

AGENDA



P O Box 747, Gisborne, Ph 06 867 2049 Fax 06 867 8076
Email service@gdc.govt.nz Web www.gdc.govt.nz

MEMBERSHIP: Her Worship the Mayor Rehette Stoltz (Chair), Josh Wharehinga (Deputy Chair), Meredith Akuhata-Brown, Bill Burdett, Andy Cranston, Shannon Dowsing, Sandra Faulkner, Larry Foster, Debbie Gregory, Isaac Hughes, Tony Robinson, Pat Seymour, Terry Sheldrake and Kerry Worsnop

FINANCE & PERFORMANCE Committee

DATE: Wednesday 1 June 2022

TIME: 10:00AM

AT: Te Ruma Kaunihera (Council Chambers), Awarua, Fitzherbert Street, Gisborne

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Finance & Performance

Reports to:	Council
Chairperson:	Mayor Stoltz
Deputy Chairperson:	Cr Wharehinga
Membership:	Mayor and all Councillors
Quorum:	Half of the members when the number is even and a majority when the membership is uneven.
Meeting frequency:	Six weekly (or as required)

Purpose

To assist Council to oversee financial and non-financial performance, including the delivery of the Council's Capital Programme and oversight of the Council Control Trading Organisation.

To monitor Council activities and services performance against budget, Annual Plans, the Long Term Plan, Annual Reports and corporate and financial policies.

The Finance and Performance Committee also receives enforcement and compliance performance activity reporting to ensure financial and non-financial performance oversight of its regulatory functions.

Terms of Reference

- Set, monitor and review plans and financial measures, practices and policies; the sources of funds, banking arrangements, insurance, investment and debt criteria, future financial arrangements.
- Monitor the performance of Council's treasury function – including strategic, investment and enterprise assets.
- Set fees and charges for Council services (including parking), and ensure these do not conflict with fee setting procedures of Bylaws of the Long Term Plan process and which are not set through the making of Bylaws.
- Approve preferred suppliers for capital projects and contracts where the value of the contract exceeds staff delegations.
- Approve expenditure (including substituted capital expenditure) items that are provided for in the Long Term Plan or Annual Plan where the value of that expenditure exceeds that authority delegated to officers.

- Approve debt write-offs where those debt write-offs are not delegated to staff.
- Consider all matters regarding the Local Government Funding Agency (LGFA).
- Monitor and review Council's strategic investment and enterprise assets – including consideration of the operational and financial effectiveness of Council Organisations, Council Controlled Organisations and Council's Controlled Trading Organisation (CCTO).
- In relation to the CCTO:
 - develop and approve the draft Statement of Intent for the CCTO
 - undertake any reviews of CCTO and make recommendations on any proposed changes to CCTO governance arrangements
 - consider and approve changes to service delivery arrangements arising from the service delivery reviews required under Local Government Act 2002 (LGA) that are referred to the Committee by the Chief Executive.
- Monitor the operational performance of Council's activities and services against approved levels of service.
- Monitor the operational performance of Council's regulatory activities and in particular enforcement and compliance, financial and non-financial performance reporting.
- Review and approve business plans including any related fees, charges and expenditure (including capital expenditure).
- Review the delivery of services under section 17A of the LGA.
- Monitor the delivery of the Council's Capital Programme, including inquiring into any material discrepancies from planned expenditure.
- Implement and review Health and Safety practices to ensure compliance with Council's legal responsibilities.

Power to Act

To make all decisions necessary to fulfil the role and scope of the Committee subject to the limitations imposed.

To establish subcommittees, working parties and forums as required.

To appoint non-voting advisory members and/or Tangata Whenua representatives to assist the Committee.

Power to Recommend

To Council and/or any standing committee as it deems appropriate.

3.1. Confirmation of non-confidential Minutes 6 April 2022

MINUTES

Draft & Unconfirmed



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MINUTES of the FINANCE & PERFORMANCE Committee

Held in Te Ruma Kaunihera (Council Chambers), Awarua, Fitzherbert Street, Gisborne on Wednesday 6 April 2022 at 10:00AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Bill Burdett, Andy Cranston, Shannon Dowsing, Debbie Gregory, Tony Robinson, Pat Seymour, Terry Sheldrake and Kerry Worsnop.

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Director Lifelines David Wilson, Acting Director Liveable Communities De-Arne Sutherland, Director Environmental Services & Protection Helen Montgomery, Chief Financial Officer Pauline Foreman, Chief of Strategy & Science Jo Noble, Democracy & Support Services Manager Heather Kohn and Committee Secretary Jesse Graham.

The meeting commenced with a karakia.

1. Apologies

MOVED by Cr Burdett, seconded by Cr Seymour

That the apologies from Cr Akuhata-Brown, Cr Faulkner, Cr Foster, Cr Hughes be sustained.

CARRIED

2. Declarations of Interest

There were no interests declared.

3. Confirmation of non-confidential Minutes 16 February 2022

3.1 Confirmation of non-confidential Minutes 16 February 2022

MOVED by Cr Burdett, seconded by Cr Gregory

That the Minutes of 16 February 2022 be accepted.

CARRIED

4. Leave of Absence

There were no leaves of absence.

5. Acknowledgements and Tributes

There were no acknowledgements or tributes.

6. Public Input and Petitions

There were no public input or petitions

7. Extraordinary Business

There was no extraordinary business.

8. Notices of Motion

There were no notices of motion.

9. Adjourned Business

There was no adjourned business.

10. Reports of the Chief Executive and Staff

10.1 DECISION Reports Finance

10.1.1 22-86 Appointment of New Trustees to Gisborne District Disaster Relief Trust

Discussion was held regarding the role, purpose and validity of the Trust.

- The Trust is the preferred mechanism for Council to process disaster relief funds. As a charitable entity the financial reporting systems are more robust, the Deed can be amended to be current (without retracting from the original intention) and does not require additional work to maintain.
- It was noted that the Chair for the Regional Transport Committee would be best fit for the additional Elected Trustee position.

MOVED by Cr Sheldrake, seconded by Cr Wharehinga

That the Finance & Performance Committee:

1. Resolves to appoint the Mayor Stoltz and Cr Seymour as Elected Trustees to the Gisborne District Disaster Relief Trust on their signing of an appropriate Deed of Accession and to provide notification in writing of the appointments to the Charities Services.
2. Agrees to grant \$50k to the Gisborne District Disaster Relief Trust from the Civic expenses of the district budget.

CARRIED

10.2.2 22-77 Gisborne Holdings Limited – Draft Statement of Intent

Secretarial Note: This item was heard out of order of the agenda. The item required a decision and therefore was heard following item 10.1.1.

- Considerations were given to specific timeframes for the review period for the Sol ending 30 June 2022.
- Amendments can be made post 1 July 2022. The first step is to approve the Sol and seek to make amendments at a later date.
- Additionally, expenditure forecasted for this financial year which isn't captured before 30 June 2022, will be captured in the next financial year's report with specific notes and variances to reflect.

MOVED by Cr Dowsing, seconded by Cr Robinson

That the Finance & Performance Committee:

1. Recommends that Council:
Approves Gisborne Holdings 2023-2025 Statement of Intent as attached.
2. Acknowledges that there may be an amended 2023-2025 Statement of Intent applied after the GHIL service review has been completed.

CARRIED

10.2. INFORMATION Reports Finance

10.2.1 22-76 BOPLASS Statement of Intent and Half Yearly Financial Report to 31 December 2021

MOVED by Cr Stoltz, seconded by Cr Burdett

That the Finance & Performance Committee:

1. Notes the contents of this report.

CARRIED

10.2.3 22-87 Financial Report – 28 February 2022

- Discussion was held around capital expenditure for the financial year ending 30 June 2022.
- Currently Council activity is progressing according to work plans. Any expenditure captured in the 2022 financial year will be reported on and notes provided to explain variance where required.

MOVED by Cr Dowsing, seconded by Cr Seymour

That the Finance & Performance Committee:

1. Notes the contents of this report.

CARRIED

11. Public Excluded Business

Secretarial Note: These Minutes include a public excluded section. They have been separated for receipt in Section 11 Public Excluded Business of Council.

12. Re-admittance of the Public

MOVED by Cr Stoltz, seconded by Cr Seymour

That:

1. The Council re-admits the public

CARRIED

13. Close of Meeting

There being no further business, the meeting concluded at 10:45 am.

Rehette Stoltz
MAYOR

3.2. Confirmation of Public Excluded Minutes 6 April 2022

PUBLIC EXCLUDED MINUTES

Draft & Unconfirmed



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PUBLIC EXCLUDED MINUTES of the **FINANCE & PERFORMANCE** **Committee**

Held in Te Ruma Kaunihera (Council Chambers), Awarua, Fitzherbert Street, Gisborne on Wednesday 6 April 2022 at 10:00AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Bill Burdett, Andy Cranston, Shannon Dowsing, Debbie Gregory, Tony Robinson, Pat Seymour, Terry Sheldrake and Kerry Worsnop.

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Director Lifelines David Wilson, Acting Director Liveable Communities De-Arne Sutherland, Director Environmental Services & Protection Helen Montgomery, Chief Financial Officer Pauline Foreman, Chief of Strategy & Science Jo Noble, Democracy & Support Services Manager Heather Kohn and Committee Secretary Jesse Graham.

1. Resolution to Exclude the Public

MOVED by Cr Stoltz, seconded by Cr Seymour

That:

1. The public be excluded from the following part of the proceedings of this meeting, namely:

Confirmation of Confidential Minutes 16 February 2022

Item 4.1 Confirmation of Confidential Minutes 16 February 2022

2. This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information & Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole of the relevant part of the proceedings of the meeting in public are as follows:

7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.

7(2)(d)(ii) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest.

7(2)(i) Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities.

7(2)(k) Prevent the disclosure or use of official information for improper gain or improper advantage.

CARRIED

2. Apologies

MOVED by Cr Burdett, seconded by Cr Seymour

That the apologies from Cr Akuhata-Brown, Cr Faulkner, Cr Foster, Cr Hughes be sustained.

