rates

#### The facts

- There are no funds budgeted in year one of the 10 Year Plan for Council's events grants or contestable and on-application community grants
- Any increase to the budget to allow for replenishing these funds will have a direct impact on rates

#### Wider considerations

There are other external funding agencies to which community organisations, initiatives and individuals can apply however funding from these agencies is not guaranteed. Without funding, some events and initiatives may not go ahead.

### Question for your feedback

How important is it for Council to replenish these grants funds? Which of these options do you support?

**Option A** – Increase the District development budget by \$75,000

**Option B** – Maintain existing budget (do not replenish)

*Please see page 51 to provide your feedback.*



Council provides funding for a range of contracted services and community initiatives which align with Council's strategic priorities to support community and economic development. These priorities are discussed in detail in our Community Development Strategy and our Economic Development Strategy. Below is a list of the contracts and partnerships Council has with community-based organisations and the grants we currently offer for community initiatives and projects.

## Community contracts, partnerships and grants

 **Key:** Funds and events directly affected by this proposal



### Contracts

- Priority Service Provider contracts
  - Feilding and District Promotion Inc
  - Palmerston North Surf Life Saving Club Inc
  - Te Manawa Family Services (Youth and Parenting)
  - Te Manawa Family Services (Anti-Bullying)
  - Manchester House Social Services
  - Manawatū Rural Support Services
  - The Manawatū Historic Vehicle Collection Trust
  - Hīmatangi Beach Community Patrol
- Feilding Community Patrol
- Plant to Plate Aotearoa
- Manawatū District Neighbourhood Support
- Feilding and Districts Youth Board
- Volunteer Central
- Age Concern
- Central Economic Development Agency (CEDA)
- Sport Manawatū
- Economic Development Research Data contracts

### Partnerships

- Manawatū Youth Council and Youth Initiatives
- Food HQ Subscription
-  Economic Development Research Data, opportunities & collaboration agreements

### Grants

- Feilding Civic Centre Trust Grant
- Manfeild Park Trust Grants
- Te Manawa Museum Grant
- Community Committees and Community Plan Implementation
- Urupa and Private Cemeteries Grants
- Community swimming pools Grants
-  Community Grants funds (contestable)
  - Community Development
  - Representative
-  Past flagship events
  - National Schools Road Cycling Championships
  - Manawatū Tattoo
  - Matariki
  - Carols by Candlelight & Christmas Cave
  - Gravel 'n' Tar cycle race
  - ANZAC and Armistice Services
  - Kimbolton Sculpture Festival
  - NZ Rural Games



## Redistribution of District Development Budget

In September 2020 Council approved an increase of \$147,000 to the Feilding & District Promotion District development services contract to expand the range of services to include 'grass roots' business support. The increase was for the period of 1 October 2020–30 June 2022, however, budget provision has been made for the same contract amounts for 2022–31.

### The issue

The increase to the Feilding & District Promotion contract has required the use of \$147,000 currently allocated for other district development funds and activities:

- Community Development Fund
- Events Fund
- The Economic Development Research Data, Opportunities & Collaboration Budget.

Because of this redistribution, there is no money in the budget to allocate to Council's contestable and on-application community grants and events grants for year one of the 10 Year Plan (2021/22). Any increase to the budget to allow for replenishing these funds will have a direct impact on rates.

This means that flagship events including the Manawātū Tattoo, Carols by Candlelight and the Christmas Cave, and ANZAC and Armistice Services (see table) and other community initiatives will not receive Council funding in year one. Events and initiatives such as these contribute significantly to community wellbeing and our identity as a district.

Council's key community and economic development contracts will be reviewed at the end of year one. This provides an opportunity to reconsider the distribution for years two onwards, but the overall budget would remain the same. Unless the budget allocated to Council's contestable and on-application community grants and events grants is replenished it is unlikely that Council's contestable and on-application community grants will be available in the foreseeable future. Organisations who currently receive financial support from Council would need to find alternative sources of funding.

## Two of the options Council considered

(Note: the figures provided are based on an average Feilding residential rates invoice of \$3,500 per year.)

### Option A. Increase the District Development Budget by \$75,000

Increase (replenish) the budget to allow for community grants funding to continue at 50% of its previous level. Limited grant funding will be available for the Community Development Fund and the Events Fund.