CARRIED

3. Declarations of Interest

There were no interests declared.

4. Confirmation of Confidential Minutes

4.1 Confirmation of Confidential Minutes 16 February 2022

MOVED by Cr Seymour, seconded by Cr Cranston

That the Minutes of 16 February 2022 be accepted.

CARRIED

12. READMITTANCE OF THE PUBLIC

MOVED by Cr Stoltz, seconded by Cr Burdett

That the Council re-admits the public.

CARRIED

13. Close of Meeting

There being no further business, the meeting concluded at 10:45 am.

Rehette Stoltz

MAYOR

3.3. Action Sheet

Meeting Date	Item No.	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
16/02/22	10 2.2	22-35 Rates and Sundry Invoice Debt Management Report to 31 December 2021	Completed	<p>Provide Councillors with further information regarding the increase in the rates rebate figure in relation to retirement homes.</p> <p>Provide Councillors with the thresholds set by Central Government regarding rates rebate for low income earners.</p> <p>Prepare a report to the 6 April 2022 Finance & Performance Committee with regard to 2021 aged rates debt along with payment plans and clarification around Council's process of following through to collect these debts.</p>	Angelee Brown, Fiona Scragg	<p>18/03/2022 Fiona Scragg</p> <p>The Rates and Sundry Invoice Debt Management Report for 8 June Finance & Performance meeting will have updated rates debt collection figures and analysis, update on our debt collection processes and full information about the rate rebate scheme for 2021/22. For this financial year to date 1,358 rate rebates have been processed with a value of \$835k, 115 of these are for retirement villages worth \$73k.</p>	10/05/22

3.4. Governance Work Plan

FINANCE & PERFORMANCE - COMMITTEE OF THE WHOLE							Meeting Dates				
Group Activity	Activity	Name of agenda item	Purpose	Significance L/M/H	Report type	Owner	6-Apr	8-Jun	3-Aug	14-Sep	9-Nov
Environmental Services & Protection	Compliance & Enforcement	Public Financial Report on Income and Expenses Related to the Operation of the District Licensing Committee.	?	?	I	Gary McKenzie, Julie Lloyd Date tbc					
Finance & Affordability	Financial Services	Rates and Sundry Invoice Debt Management Report	Update on Council debt trends	L	Information (I)	Angelee Brown					
Finance & Affordability	Financial Services	Fees and Charges Hearings Report			Decision (D)	Ally Campbell					
Finance & Affordability	Financial Services	Financial Report			Information (I)	Mary Davis					
Finance & Affordability	Financial Services	Treasury Report			Information (I)	Melanie Hartung					
Finance & Affordability	Financial Services	Rates Remission Report	Review Rate Remission policy for LTP	M	Information (I)	Fiona Scragg					

10.1. DECISION Reports Finance



22-118

Title: 22-118 Fees and Charges Hearings Report
Section: Finance & Affordability
Prepared by: Ally Campbell - Executive Policy Advisor
Meeting Date: Wednesday 1 June 2022

Legal: No

Financial: Yes

Significance: **Low**

Report to FINANCE & PERFORMANCE Committee for decision

PURPOSE

The purpose of this report is to assist the Committee in considering submissions, and making recommendations to Council, in relation to two consultation issues in advance of adopting the 2022/23 Annual Plan: Proposed Changes to the Fees and Charges for 2022/23; and the proposal to join the Regional Shared Services Organisation (RSSO).

SUMMARY

At its 16 February 2022 meeting, the Finance & Performance Committee accepted and resolved to consult on two matters: the draft Fees and Charges for the 2022/23 financial year (report **22-18**); and a proposal to join the Regional Shared Services Organisation (RSSO) (report **22-29**).

The fees and charges proposed were in line with 2021-2031 Long Term Plan (LTP), where most fees were proposed to increase by BERL (local government) inflation. Fees and charges submissions closed on 8 April 2022 after a consultation period of one month. Four submissions were received in total, with only three being relevant to Fees and Charges. One submitter - Federated Farmers of New Zealand – has asked to be heard and will be speaking to their submission at this meeting. All relevant submissions on the Fees and Charges have been attached (**Attachment 1**).

Consultation on the RSSO proposal closed on 16 May, with only two submissions received. Neither submitter wished to be heard. Both submissions received on the RSSO proposal have been attached (**Attachment 2**).

Staff have analysed the submissions and made recommendations based on the information received. However, additional material presented at the Hearing on fees and charges by submitters may alter those recommendations.

Consultation has been undertaken using the Special Consultative Procedure under the Local Government Act 2002.

The decisions or matters in this report are considered to be of **Low** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Finance & Performance Committee:

- 1. Considers all submissions (written and oral) on the draft Fees and Charges for the 2022/23 financial year.**
- 2. Considers submissions on the proposal to consult on joining the Regional Shared Services Organisation.**
- 3. Recommends that Council:**
 - a. Adopts the final Fees and Charges for the 2022/23 financial year with no additional changes**
 - b. Agrees to join the Regional Shared Services Organisation.**

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Fees and Charges 2022/23, Annual Plan, Submissions

BACKGROUND

Fees and Charges

1. Council's Fees and Charges are reviewed and set annually. All Fees and Charges include GST (Goods and Services Tax) except where noted. While reviewing Fees and Charges, several principles are considered. These include the cost of providing a service; value for money and community expectations while considering the balance of affordability and accessibility of services.
2. In accordance with the LGA, Council may prescribe fees or charges to recover the reasonable costs incurred by Council for the matter for which the fee is charged – such as processing, monitoring and enforcement undertaken by Council.
3. Fees and Charges have mostly increased by the rate of inflation (in line with Year 2 of the Long Term Plan) and in line with what was consulted on in the 2021-2031 Long Term Plan. Fees have needed to be increased further in some activities to recover the cost of providing the service, in alignment with cost recovery and with each activities' funding requirements as set out within Council's Revenue & Financing Policy.
4. Fees and charges are usually reviewed as part of Long Term Plan or Annual Plan process. This year as there were no significant changes required to the Annual Plan, the Fees and Charges consultation was run on its own to still give the community an opportunity to provide feedback on any proposed changes.

Regional Shared Services Organisation

5. The regional sector (Regional Councils and Unitary Authorities) is responding to an unprecedented period of challenge and change. Local government and resource management reform is occurring concurrently with implementation of new comprehensive freshwater regulations. Internally, councils are struggling to attract and retain talent, while community expectations are increasing.
6. Regional sector leaders have determined that a pragmatic next step in this process is to consolidate existing collaboration programmes and put in place a fit-for-purpose structure - a Regional Shared Services Organisation (RSSO) - that will enable the sector to respond quickly to shared issues and opportunities, while sharing costs and resources.
7. The organisation will be created by restructuring Regional Software Holdings Limited (RSHL), a pre-existing CCO created by six regional councils for this purpose. It is intended that the RSSO will be a company, with up to 16 shareholders, being the 16 regional councils and unitary authorities in New Zealand.
8. Depending on the final adopted structure of the CCO, the Council may hold shares or some other form of ownership. The Council will contribute to the operating costs of the CCO through ongoing membership fees. These contributions will replace existing contributions to national programmes and will be at a similar level.

9. The organisation is expected to have several benefits to Council, as well as the regional sector, more broadly:
- Through collaboration, the sector can use resources more efficiently, deliver greater national consistency and achieve economies of scale in the implementation of common policies, services and programmes.
 - Council can expect improved outcomes from investments in sector shared programmes.
 - The organisation will also reduce the lead time for the implementation of shared services.
 - The new structure would also consolidate all dedicated staff working on regional sector collaboration under one organisation.

DISCUSSION and OPTIONS

Fees and Charges

10. The one-month consultation period for the 2022/23 draft Fees and Charges was run from 8 March to 8 April. Four submissions were received in total, with three being relevant to Fees and Charges. Two submitters have asked to be heard and have been provided the opportunity to speak to their submission at this meeting.
11. Of the three relevant submissions received, the main concerns raised related to Library fees, dog control fees, and licensing fees.
12. Below is an analysis of the submissions received during the one-month consultation period.
13. All three submissions signalled their support for the removal of overdue return fees at the Library, a change that is consistent with the approach that many other Councils across the country are taking towards Library fees.

SUBMISSION ONE

14. One submitter recommended that further to removing overdue return fees at the Library, lending services should also be made free to ratepayers and residents on the basis that other libraries across New Zealand have begun implementing this.
15. This submitter made two further recommendations regarding Library fees, including:
- A) that given the funds invested in the HB Williams Memorial Library Trust, all new books purchase(d) with the Williams Trust Funds should be issued free.
 - B) that given \$20,000 has been promised by the trustees for the next 3 financial year that the rental fiction fee be removed.

Discussion/comments from Staff

16. The HB Williams Memorial Library Trust is an independent charitable Trust set up in 1983. The library is the sole beneficiary, and there is a gift of \$20,000 per annum in the current Long Term Plan.

17. The funds invested in the trust are currently utilised for book collections. If these funds were repurposed to subsidise rental fees, it could impact on the books that are available or potential decrease in book collections from what has been provided within the LTP. Rentals are usually for “novels” or fiction, however the Book Trust contributes wider to the Library book collection as a whole. Without the support of the Book Trust, some specialised collections would not be available to the public as a whole.
18. User fees budgeted in the LTP are \$90.7k, of which rentals are budgeted in 2022/23 at \$46k. Last year \$34.9k was received, a little lower than planned due partly to the Library being closed during a number of COVID-19 lockdowns.
19. As the LTP assumed that on average there would need to be at least \$90k per annum in user fees, removing user fees now before an assessment is completed may cause an onflow impact onto other services that the Library provides. It also means that for the next two years, the Library would not be meeting its funding under the Revenue & Financing Policy.
20. It is therefore recommended that this is reviewed along with a review of all Library fees, including comparisons to what is happening in other Councils, before the next LTP.