<b>Impact:</b> Rates <b>Increase</b> An extra 0.19% on total rates per year (on average). About 57 cents extra per month	Debt <b>None</b>	Levels of service <b>Reduction</b> A limited amount of funding will be available to the community.
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### Option B. Maintain revised District Development Budget (Council's preferred option)

Council is trying to strike a balance between affordability and providing a level of service that is acceptable to the community. This is Council's preferred option because it will not affect rates. Council will still be investing a substantial level of funding in community and economic development activity in the District (see the table on page 33) however this option will mean that organisers of community events and some other initiatives will have to seek funding from other providers.

Council recognises that this option may not align with community wishes and may consider Option A further depending on feedback received through the consultation process.

Do not replenish the District Development Budget, maintaining it at the existing level. This will provide for existing contract commitments only. The Community Development Fund and Events Fund will be put on hold for the foreseeable future.

<b>Impact:</b> Rates <b>None</b>	Debt <b>None</b>	Levels of service <b>Reduction</b> Less funding available to the community and a reduced rate of implementation of the Community Development Strategy.
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# Balancing the books

## Kia tika ai te taha ahumoni

### Financial Strategy

#### Te Rautaki Ahumoni

*He anga ahumoni tēnei hei āwhina, hei tohutohu i ngā whiriwhiringa i te wā o Te Mahere Auroa 10 Tau. Ka arohia ngā take katoa o roto i te mahere auroa me ngā mātāpono hei ārahi i te Kaunihera, pērā i te tūwhena o te taha ahumoni, i te tūwhena o ngā pūnahahanga, i te manaaki i ngā kaiutu rēti, i te tuari tautika i ngā utu ki ngā reanga o ināianei mō ō muri mai, me te whakatairanga i te ōhanga o te rohe. Kei raro nei ngā taipitopito.*

The Financial Strategy provides the financial framework for making decisions over the life of the 10 Year Plan. It outlines how Council intends to manage its finances, the impact on rates, debt, levels of service and investments. It draws together all of the issues outlined in the 10 Year Plan, sets out the financial implications and the way that Council proposes to address these implications.

#### The principles

The principles that will guide all financial decisions over the life of the 10 Year Plan are:

- Financial stability – Council will manage its finances to maintain financial prudence and ensure long term financial viability and resilience
- Investment in infrastructure – Council will continue to invest in infrastructure to ensure our assets are able to provide services now and into the future
- Affordability – Council will ensure value for money is received
- Intergenerational equity – Council will consider how today's decisions will impact future generations
- Economic development – Council will encourage economic development within the District.

#### Borrowing limits

Council has a continued focus on building the resilience fund and keeping debt \$5 million below the debt cap to allow us to respond to unplanned events. Because of the impact of COVID-19 on our community, the

Resilience Fund was used to offset the rates increase for 2020/21. This allowed for a 0% average rates rise for the district but it depleted the Resilience Fund. The Financial Strategy highlights the importance of rebuilding that fund.

The cash level forecasted over the life of the 10 Year Plan reflects the building of both the depreciation reserve which is used to fund capital renewals, combined with the building of the resilience reserve which is able to be used to respond to unanticipated events and/or repayment of debt. No decisions have been made on when additional debt repayments would be made. At this stage, it is planned that all surplus funds will be invested to maximize return.

#### Rates increase limits

The Financial Strategy states that the rates increase is to be no more than the previous year's total rates revenue multiplied by Local Government Cost Index (LGCI) + 3%, excluding the following:

- increases resulting from new levels of service
- increases absorbed by forecasted household growth
- increases imposed by central government
- rates levied on a consumption basis through water-by-meter charges (these rates are volume related and are outside the control of Council).

As discussed on pages 24-26, while local government is continually required to meet new legislative and regulatory changes from central government, these changes are rarely accompanied by any additional funding to support councils to make the necessary changes. Council's only way of meeting those expenses is by using rates revenue.

#### What is Local Government Cost Index (LGCI)?

Council uses the LGCI to calculate rates, to ensure that they accurately reflect costs to Council but are also fair to ratepayers. In other industries the Consumer Price Index (CPI) is often used to determine affordability. However, the CPI is only marginally useful for councils as they face a different mix of cost pressures compared to households. Council's costs pressures include roading and water infrastructure that are influenced by commodity prices and the availability of specialist people (to design and build infrastructure, for example). The

price of groceries and other household goods are less relevant to Council operations. Recognising this, Local Government New Zealand commissioned Business and Economic Research Limited (BERL) to develop a cost index – the LGCI, which is the local government equivalent to the household CPI. The LGCI is updated annually and does not always grow faster than the CPI.

The LGCI is between 3.2% and 2.7% per year over the life of the 10 Year Plan.

## Depreciation Funding of Community Halls

### How does Council account for the impact of population growth on rates?

The number of households in the Manawātū District's household population is projected to grow by 1.2–1.78% per year over the life of the 10 Year Plan. Although a growing population means there are more ratepayers to divide the total rates requirement amongst, it also means an increase in the cost of some of Council's services. For more information see the table on page 40.

Council is proposing to fund the depreciation of some community halls. This budget requirement would be met by rates.

In the 2018–28 Financial Strategy community halls were classified as "Unfunded depreciation" (p. 125, 2018–28 LTP):

*"With the exception of the Feilding Civic Centre and the Te Kawai Recreation Centre (both are considered strategic assets) depreciation on halls is not funded as the asset may not be replaced or alternative funding mechanism may be used to fund the replacement."*

With the recent adoption of the Council's Community Facilities Strategy, there has been a change in approach to the strategic value of some of the district's halls.

There are 17 council-owned halls in the Manawātū District. The Community Facilities Strategy has categorised these halls into high, medium and low profile based on their condition, usage, location, historical significance and other factors.<sup>11</sup>

High profile halls will be retained and maintained. These are Āpiti, Colyton, Himatangi Beach, Kimbolton, Rangiwhāia and Sanson. Council's commitment to retain and maintain these halls means that a budget has been allocated for this purpose. Technically speaking, this budget is for 'funding depreciation'. If Council doesn't rate for the depreciation of these halls throughout their useful life, when it comes time to renew or replace the hall, Council would have to pay for this work with a loan or rate for the full cost of replacement in a single year. Spreading the financial load over a number of years means that the rates impact of depreciating these high profile community halls is about \$60–80K per year for the lives of the assets.

The medium profile halls will undergo a detailed assessment from 2021 and any that are recategorised as low profile and owned by Council will be disposed of. The Community Facilities Strategy has categorised the following halls as medium profile: Beaconsfield Memorial Hall, Cheltenham, Halcombe Memorial Hall, Kiwitea, Ōroua Downs, Pōhangina, Rangiotū, Stanway and Waituna West.

Three halls in the district, Clydesdale, Carnavan and Ōhakea, are in poor condition and in some cases have not been used for many years. These have been classified as low profile halls and have been earmarked for disposal in 2022–23 (year two). Disposal could mean either removal or demolition.

<sup>11</sup> For more information on the strategic approach to the future of community halls and other community facilities, refer to the Community Facilities Strategy on Council's website.







## Accounting lingo in plain English

**What is depreciation?** A reduction in the value of an asset over time, due (mostly) to wear and tear. Council's assets have a life span of anywhere from 5 years to 100 years. For example:

Roads **50 yrs** | Bridges **100 yrs** | An outdoor, 50 metre pool **40–50 yrs** | Computers **3 yrs**

**What does it mean to fund depreciation?** Simply put, it means to cover the cost of the replacement of the asset at the end of its useful life. Council funds most of its depreciation through rates over a period of several years (ideally the lifespan of the asset). Council decides whether or not it is going to fund depreciation based on its strategic priorities.

**Funding depreciation through rates:** Council rates for an amount of money every year of the life of the asset so that when the time comes to replace it, Council has the money available. This means that everyone who benefits from that asset (over its life, which may span several decades) contributes to the cost of it.

**What about using debt to replace assets?** If Council decides to replace or renew an asset for which depreciation has not been funded by rates it must cover the cost of replacement through debt. This means that rates are not used to contribute to replacement costs throughout the life of the asset but there is a big increase in debt at the end of its useful life. Rates are used to pay off the loan and the finance costs related to the loan.





# Changes to rates and debt levels

## Ngā piki me ngā heke o ngā rēti me ngā nama

### Rates

The table below explains the movement in rates for each of the first three years of the 10 Year Plan and then the average rates increase for years four to ten. It also shows the impact of new levels of service and population growth.