SUBMISSION TWO

21. Another submission received was focused solely on licensing fees and queried whether providing discounted licensing fees and visits/inspections to give some relief to local businesses affected by the ongoing increases in fixed costs, is something that the Council would consider.

Discussion/comment from Staff

22. Alcohol licensing fees are set by legislation and therefore cannot be changed unless Council were to create a fees bylaw.
23. In terms of other licensing fees relating to food, etc these have only increased due to the rate of inflation.

SUBMISSION THREE

24. The final submission received was from Federated Farmers New Zealand. This submission focused mainly on dog control fees; however, they also made mention of pool fees and highlighted an overall concern with increasing Council rates, fees, and charges in general.

Pool Fees

25. This submitter highlighted the importance of water safety in our region and recommended that Council considers affordability when setting the fees for the Kiwa pools.
26. Staff have reviewed their recommendation along with the concerns they have highlighted regarding water safety and confirmed that the Kiwa pools fees and charges are being developed to encourage accessibility for all, and this will consider financial affordability.

Dog Control Fees

27. Regarding dog control fees, Federated Farmers highlighted several concerns. These have been outlined below:

- They are pleased to see the registration fees for working dogs are less than town dogs, however they feel that these fees are still high in comparison to the fees charged in most other areas.
- They did not consider it appropriate to limit the working dog fee to certain breeds, noting that the function of the dog is what is important.
- They feel that from a policy perspective, the current definition of working dog incentivises farmers not to register their dogs, or to falsely classify them, creating a legal fiction.
- They suggested that Council should streamline the online registration process for farmers, as the forms are not fit for purpose for larger stations with 10-20 dogs.
- They feel that Dog Control is an urban issue for the most part and suggested that farm dogs have a minimal impact on Council resources.
- They believe that dog registration fees and charges should better reflect user pays principles, and all farm dogs should pay lower registration fees than dogs domiciled in town.
- In general, they would like to see more education of dog owners especially around the risks unvaccinated and wandering dogs have on lifestyle properties, at tourist and holiday sites and to neighbouring farm properties.
- They highlighted the significant costs for dog registration fees on larger stations, and suggested that to incentivise registration, the fees should be lowered, rebates should be considered, and a flat fee for teams of working dogs should be introduced.

28. Below are the recommendations made by Federated Farmers in their submission regarding dog fees:

Federated Farmers recommends that Council:

- a. does not increase registration fees for working dogs
- b. removes the requirement that working dogs are a particular breed
- c. reduces pet farm dog registration fees to \$48
- d. provides a 50% discount for the registration of dog teams (i.e., more than 2)
- e. Introduces a flat fee for a team of ten working dogs
- f. Greater education of risks posed by unvaccinated or wandering dogs on lifestyle properties and at tourist/holiday sites.

Discussion/comment from Staff

29. Staff have analysed this submission and provided the below comments and responses to recommendations made by Federated Farmers.
30. In general, the charges for dog control fees are on par and in proportion with other Councils registration fees for working dogs. Central government legislation directs all dogs regardless of location to be registered. If dogs are not registered, the legislation gives Animal Control Officers the power to infringe the dog owner \$300.
31. Staff noted that the government determines a working dog to be necessary for your livelihood, and this is not limited to huntaway or heading dogs. If someone asks for a dog to be classified as a working dog, Animal Control Officers will go out and observe the dog to see if it fits within these criteria. The Animal Control Officer will classify other dog breeds as working dogs if they can prove them as necessary.
32. Regarding the online registration process, staff noted that they are looking at reviewing the current online system when Council introduces their new internal system. In the meantime, staff are always happy to help farmers with their registrations if they contact Customer Services.
33. Whilst dog control may appear to be primarily an 'urban issue', this is due to there being more dogs in a populated area (town) which produces a high volume of work for Animal Control Officers. There is also significant time spent by Animal Control Officers on general public good services, which includes providing things such as education and awareness around dog control. These costs, which cannot be attributed to any dog owner type, still need to be apportioned to all dog owners. The Revenue & Financing Policy spreads costs amongst the dog owners (80%) and the rest is rate-funded (as per the Revenue & Financing Policy).
34. Council staff do, however, also spend time working with farmers and conducting rural patrols when resourcing permits. Animal Control Officers are also aware of the worrying stock problems faced by stock owners and do try work with farmers to help with this problem.
35. Regarding Federated Farmers comments about providing education for dog owners, Animal Control Officers confirmed that they use education as a preferred method of dealing with dog owners, including those who are non-compliant. There is also a school programme used to educate children on behavior around dogs.
36. In response to recommendation **a.** staff have noted that costs have only increased due to the rate of inflation.
37. In response to recommendation **b.** staff noted that having a definition for working dogs is necessary and removing the current definition could result in people submitting false claims regarding the use/necessity of their animal.
38. In response to recommendations **c.** and **d.** staff highlighted that farm dogs already pay lower fees. Reducing this fee even further, or providing a discount for dog teams, would mean costs will be increased on other dog owners across the district or rates be raised to cover shortfall in revenue.

39. In response to recommendation **e.** staff expressed concerns regarding the possibility for people to abuse the system if a flat fee were to be introduced, as stations could amalgamate dog numbers to prevent paying for dogs.
40. In response to recommendation **f.** staff confirmed that education is a priority and Animal Control Officers regularly use this as a method of dealing with dog owners and offenders.

Regional Shared Services Organisation

41. Consultation on the Regional Shared Services Organisation (RSSO) concluded on 16 May and two submissions were received, one in favour of the proposal and one against. Both submissions were made by staff members in their capacities as private citizens.
42. The submitter in favour noted that they supported Council joining the organisation due to the reasons given in the proposal outlined in our online consultation.
43. The submission against, questioned the value of Council joining the RSSO given that Council is transitioning to a new product for managing internal information systems (Enterprise Solutions), particularly as both Enterprise Solutions and the RSSO expect to be able to deliver improved regional consenting processes.

Discussion/comment from staff

44. Whilst it is true that the RSSO expects to produce efficiencies in terms of regional consent processing, this is only one component of their expected output. Staff maintain that there are a host of new and existing data reporting requirements and an increasing push for information and data that can be reported nationally and consistently.
45. Given the limitations of resourcing in this area, utilising the support of an RSSO could potentially enable improved outcomes in several aspects of our work programme, including farm environment plans; freshwater accounting – allocation and quality (discharges); climate change reporting – emissions (regional and organisational); climate change adaptation planning; new planning structures/systems – regional planning office and secretariat; and regional spatial strategies.

ASSESSMENT of SIGNIFICANCE

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: Low Significance

This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: Low Significance

This Report: Low Significance

Inconsistency with Council's current strategy and policy

Overall Process: Low Significance

This Report: Low Significance

The effects on all or a large part of the Gisborne district

Overall Process: **Low** Significance

This Report: **Low** Significance

The effects on individuals or specific communities

Overall Process: **Medium** Significance

This Report: **Low** Significance

The level or history of public interest in the matter or issue

Overall Process: **Low** Significance

This Report: **Low** Significance

46. The decisions or matters in this report are considered to be of **Low** significance in accordance with Council's Significance and Engagement Policy.

TANGATA WHENUA/MĀORI ENGAGEMENT

47. None of the proposed changes are specific to whenua Māori or likely to impact Māori in general more than the wider community. Specific Māori engagement was not carried out separate to the consultation periods for both Fees and Charges and the RSSO.

COMMUNITY ENGAGEMENT

48. Consultation on both fees and charges and the RSSO was supported by and promoted using website material, social media posts, and a media release included in the local newspaper.

CLIMATE CHANGE – Impacts / Implications

49. The matters discussed in this report are not directly impacted by climate change.

CONSIDERATIONS

Financial/Budget

50. Most of the increases in fees included in the draft Fees and Charges 2022/23 were based on the rate of inflation or on a cost recovery basis.
51. If the Committee decides to adopt the Fees and Charges 2022/23 with changes as an outcome of the submissions discussed above, this may have a financial impact.
52. The costs of joining the RSSO are not expected to increase from what we already contribute to regional sector programmes (through the Sector Financial Management System), which was approximately \$85,000 in Financial Year 2021 and is budgeted to be the same in Financial Year 2022. Assuming a similar work programme in Financial Year 2023, contributions are not expected to increase.

Legal

53. Fees and charges are set each year and consulted on using the Special Consultative Procedure under the Local Government Act 2002.
54. The Local Government Act does not require fees and charges to be set using the full special consultative process, however some other statutes such as the RMA (s 36(3)(b)) do. To maintain best practice, this process is used when consulting on fees and charges.

POLICY and PLANNING IMPLICATIONS

55. The principles used to guide the setting of the draft Fees and Charges for 2022/23 are consistent with the Tairāwhiti 2050 outcomes, which Council has incorporated in its strategic framework for development of the 2021-2031 LTP.
56. Council does not have any significant policies or objectives about ownership and control of a company as a vehicle for shared services. The annual Statement of Intent required by the new CCO will identify the activities and intentions of the company for the year and the objectives to which those activities will contribute.

RISKS

57. Public perception and understanding of the changes to the Fees and Charges for 2022/23, and concerns about increases to fees and charges. The reasons for increases have been effectively communicated through the responses from staff in this report.
58. The CCO model spreads the risks for any shared activities across the participating councils, mitigating and minimising the risk to individual councils. RSHL (as a pre-existing CCO) already has the necessary controls and processes in place to manage risk.

NEXT STEPS

Date	Action/Milestone	Comments
Early June	Dog Fees public notification.	
1 July	Fees and Charges for 2022/23 implemented.	
1 July	Council becomes a member of the RSSO.	If Council supports the RSSO proposal, it could be adopted under the Annual Plan.