Rates requirement	Year 1 2021/22 (%)	Year 2 2022/23 (%)	Year 3 2023/24 (%)	Years 4-10 2024-31 (%)
<b>Baseline</b> Total rates requirement based on the previous year's levels of service and number of rating units. Comparing against the previous year shows the true increase in operating expenditure without the impact of population growth and new levels of service.	5.10	5.87	4.99	2.87 average
<b>Add new levels of service only</b> This shows the impact of new levels of service on rates. The Ōhakea Rural Water Supply is a new level of service from year two onwards. This will affect a maximum of 1,500 rating units.	-	1.17	-	-
<b>Sub total</b>	5.10	7.04	4.99	2.87 average
<b>Add growth</b> The district's population growth is factored into annual rates. Although an increased population means more ratepayers to share the cost of rates, it also means an increase in the cost of some services.	1.7	1.7	1.5	1.34 average
<b>Total rate</b>	6.8	8.74	6.49	4.22 average*

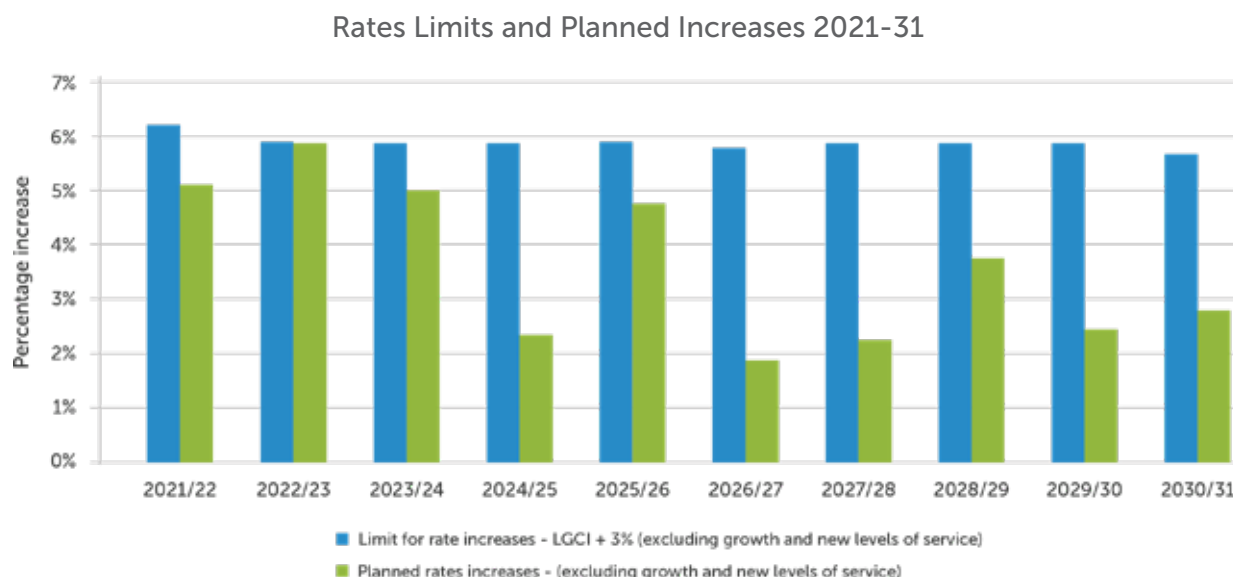
\*Decimal rounding



The graph below indicates total rates increases against set limits in the Financial Strategy over the ten years 2021–31.

The most significant rise is forecast for year two (2022/23) at 5.87% with the lowest in year six (2026/27) at 1.84%. The increases beyond 2023–24 will be reviewed as part of the three-yearly 10 Year Plan process, and are likely to rise as increases to costs become clearer.

The percentage increases reflect Council's annual rate rises for existing ratepayers receiving a similar level of service as the prior year. They do not reflect individual rates rises.



## The limit on revenue from uniform annual general charges and uniform targeted rates (uniform rates)

To keep rates as fair as possible, the Local Government (Rating) Act 2002 says that the amount gathered by Council in uniform annual general charges (UAGC) and uniform targeted rates (UTR) must not be more than 30% of Council's total rates revenue. The way Council's rates have been structured until now has meant that we were getting close to that 30% limit. Council is proposing to restructure the way some of our activities are funded so that the distribution of rates between properties is fairer.

In relation to cemeteries, governance and emergency management and the District Plan, Council is proposing to weight the revenue source more towards the general rate which is calculated based on the capital value of each property as it is recognised that all ratepayers have equal access to, and receive equal benefit from, these activities. That means less revenue would be received from a uniform rate which keeps Council under the limit of 30%.

*These changes are explained more over the page.*

To find out the different rates and charges that make up the total amount of rates you pay, look at the back of your rates invoice. It is different for every property depending on the value of the property, valuation changes, the mix of rate charges and the combination of services provided.



Rates Search

**What will my rates be in 2021/22?**

**Online rates calculator:** Check out our online rates calculator at [www.mdc.govt.nz](http://www.mdc.govt.nz) and click on 'Rates Search' under the Online Services menu or call Council, (06) 323 0000.

There are several different kinds of rates. The three referred to here are:

### A General Rate

A rate that funds activities that are of benefit to all residents and are therefore not charged to specific users. Council calculates the general rate using the capital value (CV) of the property so it is different for each property depending on its capital value.

### Uniform Annual General Charge (UAGC)

A fixed amount applied to every rating unit in the district, regardless of location, size, value or other factors. In the Manawātū District, the UAGC was \$647.00 for 2020/21.

### Uniform Targeted Rate (UTR)

A fixed amount applied to a specific Council activity. The amount may be different depending on location. For example the Makino Aquatic Centre (MAC) Targeted Rate is an amount charged to all rating units in the district but is applied only to the costs of the MAC. UTRs can be weighted differently for Feilding and rural ratepayers, for example. Feilding ratepayers pay slightly more than those outside Feilding (\$185/year and \$131/year, respectively). This weighting is called a differential.

If the property does not receive the service, it is not rated for it. An example of this is kerbside recycling, which is available only in some areas.

### Cemeteries

The cemeteries activity is funded mostly by rates (70%) and partly by user fees and charges (30%).

Council is proposing to change the type of rate from a uniform targeted rate to a general rate. This means that the amount that each ratepayer contributes to the operating costs of cemeteries in the district is determined by the capital value of their property.

**2018:** 70% rates (UTR), 30% user fees and charges

**2021:** 60-70% rates (General Rate), 20-30 % user fees and charges  
(proposed)

### Governance

The governance activity of Council is funded completely by rates, except in a Council election year, when up to 5% may be funded privately through election candidate deposits. Currently the public component is funded fully by the uniform targeted rate. Council is proposing to change this to a 50/50 split between the general rate (determined by capital value) and a uniform annual general charge (a standard amount that each ratepayer is charged).

**2018:** 100% rates (UTR)

**2021:** 95-100% rates (50% General Rate, 50% UAGC), 0-5% user fees and charges  
(proposed)

### Emergency Management

The emergency management activity of Council is also funded completely by rates. However Council is proposing to change the type of rate used to fund it. Rather than it being funded by a uniform targeted rate, it is proposed that it will be funded by the General Rate. This means that the amount each ratepayer contributes to the costs of emergency management in the district is different, depending on the capital value of their property.

**2018:** 100% rates (UTR)

**2021:** 100% rates (General Rate)  
(proposed)

### District Plan

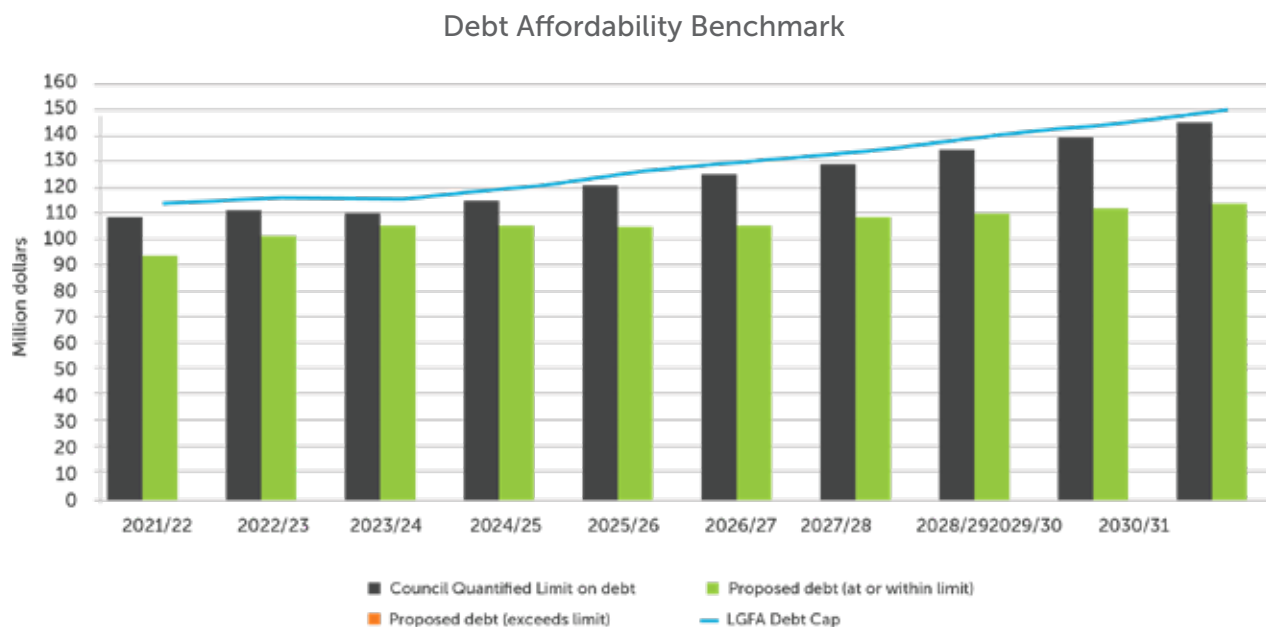
The district planning activity of Council is funded completely by rates. Currently it is funded fully by the uniform targeted rate. Council is proposing to change this to a 76/24 split between a uniform annual general charge (a standard amount that each ratepayer is charged) and the general rate (determined by capital value).