ATTACHMENTS

1. Attachment 1 - Fees and Charges 2022/23 Submissions [**22-118.1** - 7 pages]
2. Attachment 2 - Regional Shared Services Submissions [**22-118.2** - 1 page]
3. Attachment 3 - Fees and Charges 2022 For Consultation [**22-118.3** - 43 pages]

Fees and Charges Submissions

Submission to draft 2022/23 received from:

Name winston hindmarsh
 Address 43 ormond road
 Email winstonmoreton@gmail.com

Submission 1 It is noted the decision to waive the late return fee is predicated in large part of the fact that 75% of other NZ libraries have waived this penalty. I support this initiative. 2 When those other libraries were surveyed was the opportunity taken to review their borrowing fees? 3 Given most public libraries (75%) lending services are free to ratepayers and residents it is submitted The HB Williams Memorial Library should do likewise on the basis that other NZ libraries have done this. Let us not be out of step with national library practice; In addition: (a) Librarians the late Mako Allen and friend Adrienne Simpson wrote up the early history of our public library including the reason for the Library name as bestowed for the huge founding donation in 1962 of £70,000. In short there are funds (\$825,802 as audited 31/3/2021) invested in the The HB Williams Memorial Library Book Trust. For that reason all new books purchases with the Williams Trust Funds should be issued free. (b) The Williams family also donated the land and buildings. (c) The Local Government Act 1974 stipulates that "joining a library provided by a Council" should be free of charge. That relates to membership. In our case however The H B Williams Library was not provided by GDC it was provided by the family and at a time when borrowing books was free. (d) It is suggested that given \$20,000 has been promised by the trustees for the next 3 financial year that the rental fiction fee be removed.

Do you wish to speak at the hearing Yes please

If yes, phone number 06 8688196

FORM DETAILS FOR TIME SUBMITTED ETC**FORM INFORMATION**

Site Name Gisborne District Council
 Site Id 480
 Page Standard Name Draft 2022-23 Fees and Charges
 Page Standard Id 33501
 Page Custom Form Name Submission to Fees and Charges 2022/23
 Page Custom Form Id 33519
 Url <https://www.gdc.govt.nz/council/have-your-say/draft-2022-23-fees-and-charges/submission-to-fees-and-charges-202223>
 Submission Id 33803
 Submission Time 15 Mar 2022 2:55 pm
 Submission IP Address 202.27.212.48

Submission to draft 2022/23 received from:

Name Grant Fussell
 Address 60 the Esplanade
 Email grant@wharfbar.co.nz

Submission These are certainly trying times for everyone in business at the moment, especially the hospitality industry (food & drink). The ongoing increases in fixed costs, food, beverages, wages, licences, registrations, tax obligations etc etc will no doubt see a number of local food businesses close their doors for good before the Summer months are again upon us. I see that both the Hamilton and Wellington councils have been active in supporting local business through discounted licensing fees and visits/inspections thus providing some relief to affected businesses. 'Wellington Council have announced that from 1 March 2022 to 28 February 2023 they are only charging \$1 for annual licensing fees (plus the ARLA levy) and also \$1 to vary a licence to include an outdoor area (plus the ARLA levy)'. You can read more on the Wellington council website here: Wellington Council Website 'Hamilton City Council has approved a 50% reduction to fees for food safety verification's that take place before the end of June this year' You can read more on the Hamilton council website here: Hamilton Council Website Is this something the Gisborne District Council would consider to help save our local food and beverage industry? Regards Grant Fussell
 Wharf Bar & Grill

Do you wish to speak at the hearing No thanks
 If yes, phone number +642810035

FORM DETAILS FOR TIME SUBMITTED ETC**FORM INFORMATION**

Site Name Gisborne District Council
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 Page Standard Name Draft 2022-23 Fees and Charges
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 Submission Id 34750
 Submission Time 29 Mar 2022 11:20 am
 Submission IP Address 43.252.66.163

Submission



TELEPHONE 0800 327 646 | WEBSITE WWW.FEDFARM.ORG.NZ

To: Gisborne District Council

Submission: **Draft 2022-2023 Fees and Charges**

Date: 25 March 2022

Name of submitter: **Federated Farmers of New Zealand**
Gisborne-Wairoa Province

TOBY WILLIAMS
PROVINCIAL PRESIDENT

Federated Farmers of New Zealand
P 06 686 6889
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E gisbornepresident@gmail.com

Contact person: **DEBBIE BIDLAKE**
SENIOR POLICY ADVISOR

Federated Farmers of New Zealand
M 021 557 461
E dbidlake@fedfarm.org.nz

INTRODUCTION

1. The Gisborne Province of Federated Farmers (Federated Farmers) welcomes the opportunity to submit on Gisborne District Council's draft 2022 – 2023 Fees and Charges document. We acknowledge any submissions made by individual members of Federated Farmers. We would like to be heard in support of our submission.
2. Federated Farmers supports the removal of library fees, especially for our tamariki where the focus should be on encouraging reading rather than penalising late return.
3. Water safety is a vital skill to learn in a region with a large coastline like Gisborne. Federated Farmers is concerned to ensure that Olympic Pool facilities remain/become accessible for all residents. We note that in many parts of the country, children under five are free and would like this to be the case in Gisborne. Seventy-four people drowned last year in NZ, and fourteen

people drowned over the Christmas and New Year period alone.¹ This is horrific and preventable, but only if safe swimming and learn-to-swim environments like the Kiwa Pools become more accessible.

4. COVID and rising fuel and food prices are putting families under significant pressure. Federated Farmers supports user pays principles and therefore actual, fair, and reasonable fee structures. We simply note with concern the ever-increasing upward trend of all council rates, fees, and charges.
5. The remainder of this submission focuses on Dog Control Fees.

SUMMARY OF POSITION RECOMMENDATIONS

6. Federated Farmers recommends that Council:
 - Removes library fees for overdue returns.
 - Provides free access to pre-schoolers (children under 5)
 - Considers affordability when setting new Olympic pool fees
 - Ensures consent fees reflect actual and reasonable costs wherever possible
 - Does not increase working dog registration fees
 - Includes all working dogs irrespective of breed.
 - Reduces pet farm dog registration fees to better reflect user pays principles.
 - Introduces discount registration fees for working dog teams (i.e., more than 2) and a flat fee for a team of 10 (or more) working dogs.
 - Ensures better education of the risks posed by unvaccinated or wandering dogs on lifestyle properties and at tourist and holiday sites.

Dog Control Fees

7. Federated Farmers is pleased to see that registration fees for working dogs are less than town dogs. However, charging \$54 for registering a farm dog is expensive compared to the fees charged in most other areas. We also do not consider it appropriate to limit the working dog registration fee to “huntaway and heading dogs”. Other dog breeds are commonly used to work with cattle including heelers and kelpies. It is unclear why it is necessary to even list a breed in this category. The function of the dog is what is important, not the breed.
8. From a policy perspective, the current definition of working dog either incentivises farmers not to register their dogs, or to falsely classify their dogs as “huntaway and heading dogs” creating a legal fiction. If the Council wants to encourage rural registration of dogs, it needs to ensure its working dog definition is fit for purpose, which it currently is not. Few councils have such a restrictive definition of working dog. Further, the Council needs to streamline the online registration process for farmers. While the forms might suit urban properties with one or two dogs, it is not fit for purpose for large stations, with 10-20 dogs. The paperwork involved disincentives farmers from registering dog teams.

¹ Water Safety New Zealand, Media Release 18 January 2022, “Seventy-four New Zealanders drowned in 2021 despite lockdowns”. Retrieved on 16 March 2021 from: [Seventy-four New Zealanders drowned in 2021 - despite lockdowns, Water Safety New Zealand](#)



The fawn working dog in the centre is a red heeler.

Currently, the Council requires the farmer to pay \$99 rather than \$54 to register it.

9. We ask the Council what percentage of animal control costs originate from rural dogs, compared to urban dogs? Farmers are happy to pay for services they use and get value from. However, they currently feel get nothing for their dog registration fees. Most farmers haven't seen a dog control officer on their property for years, nor have they contacted one. Dog control is an urban issue for the most part. Farm dogs are domiciled and work well away from urban areas. They are bred for their agility, intelligence, and obedience. Farmers are responsible dog owners. Farm dogs, whether working dogs or not, have a minimal impact on Council resources.
10. Federated Farmers believes dog registration fees and charges should better reflect user pays principles. Dog control costs should not be 'smoothed' across the rural sector to make dog ownership more affordable for urban people or lifestyle properties. All farm dogs should pay lower registration fees than dogs domiciled in town.
11. In general, farmers will catch wandering dogs and try to locate the owner or dispatch them if they are worrying stock. However, Federated Farmers would like to see more education of dog owners especially around the risks unvaccinated and wandering dogs on lifestyle properties, at tourist and holiday sites, pose to neighbouring farm properties.



This farm has 32 dogs and will pay \$1,728.



This farm has 8 dogs and will pay \$432.

12. Most sheep and beef farmers work with a team of three to four dogs, and some have teams of up to 10. Registration fees cost a fortune on larger stations. To incentivise registration, the fees need to be lower. We encourage Council to introduce a useful registration fee rebate for teams of working dogs (i.e., more than two). A 50% rebate would be in line with the approach taken by councils such as Masterton and Carterton. We also encourage the Council to introduce a flat fee for a team of 10 working dogs.

Federated Farmers recommends that Council:

- **does not increase registration fees for working dogs.**
- **removes the requirement that working dogs are a particular breed.**
- **reduces pet farm dog registration fees to \$48.**
- **provides a 50% discount for the registration of dog teams (i.e., more than 2).**
- **Introduces a flat fee for a team of ten working dogs.**
- **Greater education of risks posed by unvaccinated or wandering dogs on lifestyle properties and at tourist/holiday sites.**

Federated Farmers thanks the Gisborne District Council for considering our submission on the Draft 2022-2023 Fees and Charges document.

ABOUT FEDERATED FARMERS

Federated Farmers is a not-for-profit primary sector policy and advocacy organisation that represents most farming businesses in New Zealand. Federated Farmers has a long and proud history of representing the interests of New Zealand's farmers.

The Federation aims to add value to its members' farming businesses. Our key strategic outcomes include the need for New Zealand to provide an economic and social environment within which:

- Our members may operate their business in a fair and flexible commercial environment.
- Our members' families and their staff have access to services essential to the needs of the rural community; and
- Our members adopt responsible management and environmental practices.