**2018:** 100% rates (UTR)

**2021:** 100% rates (UAGC 76%, General Rate 24%)  
(proposed)

## Borrowing

The graph below shows Council's proposed debt over the next 10 years, together with the maximum planned debt allowed according to the Financial Strategy. The maximum debt allowed in the Financial Strategy is based on whichever limit in the Liability Management Policy yields the lowest debt, less a \$5 million emergency buffer – in this case the lowest debt limit not exceeding 175% of revenue.



This graph shows that from year two (2022/23) of the 10 Year Plan, Council is not planning to spend as much on new capital projects. From year two the level of debt stabilises from the previous ten years as the level of new capital spend slows. At the same time, the increase in revenue at a rate higher than the new debt results in more capacity to borrow in later years.





# How will my rates change?

## Ka pēwhea ngā rēti?

Kei te tūtohi nei he tauira o ngā panonitanga rēti e matapaetia ana mō te tau e heke mai nei.

This table provides examples of different rating categories as they may apply to properties of various capital values, and shows the annual change in rates as a dollar figure and percentage. Actual changes, as they apply to specific properties, will depend on the capital value of the property, services provided and location.

Rating Category	Capital Value (\$)	2020/21 Total Rates (\$ GST Incl)	2021/22 Total Rates (\$ GST Incl)	Annual Change (\$)	Change (%)
Feilding Residential	370,000	3,274	3,480	206	6.3
Feilding Residential	500,000	3,547	3,837	290	8.2
Feilding Residential	800,000	4,177	4,662	485	11.6
Feilding Rural (no water)	800,000	2,905	3,177	272	9.4
Feilding Rural with services	790,000	3,092	3,343	252	8.1
Feilding CBD ^	4,840,000	45,901	48,599	2,698	5.9
Feilding CBD	550,000	7,214	7,482	268	3.7
Rural with no services	900,000	1,810	2,113	303	16.7
Rural with no services	180,000	1,180	1,199	19	1.6
Rural with services	320,000	2,600	2,615	15	0.6
Rural with wastewater and rural Kiwitea water	365,000	2,387	2,470	83	3.5
Rural with farming as one remission	1,633,000	1,584	2,074	490	30.9
Rural with no service, 3 dwellings	7,110,000	9,912	11,940	2,028	20.5
Rural with drainage scheme - 2 dwellings	6,590,000	9,700	11,333	1,633	16.8
Rural with Waituna West water (47 units) 2 dwellings	11,970,000	34,677	35,942	1,265	3.6
Industrial/Commercial	560,000	3,871	4,439	569	14.7
Industrial/Commercial	9,800,000	32,463	42,522	10,059	31.0

^ Does not include volumetric charges – water only











# How will my rates be used?

## Ki hea aku rēti whakapauria ai?

### Rates (total annual)

### Rates (weekly total)

#### Feilding Resident

Based on a property with a Capital Value of \$405,000

**\$3,577.75**

#### Rural Resident

Based on a property with a Capital Value of \$610,000 without services

**\$1,819.90**



Water

**\$7.63** per week



Wastewater

**\$13.31** per week



Stormwater

**\$2.88** per week



Solid Waste

**\$2.56** per week

**\$2.56** per week



Roading

**\$8.93** per week

**\$8.84** per week



Environmental Services

**\$3.94** per week

**\$3.94** per week



Governance & Strategy

**\$2.10** per week

**\$2.10** per week



Animal Control

**\$0.54** per week

**\$0.54** per week



Halls & Recreation Complexes

**\$1.50** per week

**\$1.50** per week



Library

**\$2.96** per week

**\$2.10** per week



Makino

**\$4.10** per week

**\$2.90** per week



Parks & Reserves

**\$5.15** per week

**\$2.59** per week



Public Conveniences

**\$0.65** per week

**\$0.65** per week



General

**\$9.74** per week

**\$7.27** per week



Feilding Kerbside Recycling Collection

**\$2.81** per week

*Median value of Feilding and Rural properties. Properties without a dwelling have been excluded.*