This submission is representative of member views and reflect the fact that local government rating and spending policies impact on our member's daily lives as farmers and members of local communities.



Proposal to join Regional Shared Services – Submissions

Submission received:

Name: Peter McKay

Email: mckay.3@gisborne.net.nz

Do you support Gisborne District Council participating in a regional sector shared services CCO? **Yes**

Please tell us your reasons: Agree with the reasons given in the proposal

Do you wish to present your submission to the Council hearing? No

Submission received:

Name: Kris Clayton

Email: kris@kjc.net.nz

Do you support Gisborne District Council participating in a regional sector shared services CCO? **No**

Please tell us your reasons: GDC should have got on board with this over a decade ago to facilitate using IRIS for regional consents. As GDC is now moving ahead with another product to manage core functionality (including consents) it seems like a very strange time to start investing in the company that has an alternative product to do so (their core business aka IRIS) if we are not going to take advantage of this product at all.

Do you wish to present your submission to the Council hearing? No



Ngā utu me ngā utu whakauru

Fees and Charges

The Council fees and charges are used to fund the operation and maintenance of a variety of services provided to the community.



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Corridor Access Requests

Car type	2021/22 charge \$	2022/23 charge \$	Variance
Standard CAR (Based on 1.3 hours)	325	334	2.76%
Will incur an inspection charge – fee below*			
Project CAR (Based on 2 hours)	325	334	2.76%
Will incur an inspection charges – fee below*			
Non-Standard CAR (Based on 3 hours)	487	500	2.77%
Will incur an inspection charge – fee below*			
Blanket CAR (Based on 1 hour)	163	167	2.76%
Will incur an inspection charges – fee below*			
*Close inspection per site	163	167	2.76%
Commercial utility providers can avoid this charge if they provide photographic evidence of the completed work site. This will reduce the inspection workload. These sites are assessed as low risk as these are professional tradespeople operating to the 'National Code of Practice for Utility Operators'. There will be clear guidelines on requirements for this self-service aspect.			
Non-Compliance	535	550	2.89%
Minor CAR	At Council discretion	At Council discretion	

Note: Officers mapped the process to understand the time it takes to administer a variety of standard and non-standard CAR.

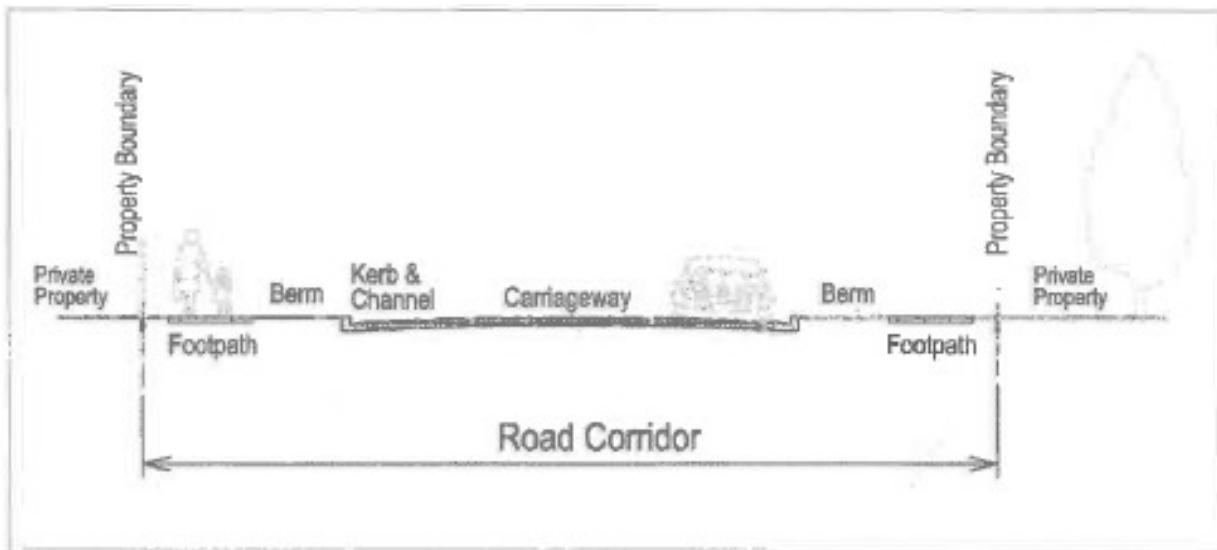
Authority/Requirement: Section 150 of the Local Government Act (2002)

A CAR is required for, but not limited to, the following activities:

- Any activity that will alter, or cause to be altered, the surface of any part of the road corridor - including and not limited to excavating, drilling and resurfacing
- The placement of any pipe, duct, pole, cabinet or other structure below, on or above the road corridor
- A new vehicle crossing, driveway works
- Building construction (commercial)
- Scaffolding works associated with renovations or building maintenance
- Shop front fit outs/repairs/replacements
- Crane operators
- Building cleaning/painting up to 4 hours
- Events

Car Type Definitions

Standard CAR:	This is a CAR that requires no expert input from the Network Managers or Contract Managers. These are mostly excavation CARs.
Project CAR:	This covers professional project work that is either long and/or has standard work site practices that can be bundled under one CAR. For example, connecting ultra-fast broadband to houses or undertaking emergency work like repairing burst water pipes.
Non-Standard CAR:	This is a CAR that requires expert input from the Network Managers or Contract Managers. It may have implications for other roading activities. It may need interdepartmental consideration as well.
Non-Compliance:	This is a charge for those working on the network that either do not have a CAR or are in breach of their CAR conditions.
Inspection per site:	This is a fee for having network professionals investigate the worksite as required at completion, at the end of the defect liability period or other as required.



Cemetery

Item	2021/22 charge \$	2022/23 charge \$	Variance
Burial plot purchase fee			
Full size - 2.4m x 1.2m			
Taruheru	1,162	1,195	2.82%
Motu	320	329	2.82%
Ormond	320	329	2.82%
Patutahi	1,162	1,195	2.82%
Rakauroa	320	329	2.82%
Ruatōria	320	329	2.82%
Te Araroa	320	329	2.82%
Te Puia	320	329	2.82%
Tokomaru Bay	1,162	1,195	2.82%
Tolaga Bay	1,162	1,195	2.82%
Children's Lawn (Taruheru Cemetery) - 0.6m x 1.2m	320	329	2.82%
INTERMENT FEE			
Monday - Friday			
Standard	556	572	2.82%
Children (12 years and under)	272	280	2.82%
Stillborn child	74	76	2.82%
Additional fee for out-of-district residents (additional to normal interment fee)	272	280	2.82%
Saturday and Sunday			
Standard	816	839	2.82%
Children (12 years and under)	414	426	2.82%
Stillborn child	84	86	2.82%
Additional fee for out-of-district residents (additional to normal interment fee)	544	559	2.82%
Statutory Holiday			
Standard	1,266	1,302	2.82%
Children (12 years and under)	633	651	2.82%
Additional fee for out-of-district residents (additional to normal interment fee)	544	559	2.82%
Ashes plot purchase and placement			
Ashes - 450mm x 450mm berm (placement of ashes extra)	262	269	2.82%
Garden block (includes two placements of ashes)	472	485	2.82%
Niche area (includes first placement of ashes and plaque with 14 words inscription)	237	244	2.82%
Tokomaru Bay and Tolaga Bay (2 placements of ashes)	262	269	2.82%
Placement of ashes in any plot already purchased in cemetery	74	76	2.82%
OTHER CHARGES			
Disinterment fee	702	722	2.82%
Extra deep digging of grave	168	173	2.82%
Breaking of concrete	168	173	2.82%



Community Housing

Rental amounts are set at 90% of the average rental for similar units (as stated by Tenancy Services). Rents are reviewed on an annual basis.

Please refer to the GDC website for rent updates:

[Community housing | Gisborne District Council \(gdc.govt.nz\)](https://www.gdc.govt.nz/community-housing)

Complex	Location
Attlee Place	Carnarvon Street
Awhina Court	Ayton Street
Barwick Place	Wainui Road
Craig Court	Craig Road
Elgin Court	Lytton Road
Frances Gregory Court	Jackson Street
Lytton Court	Lytton Road
Lytton Court - Disabled Unit	Lytton Road
Rangimarie Court	Hospital Road
Te Karaka Court	Balfour Road
Wildish Court	Wildish Street

Note: Applicants must be aged 55 or older, hold a current community services and/or an equivalent Supergold Card. Rental amounts are set at 90% of the average rental for similar units (as stated by Tenancy Services). A bond of \$350 plus two weeks' rent in advance must be paid at the commencement of a tenancy. When a tenant wishes to vacate a unit, bond payments are fully refundable if the unit is in the same condition as when it was first occupied.



Environmental Services and Protection

1.0 Staff Time and basis of charges

STAFF TIME			
An hourly charge-out rate will apply unless otherwise stated:	2021/22 Charge \$	2022/23 Charge \$	Variance
Team Leader/Manager	190	195	2.63%
Senior Scientist			
Senior Officer and Principal Planner			
Development Engineer & Geotechnical Officer			
Science Officer	169	174	2.96%
Planner, Intermediate Planner			
Building Services Officer			
Building Technical Officer	113	117	3.5%
Administrative services / Consent Co-ordinator (per hour)			

BASIS OF CHARGES

The hours applied by staff to the resolution of an application or event, and subsequently charged for, will be reasonable taking into account Council's responsibilities, cost to applicant and welfare of the community.

Provision of information in response to general enquiries is a free service to the public unless otherwise specified in this document.

Provision of professional advice in relation to specific building and development proposals is free for an initial period of 15 minutes. Thereafter it is charged on a cost of service basis.

For resource consent applications, Council requires a cost recoverable deposit to be paid, this is a deposit only and further fees may be charged on a full cost recovery basis.

A 50% premium may be added to normal charge-out rates for activities caused by working without or outside the terms of consents required by Council.

Where the Tairāwhiti Plan has stated that other fees and charges provisions apply or that no charges will apply this is also specified in this document.



1.1 Disbursements

The hourly charge-out rates include normal office overheads such as telephone calls, office accommodation records and typing. Other actual disbursements such as photocopying will be charged as follows, unless otherwise stated in the fees and charges document:

	2021/22		2022/23		Variance	
Microfilming/scanning						
Scan per page	\$2.25 - \$8.99		\$2.25 - \$8.99			
Photocopies/printing	B&W	Colour	B&W	Colour	B&W	Colour
Less than 20 copies						
A4	0.82	1.33	0.84	1.37	2.82%	2.82%
A3	1.33	2.45	1.37	2.52	2.82%	2.82%
More than 20 copies*						
A4	0.41	0.61	0.42	0.63	2.82%	2.82%
A3	0.51	0.72	0.52	0.74	2.82%	2.82%
Mapping printing/copying	Full colour	With aerial photo	Full colour	With aerial photo	Full colour	With aerial photo
A4	8	12	9	13	12.50%	8.33%
A3	12	18	13	19	8.33%	5.56%
A2	18	24	19	25	5.56%	4.17%
A1	24	35	25	36	4.17%	2.86%
A0	35	53	36	55	2.86%	3.77%
Mapping scanning	\$		\$		Variance	
<100	9.30	per sheet	9.56	per sheet	2.82%	
>100 same original size	5.93	per sheet	6.10	per sheet	2.82%	



2.0 Resource Consents

Section 36, 125, 127, 128, 139 and 150 - Resource Management Act 1991, Local Government Official Information Act

We charge the actual and reasonable costs for processing a consent application, apart from a limited number of applications which are subject to a fixed fee as detailed below. Actual and reasonable costs include, but are not limited to:

- Staff time spent processing a resource consent at the staff charge out rates detailed in section 1.0.
- Contractor's or consultant's time based on the charge out rate of the contractor or consultant engaged to do the work.
- Disbursements which may include travel costs, expert advice, photocopying / scanning and hearing costs.

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance	
SUBDIVISION					
Resource Management Act 1991 Section 36	DEPOSIT FEE				
	a.	Non-notified deposit ⁽²⁾	1,300	1,337	2.85%
	b.	Notified deposit ⁽²⁾	3,000	5,000	66.66%
	c.	Section 223 deposit ⁽²⁾	190	250	31.58%
	d.	Section 224(c) deposit ⁽²⁾	255	470	84.31%
	e.	Combined Section 223 and Section 224(c) deposit ⁽²⁾	400	750	87.50%
	f.	Section 221 - Consent Notice deposit ⁽²⁾	105	108	2.86%
	ACTUAL FEE				
	g.	Section 222 - Completion Certificate plus Bond	190	196	3.16%
	h.	Section 108(2)(b) - Bond*	Actual and reasonable cost	Actual and reasonable cost	
i.	Engineering Plan check (including site visits)*	Actual and reasonable cost	Actual and reasonable cost		
j.	Section 226 - certificate to separate record of title*	Actual and reasonable cost	Actual and reasonable cost		
k.	Section 241 - certificate to cancel amalgamation*	Actual and reasonable cost	Actual and reasonable cost		
l.	Section 243 - surrender of easements*	Actual and reasonable cost	Actual and reasonable cost		
REGIONAL AND DISTRICT RESOURCE CONSENTS					
Resource Management Act 1991 Section 36	DEPOSIT FEE				
	a.	Certificate of Compliance / Certificate of Existing Use Rights (Deposit Fee) ⁽²⁾	565	581	2.83%
	b.	Partial transfer of water consent to another person within the existing consent term (Deposit Fee) ⁽²⁾	100	103	3.00%
	c.	Non-notified (Deposit Fee) ⁽²⁾	1,300	1,337	2.85%



	d. Notified (Deposit Fee) ⁽²⁾	3,000	5,000	66.67%
	e. Bore Permit (Deposit Fee) ⁽²⁾	565	581	2.83%
	f. Section 127 - variation (Deposit Fee) ⁽²⁾	515	530	2.91%
	g. Bundled - More than one activity type bundled together triggers this fee (Deposit Fee) ⁽²⁾	1,550	1,594	2.84%
	h. Clustered / Global Consents - Five or more consent applications lodged together triggers this fee (Deposit Fee) ⁽²⁾	0	3,000	New
Resource Management Act 1991 Section 36	ACTUAL FEE			
	Whole transfer of Coastal Permits, Water Take consents, Water Permits for Damming or Diverting and Discharge Permits (but not limited to) to another person at the same site within the existing consent term	87	90	3.45%
	Application to reduce the allocated rate of surface water take consent or allocated annual volume of groundwater take consent	Nil	Nil	
	Applications for activities identified in regional and district plans that have a zero fee - Activity which only infringes the Soil Conservation (and no other) Rules in the Tairāwhiti Plan ³	Nil	Nil	
	Water Take Consent - Non-Refundable Waitlist Payment*	0	55	Previously included with deposit
	Pre-Lodgement advice after the first hour of staff time*	0	Actual & reasonable cost	New
	Land Use Consent Condition(s) Certification*	Actual & reasonable cost	Actual & reasonable cost	
	Section 108(2)(B) - Bond*	Actual & reasonable cost	Actual & reasonable cost	
	Section 125 - Extension of Time*	Actual & reasonable cost	Actual & reasonable cost	
	Section 128 - Review of consent conditions by consent authority*	Actual & reasonable cost	Actual & reasonable cost	
Local Government Act 2002 Section 50	Section 36 - Miscellaneous Certificates of Compliance*	Actual & reasonable cost	Actual & reasonable cost	
	Section 36 - Cancellation of RMA instruments*	Actual & reasonable cost	Actual & reasonable cost	
	Section 87BB - Deemed Permitted Activity*	Actual & reasonable cost	Actual & reasonable cost	
	Right of way approval – Section 348*	Actual & reasonable cost	Actual & reasonable cost	
	RESOURCE CONSENT ADMINISTRATION			
Resource Management Act 1991 Section 36	CIRCULATION FEE			
	Non-notified applications (Circulation to 1 - 3 parties)	192	198	3.13%
	Non-notified applications (Circulation to more than 4 parties)	237	244	2.95%
	Notified applications	394	406	3.05%
ACTUAL FEE				



	Record Retrieval fee	47	0	No longer applicable
	Cancel consent - all processing costs to date, plus fee of:	89	92	3.37%
	Search of Council records for National Environmental Standards requirements - residential site	384	395	2.86%
	Search of Council records for National Environmental Standards requirements - commercial site	435	448	2.99%
SUBSCRIPTION - ACTUAL FEE				
	One Off / First Request - Weekly Monthly Consent Data Report*	110	114	3.64%
	Annual Subscription - Weekly Consent Data Report - Request of same data	842	866	2.85%
	Annual Subscription - Monthly Consent Data Report - Request of same data	182	188	3.30%
HEARINGS				
Resource Management Act 1991 Section 36	Commissioner's costs (external commissioners at applicant's request)*	Actual & reasonable cost	Actual & reasonable cost	
	Commissioner's costs (at submitter's request)**	Actual & reasonable cost	Actual & reasonable cost	
	Commissioner's costs (at Council appointment)***	Actual & reasonable cost	Actual & reasonable cost	
DESIGNATIONS				
Resource Management Act 1991 Section 36	Actual Fee:			
	Designations - Flat Fee	3,100	3,100	0.00%
	Deposit Fee:			
Section 176A	Outline Plan Consideration (Deposit Fee) ²	400	412	3.00%
Section 176A(2)(c)	Outline Plan Waiver (Deposit Fee) ²	250	258	3.20%

¹ The Resource Consent Administration-Circulation Fee is non-refundable for resource consents returned as incomplete under section 88 of the Resource Management Act 1991.

² The Council will charge for additional time processing the consent where this time exceeds the deposit paid. Under S36AAB(2), the Council is able to stop processing a consent until this fixed fee is paid.

³ Note the Tairāwhiti Plan identifies in Policy that these consents will not be charged for.

* Items are charged at actual and reasonable cost unless otherwise identified.

** The submitter(s) pay the actual cost of the application being heard and decided, less any charges payable by the applicant for the amount (estimated by the Resource Consents Manager) it would cost for the application to be heard and decided.

*** The applicant pays the actual cost of the application being heard and decided less any discount percentage as per Council's hearings discount policy where commissioners have been used because Council has a greater interest than the public.

Note: Staff time in preparing reports and attending hearings will be charged at actual time. Miscellaneous charges (copying, venue hire, printing, etc.) will be charged at actual cost.



2.1 Resource Consents - Compliance Monitoring and Enforcement Act

The Compliance Monitoring and Enforcement Team charge actual and reasonable costs for all permitted activity, consent and non-compliance monitoring. Actual and reasonable costs include, but are not limited to:

- Staff time spent monitoring sites, including travel time, desk top monitoring (data/technical analysis etc.), meetings, phone calls, tests and samples.
- Contractor's or consultant's time based on the charge out rate of the contractor or consultant engaged to do the work.
- Disbursements which may include travel costs, expert advice, photocopying / scanning.