# Supporting documents

## He puka taunaki

*Arā kē te nui o te rangahau, te whakawhiti kōrero me te mahi whakamahere e noho ana hei tūāpapa mō Te Mahere Auroa 10 Tau. Kei raro nei te rārangitanga hei tiroiro māu ina hiahiatia – haere ki te paetukutuku a te Kaunihera. Me toro atu rānei ki te taupaepae o te whare Kaunihera, ki Te Whare Pukapuka o Kawakawa rānei.*

The 10 Year Plan and this consultation document are the result of a lot of background research and planning. A lot of information is prepared as part of the process that supports the detail of these documents. You are encouraged to refer to any of this information if you would like to understand more of the detail.

- Environmental Scan
- Forecasting Assumptions
- Performance Management Framework
- Asset Management Plan – Community Facilities
- Asset Management Plan – Three Waters
- Activity Management Plan – Roding
- Community Development Strategy
- Community Facilities Strategy
- Economic Development Strategy
- 2018-28 Long Term Plan
- 2020/21 Annual Plan
- Development and Financial Contributions Policy
- Draft 10 Year Plan 2021-31
- Draft Financial Strategy
- Draft Infrastructure Strategy

Supporting documents for this consultation document can be found on the Manawatūmeke 10 Year Plan page on Council's website and in hard copy at Council reception (Manchester Street Office) and the Feilding Library.





# The consultation process

## Te ara ka whāia ā muri ake nei

### Public Consultation – 12 April to 12 May 2021

We would like to hear your thoughts on the draft 10 Year Plan 2021-31. Please get in touch during April to share your feedback on the proposals in this consultation document or any other matter related to the 10 Year Plan. There are a number of ways you can do this:

#### Ways to give us your feedback



##### Online

Visit [mdc.govt.nz](https://mdc.govt.nz) and complete the online form.



##### Feedback form

Fill in the feedback form on the next page and send it to Council at Private Bag 10 001, Feilding 4743. You can also drop the form into Council reception



##### Email us

Send us an email at [submissions@mdc.govt.nz](mailto:submissions@mdc.govt.nz)

#### Need help?

If writing is not your thing, we can help you get your thoughts down. To find out more about this, call Rebecca Bell, Strategy Manager, Manawātū District Council on 06 323 0000.

### Hearings – 18, 19, 21 May 2021

You can come and give your feedback to Council in person. If you have given your feedback through any of the methods listed above and you would like to come to speak to Council, we will be in touch to confirm a time slot during one of the sessions.

### Deliberations – 31 May 2021

After all the feedback (written, and in-person) has been received, Council discusses the proposals in the light of what the public has told us and decides what changes it is going to go ahead with.

### Adoption – 29 June 2021

The final draft of the 10 Year Plan 2021-31 is formally adopted at a Council meeting.

**Please note:** Hearings, deliberations and adoption meetings are open to the public (as are all Council meetings). You are invited to attend. The details will be advertised closer to the time.

# Feedback form

## Te puka whakahoki kōrero mai

Kei konei ngā aratohu mēnā ka hiahia koe ki te tuku kōrero mai mō Te Mahere Auroa 10 Tau.

See over page for summary of proposals we would like your feedback on.

Please provide your feedback by **12pm, Wednesday 12 May 2021**

### Submitter details

Please fill in all fields with \*

1. \*Name \_\_\_\_\_
2. \*Is your feedback on behalf of an organisation?  
(if yes, this confirms you have the authority to submit on the organisation's behalf)  
☐ Yes ☐ No      \*Name of organisation \_\_\_\_\_
3. \*Postal address \_\_\_\_\_
4. Email address \_\_\_\_\_  
my email is my preferred method of contact ☐
5. \*Contact phone number \_\_\_\_\_
6. I would like to speak to Council in person about my feedback  
☐ Yes ☐ No
7. Please tick a day/time you are available  
or tick if you are available any time during 18-19 May\* ☐

	Tuesday 18 May	Wednesday 19 May	Friday 21 May*
Morning			
Afternoon			
Evening			(not available)

\* 21 May is a back up date. Speaking slots will only be booked if speaker numbers require it

8. I would like to present in my own language, which is \_\_\_\_\_

If you would like to present in NZ Sign Language, please let us know so that we can make translation arrangements with you.