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
REGIONAL AND DISTRICT RESOURCE CONSENTS				
CONSENT MONITORING				
Resource Management Act 1991 Section 36	Set up the resource consent monitoring programme (4)	169	174	2.96%
	Technical Advisor - Charge-out rate per hour	190	195	2.63%
	Compliance Monitoring Officer - Charge-out rate per hour	169	174	2.96%
	Administrative Services - Charge-out rate per hour	113	117	3.54%
	Fee for late submission of records and monitoring reports as required by consent or Resource Management Act Regulations	205	211	2.93%
	Disbursements: Kilometres(3)	82c/km	79c/km	
	Disbursements: Other (4)	Actual & reasonable cost	Actual & reasonable cost	
Resource Management Act 1991 National Environmental Standard for Plantation Forestry Part 3	PERMITTED ACTIVITY MONITORING –FORESTRY			
Regulation 106 (a)	Permitted Activity monitoring for Regulation 24(2)(earthworks)	Actual & reasonable cost	Actual & reasonable cost	
Regulation 106 (b)	Permitted Activity monitoring for Regulation 37(2) (river crossings)	Actual & reasonable cost	Actual & reasonable cost	
Regulation 106 (c)	Permitted Activity monitoring for Regulation 51(2) (forestry quarrying)	Actual & reasonable cost	Actual & reasonable cost	
Regulation 106 (d)	Permitted Activity monitoring for Regulation 63(2) (harvesting)	Actual & reasonable cost	Actual & reasonable cost	



Tairāwhiti Resource Management Plan Point Source Discharges				
PERMITTED ACTIVITY MONITORING – STORMWATER				
Rule 6.2.3(3)	Permitted Activity monitoring for Stormwater for Rule (2)	Actual & reasonable cost	Actual & reasonable cost	
MEASURING AND REPORTING OF WATER TAKES Amendment Regulations 2020				
Resource Management Act 1991	Water Use Returns and Audits (Annual Fee)			
	Telemetered or web portal/text entry	157	162	3.18%
	Telemetered or web portal/text entry - each additional water meter	40	41	2.50%
	Fax/email/standard post	238	245	2.94%
	Fax/email/standard post - each additional water meter	80	83	3.75%
	Where no water is used during the year	80	83	3.75%
	Other Fees			
	Compliance audit where water meters don't meet standards	289	298	3.11%
	Site Visits (4)	Actual & reasonable cost	Actual & reasonable cost	
ENFORCEMENT FEES				
Resource Management Act 1991 Section 36	Council administration charge for issuing enforcement actions – charged to holder of consent (does not include any additional costs of non-compliance)	169	174	2.96%
	Fee for late submission of records and monitoring reports as required by consent or Resource Management Act Regulations	205	211	2.93%

TAIRAWHITI RESOURCE MANAGEMENT PLAN

The fees and charges specified in this document prevail over any conflicting statements regarding fees and charges in the Tairāwhiti Resource Management Plan (TRMP).

CHARGES FOR DEBT COLLECTION

In situations where the council is required to engage the service of a debt collection agent to recover amounts owing to the council, the cost charged by the collection agency to the council will be payable by the debtor.

OTHER CHARGES

Refer to the GDC fees and charges for across Council charges.

- (1) Excludes lifetime consents e.g. Non expiry and non-surrenderable (structures around waterways).
- (2) Permitted activities that are liable for monitoring charges, will only be charged actual and reasonable costs as required.
- (3) All kilometres charged for travel begin and end at the Gisborne District Council Offices. Kilometres will be split between sites for multiple site visits as required.
- (4) Council reserves the right to charge actual and reasonable cost unless otherwise identified.



Application for waiver of fees may be made in writing to the Compliance Monitoring and Enforcement Manager.

2.2 Science

Section 36, 125, 127, 128, 139 and 150 - Resource Management Act 1991, Local Government Official Information Act

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
	REGIONAL IMPACT/MONITORING/SCIENCE CHARGES (ongoing consents)			
	Air discharge – small	65	67	3.08%
	Air discharge – medium	214	221	3.27%
	Air discharge – large	428	441	3.04%
	Discharge to land or water - small	65	67	3.08%
	Discharge to land or water - medium	214	221	3.27%
	Discharge to land or water - large	428	441	3.04%
	Water take surface water <5 l/s, or groundwater <100,000m3/year	65	67	3.08%
	Water takes surface water 5- 25l/s, or groundwater 100,000 – 200,000 m3/year	214	221	3.27%
	Water takes surface water >25l/s -60l/s, groundwater >200,000 m3/year -<400,000 m3/year	749	771	2.94%
Resource Management Act 1991 Section 36	Water take surface water 60 l/s - <100 l/s, groundwater 400,000 m3/year - <1,000,000m3/year	1,069	1,100	2.90%
	Water take surface water>100 l/s, groundwater >1,000,000m3/year	2,136	2,197	2.86%
	Gravel/Sand abstraction <2000m3/annum	65	67	3.08%
	Gravel/Sand abstraction >2000-10,000m3/annum	214	221	3.27%
	Gravel/Sand abstraction l>10,000m3/annum	321	331	3.12%
	Forestry/woodlot harvest <100 ha	65	67	3.08%
	Forestry harvest >100 – 200 ha	108	112	3.70%
	Forestry harvest >200ha	214	221	3.27%
	Quarry/other earthworks	65	67	3.08%
	Native vegetation clearance	65	67	3.08%



3.0 Policy Planning

Section 36 and Part 2, Schedule 1 Resource Management Act 1991 and Sub Part 5 (Section 197 to Section 211) Local Government Act 2002

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
	Private Plan Changes - Deposit Fee	16,018	16,470	2.82%
Resource Management Act 1991 Section 36 AND Part 2, Schedule 1	Note: Council may reduce the deposit fee to the estimated actual and reasonable costs if staff consider this is likely to be significantly less than the deposit fee.			
	The Council may, at its discretion, charge the costs incurred to date before initiating the following milestones:			
	<ul style="list-style-type: none"> Before the request for the change to the policy statement or plan is included on the committee agenda; and Before the matter is included on the agenda of the Hearings committee or other committee for decision. 			
	The Council may also, at its discretion, require a deposit of the anticipated cost of commissioning any report in relation to the request. Costs associated with any request for a change to a policy statement or plan that is adopted by the Council, as if it was a change made by itself, will not be recovered from the applicant and a refund will be given of any charges paid.			
Development Contributions				
Local Government Act 2002 Sub Part 5 (s.197 to s.211)	Council will assess resource consent and building consent applications for development contributions in accordance with its current policy, available on the GDC website.	In accordance with the 2018 Policy	In accordance with the 2018 Policy	
Cost of Hard Copy Plans (excl postage)*				
	Tairāwhiti Resource Management Plan	1,417	1,457	2.82%
*Items are charged at actual cost unless otherwise identified.				



4.0 Building Services

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
Project Information memoranda				
Building Act 2004 Section 240 Local Government Act 2002	Minor Projects	*	*	
	Residential	315	324	2.78%
	Commercial	359	370	2.97%
	Industrial	395	407	2.95%
	Note: Costs quoted are the minimum fees incurred and may be more.			
Land information memoranda				
Local Government Official Information and Meetings Act Section 44A	1. Residential: Under 1 hectare			
	= 10 working days	361	372	2.96%
	2. Commercial/Industrial/Rural or Residential greater than 1 hectare			
	= 10 working days (application fee)	581	598	2.84%
	Note: Costs quoted are the minimum fees incurred and may be more.			
	Forestry Blocks - If in doubt regarding the category please contact Gisborne District Council	*	*	
Large Properties will be charged accordingly.	*	*		
Resource Management Act 1991 Section 36	Record retrieval fee	49	51	3.92%
Property Search				
Building Act 2004	Residential property search	69	71	2.82%
Section 219 & 240	Rural package (base fee) balance to be charged at time and materials basis on completion or termination of application	64	66	3.03%
	Most recent floor and site plan	17	18	5.56%
	Plumbing and drainage plan	14	15	6.67%
	Specific plan/permit	14	15	6.67%
	Commercial	108	112	3.57%
	Most recent site plan, floor plan, elevations, cross sections	42	44	4.55%
	Most recent floor and site plan	17	18	5.56%
	Plumbing and drainage plan	14	15	6.67%
	Specific plan/permit	14	15	6.67%
	Local Government Act 2002 Section 150	Overseas Investment Certificates	*	*
<i>Special Instructions: Should special circumstances exist that result in a field inspection and/or substantial research, Council reserves the right to charge any additional fees that are appropriate based on the amount of time required to provide the requested information. The cost will be based on the hourly rate in Section 1.0. *</i>				
Local Government Act	1. Rural Address Property Identification (RAPID) No.			



2002 Section 150	To allocate and supply RAPID number and plate	26	27	3.70%
	2. Product Delivery			
	Courier/ postage costs	*at cost	*at cost	
Building Act 2004 Section 72 (Building Subject to Hazard)	Record of Title Registration			
	Sections 73 and 74 Notice	314	323	2.79%
	Removal of above registration	*at cost	*at cost	
Building Act 2004 Section 75 (Building over two or more Separate Lots)	Record of Title Registration			
	Sections 77 and 78 Notice	314	323	2.79%
	Removal of above registration	*at cost	*at cost	
Local Government Act 2002 Section 150	Common Drains Section 461 - LGA 1974			
	Entry of Building Report to Property File	64	66	3.03%
	Copy of Record of Title	25	25	0.00%
	Copy of Consent Notice (base fee)	20	20	0.00%
	Copy of each additional Consent Notice	10	10	0.00%
	Building Consent Exemption (record on Property File)			
	Exemptions	96	99	3.03%
Building Act 2004 Section 240	Scanning of Building Consent Plans Disbursements			
	Standard fee (all A4 and A3)	54	56	3.57%
	Standard fee for consecutive 100 pages	32	33	3.03%
	A2, A1, A0 plans - per sheet	12	13	7.69%
	Note: Scanning fee is not applicable to digitally lodged or fixed fee consents.			
	Printing of Building Consent Plans Disbursements			
	Standard fee (A4 and A3 sheets) - up to 100 pages	22	23	4.35%
	Standard fee for consecutive 100 pages	17	18	5.56%
	A2, A1, A0 plans - per sheet	12	13	7.69%
	Note: Printing fee is not applicable to fixed fee consents.			