Please note: All submissions will be treated as a public documents and will be made available on Council's website. However, you may request that your contact details (but not your name) be withheld. If you want your contact details to be withheld, let us know by ticking this box. ☐

He āwhina mō te whakapakari i ngā whare whakaraerae rū whenua

**Would you support any of these forms of Council assistance for earthquake-prone buildings?**

(See page 28–31 for more information)

Council would discount consent fees for building strengthening work, an average cost to ratepayer of an additional 57 cents per month.

Council would continue with non-financial support and assistance for building owners. (At no additional cost to ratepayer.)

Council would provide one-off contribution to the costs of strengthening and restoring priority building facades.

- ☐ **C1** - Total grant funds of \$200,000 per year over 5 years. An average cost to ratepayer of an additional \$1.53 per month.
- ☐ **C2** - Total grant funds of \$100,000 per year over 5 years. An average cost to ratepayer of an additional 76 cents per month.

A 100% rates remission for the duration of any strengthening and renovation work up to two years, an average cost to ratepayer of an additional 86 cents per month.

## This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



**Proposal Two:** The availability of funding for community events and initiatives  
Ngā pūtea e wātea ana ki ngā takunetanga me ngā kaupapa a te hāpori

The increase to the Feilding & District Promotion contract has required the re-allocation of \$147,000 which has, to date, been used for other district development activities. Because of this redistribution, there is no money in the 10 Year Plan budget to allocate to Council's contestable and on-application community grants and events grants. Any increase to the budget to allow for replenishing these funds will have a direct impact on rates.

### How important is it for Council to replenish these grant funds?

Option B is Council's preferred option.

(See 32–35 for more information)

- ☐ **Option A – Increase the District Development Budget by \$75,000 (replenish)**  
An extra 0.19% on the general rate. An average cost to ratepayer of an additional 57 cents per month.

☐ **Option B – Maintain existing budget (do not replenish)**  
No impact on rates or debt but less funding available to the community and a reduced rate of implementation for the Community Development Strategy.

## Comments

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across its entire width, providing a guide for handwriting or typing. The paper itself is a clean, off-white color.

As well as the 10 Year Plan Consultation Document Manawātū District Council is consulting on several other important draft policies at the same time. We would love to hear what you think about them:

**Revenue and Financing Policy** – This policy sets out all the potential sources of income available to Council and how it intends to use each of those sources when it comes to capital and operational expenditure.

**Development and Financial Contributions Policy** – This policy seeks to ensure that a fair, equitable, and proportionate share of the cost of the District's growth infrastructure is funded by those driving the development.

**Development Contribution Rebate Policy and Scheme** – Council believes there are situations where there is a significant benefit to the wider community from promoting particular types of development or development in certain locations. Providing a rebate of development contributions is one way the Council can seek to encourage development it considers provides these wider community benefits.

Consultation dates are **12 April to 12 May 2021**. Find out more about each of the policies above and how you can give your feedback at [mdc.govt.nz](https://mdc.govt.nz)

# Independent auditor's report

## To the reader:

### Independent auditor's report on Manawatu District Council's consultation document for its proposed 2021–31 Long-term Plan

I am the Auditor-General's appointed auditor for Manawatu District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 8 April 2021.

## Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2021–31 long-term plan, because it:
  - fairly represents the matters proposed for inclusion in the long-term plan; and
  - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

## Emphasis of Matter - Uncertainty over three waters reforms

Without modifying our opinion, we draw attention to the disclosure on pages 25 and 26, outlining 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 no decisions have been made. The consultation document 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 consultation document has been based.

## 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 consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

## Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

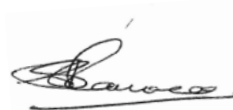
We are responsible for reporting on the consultation document, as required by section 93C of the Act. We do not express an opinion on the merits of any policy content of the consultation document.

## 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.

In addition to this audit and our report on the Council's 2020/21 annual report, we have carried out an engagement to audit the Council's Debenture Trust deed, which are compatible with those independence requirements. Other than these engagements we have no relationship with or interests in the Council or any of its subsidiaries.



Clint Ramoo  
Audit New Zealand  
On behalf of the Auditor-General, Wellington, New Zealand





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