BUILDING CONSENTS

Building Act 2004 Section 219 & 240	1. New Structures, Additions and Alterations (deposit) ⁽¹⁾ balance to be charged at time and materials basis on completion or termination of application			
	Alterations and garages ⁽¹⁾	650	650	0.00%
	New dwellings ⁽¹⁾	1,000	1,000	0.00%
	Commercial up to and including \$1m ⁽¹⁾	1,200	1,200	0.00%
	Commercial or other above \$1m ⁽¹⁾	2,500	2,500	0.00%
	2. Fireplaces ⁽²⁾			
	Freestanding ⁽²⁾	387	398	2.76%
	In-Built ⁽²⁾	514	529	2.84%



	3. Marquees - deposit * ⁽²⁾ balance to be charged at time and materials basis on completion or termination of application	100	100	0.00%
	4. Demolition - deposit * ⁽²⁾ balance to be charged at time and materials basis on completion or termination of application			
	a. Residential (includes 1 inspection) # ⁽²⁾	219	219	0.00%
	b. Commercial (includes 2 inspections) # ⁽²⁾	388	388	0.00%
	# Additional inspections at cost # Plus footpath and sign damage bond (as overleaf)			
Local Government Act 2002 Section 150 Building Act 2004 Section 219 & 240 Resource Management Act 1991 Section 36	5. Sign Consent	*	*	
	Note: Some signs will require land use consent - see 2.0 Resource Consents	*	*	
Building Act 2004 Section 219 & 240	6. Pools up to \$19,000 - deposit ⁽³⁾ balance to be charged at time and materials basis on completion or termination of application	⁽³⁾	⁽³⁾	
	In-ground swimming pools, fence and drainage ⁽²⁾	561	580	3.28%
	Above ground swimming pools, fence and drainage including fencing existing pool ⁽²⁾	387	400	3.25%
	Three yearly inspection of swimming pool fencing as required by the Building Act 2004 Revisit for non-compliant pool after check *	164	169	2.96%
	Entry of swimming pool inspection report from IQPI onto property file	64	66	3.03%
	7. Minor Building Consent ⁽⁴⁾ Work under minor building consent must be for a residential project under the value of \$19,000 and meet the criteria listed on the Application for Minor Building Work form. ⁽²⁾	561	577	2.74%
	8. Solar Panels (restrictions apply)	487	501	2.74%
	9. Fast track garages (restrictions apply)	940	967	2.74%

FOOTPATH AND SIGN DAMAGE



Building Act 2004 Section 219 & 240	Footpath damage - refundable deposit# Note: GST exempt	1,000	1,000	0.00%
	Footpath damage (CBD per metre street frontage) - refundable deposit# Note: GST exempt	300	300	0.00%
	Relocation - sign damage - refundable deposit# Note: GST exempt	600	600	0.00%
	# Plus Administration Fee - non-refundable	62	64	3.13%
TECHNICAL PEER REVIEWS				
Building Act 2004 Section 219 & 240	Peer review fee (charged at cost)	*	*	
ACCREDITATION LEVY CHARGE (applies to all building consents)				
Building Act 2004 Section 219 & 240	Note: Levy is already included in fixed fee consents			
	55 cents per \$1,000 Minimum	16	17	5.88%
	55 cents per \$1,000 Maximum	733	754	2.79%
CODE COMPLIANCE CERTIFICATE (CCC)				
Building Act 2004 Section 219 & 240	Note: Fee already included in fixed fee consents			
	CCC - Residential and small projects	89	92	3.26%
	CCC - Standard commercial	262	270	2.96%
	CCC - Large commercial (with fire design, occupancy >100, or multi-unit >10)	524	539	2.78%
CHANGES TO BUILDING CONSENT				
Building Act 2004 Section 219 & 240	* Amendment to building consent	*	*	
	* Extension to building consent	Free	Free	
	Consent re-activation fee (no activity for more than 5 years)	103	106	2.83%
	Record retrieval fee	49	51	3.92%
	Cancelled building consents - all processing costs to date, plus fee of:	87	90	3.33%
COMPLIANCE SCHEDULES				
Building Act 2004 Section 219 & 240	Schedule application base fee	128	132	3.03%
	Plus fee per feature identified in schedule +	44	46	4.35%
	Amendment to compliance schedule base fee	67	69	2.90%
	Plus fee per feature removed/added or altered +	44	46	4.35%
BUILDING WARRANT OF FITNESS				
Building Act 2004 Section 219 & 240	Building warrant of fitness site audit	*	*	
	Process building warrant of fitness	73	76	3.95%



Building Act 2004 Section 97(d)	CERTIFICATE OF ACCEPTANCE	Relevant building consent fees plus \$716	Relevant building consent fees plus \$737	2.93%
Building Act 2004 Section 219.01	CERTIFICATE FOR PUBLIC USE	200	206	2.91%
	RENEW CERTIFICATE FOR PUBLIC USE	120	124	3.23%
	INFORMATION ON BUILDING CONSENTS (i.e. schedules, compiled data)	*	*	
	SPECIAL SERVICES			
	Disbursements : Mileage	82c/km	79c/km	
	Disbursements : Other	*at cost	*at cost	
AMUSEMENT DEVICES (GST Exclusive)				
Amusement Devices Regulations 1978	Single device	10	10	0.00%
	Each additional device	2	2	0.00%
	Each device beyond 7 days	1	1	0.00%
	Plus administration, processing and inspection	*at cost	*at cost	
INSPECTIONS				
Local Government Act 2002 Section 150	Where applicable (per hour)	169	174	2.87%
DEVELOPMENT CONTRIBUTIONS				
Local Government Act 2002 Sub Parts (s .197- s.211)	Council will assess building consent applications for development contributions in accordance with its current policy (available on the GDC website)	In accordance with current policy	In accordance with current policy	
	Appeals	*at cost	*at cost	
*	Items are charged at actual and reasonable cost unless otherwise identified.			
(1)	Items are charged at actual and reasonable cost to memorandum/consent stage. Charges for subsequent required inspections are made at uplift of consent on the basis of specific quoted schedule. Council reserves the right to recover additional inspection charges made necessary by action or inaction of consent holder. Each inspection type is charged at a standard rate. On visits where more than one inspection type is undertaken each incurs a fee.			
(2)	Deposit and standard fee includes set number of inspections and standard processing time. Any additional inspections or time to process the consent will be charged at cost.			
(3)	Pools on a hill/slope or with a value of over \$20,000 will require a full actual and reasonable cost Building Consent.			
(4)	Jobs that require only one inspection will be at a lesser rate. This is at the discretion of Council building official.			

NOTE: A Ministry of Business, Innovation and Employment (MBIE) levy is charged at the rate of \$1.75 inc GST for each \$1,000 or part thereof of total building value (plumbing and drainage included) when the total value of building work for which consent is sought is \$20,444 inc GST or more. A Building Research Association of New Zealand (BRANZ) levy is charged at the rate of \$1 of each \$1,000 or part thereof of the total building value (plumbing and drainage included) when the total value of building work for which consent is sought is \$20,000 or more. Some of the fees are determined by statute or regulation and Council is not able to change them. They are subject to change on direction without notice.

The building services fees and charges relate to the following regulations:

Building Act 2004, S. 45.01(d), S.72, S.75, S.240, S.219(d)
Local Government Act 2002, S.150 and Sub Parts S.197-S.211
Public Places Bylaw
Amusement Devices Regulations 1978
Resource Management Act 1991, S.36
Local Government Official Information and Meeting Act, S.44A



5.0 Environmental Health Services

5.1 Registrations

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance	
Food Act 2014					
New registration					
Food Act 2014 Section 204 Food Regulations 2015	Processing registration of risk based measure based upon a template or model issued by MPI of a business subject to a national programme:				
	Fixed fee (4)	320	330	3.13%	
	Multisite business - extra fee per additional site (4)	77	80	3.90%	
	Per hour for every extra hour of process time (5)	169	174	2.96%	
	Renewal of registration				
	Processing annual renewal of existing registration:				
	Fixed fee (4)	191	197	3.14%	
	Multisite business - extra fee per additional site (4)	52	54	3.85%	
	Per hour for every extra hour of process time (5)	169	174	2.96%	
	Amendment to registration				
	Processing amendment to registered risk based measure based on a template or model issued by MPI or to registration of a business subject to a national programme:				
	Fixed fee (4) Significant (2)	184	190	3.26%	
Fixed fee (4) Minor (3)	113	117	3.54%		
Per hour for every extra hour of process time (5)	169	174	2.96%		
Verification (6)					
Conducting verifications. Charges include time spent on scheduling and final administration, preparation, on site or remote verification, reporting and follow up.					
Per hour for officer time (6)	169	174	2.96%		
Per hour for administration time (6)	113	117	3.54%		
Technical specialist required - at cost(6)	At cost	At cost			
Overdue Corrective Action Follow up. Charges include time spent on email, phone calls, site visits, assessment, outcome changes and administration(6)	0	174	New		
Compliance and monitoring: (charge per hour) (6)					
Conduct complaint driven investigation resulting in issue of improvement notice by food safety officer. Conduct emergency investigation resulting in issue of direction or seizure notice. (6)					
	169	174	2.96%		
Disposal costs for seized food or food related accessories. (6)					
	at cost	at cost			



Storage costs for seized food or food related accessories. (6)	at cost	at cost	
Application for review of issue of improvement notice (6)	169	174	2.96%
Monitor food safety and suitability (6)	169	174	2.96%
Cancellation of verification audits (6)			
These can come on same working day or non-attendance by essential personnel preventing completion of a verification.			
Loss of 1 hour cost recovered (6)	85	174	104.71%
Mentoring services: (charge per hour)	169	174	2.96%

Authority/Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
Harbourmaster				
Gisborne District Navigation and Safety Bylaw	Application for suspension or exemption	62	64	3.23%
	Plus Disbursements	at cost	at cost	
	Registration of personal watercraft	Nil	Nil	
Local Government Act 2002 Section 150 General Harbour (Nautical and Miscellaneous) Regulations 169, Section 21 Gisborne District Navigation and Safety Bylaw	Removal of vessel or obstruction (per hour), plus vessel hire and any other contractor costs.	190	196	3.16%
Local Government Act 2002 Section 150	Tier 1 Marine Oil Spill Plan Assessment			
	Lodgement	39	41	5.13%
	Assessment (per hour)	190	196	3.16%
	Audit (per hour)	190	196	3.16%
Gisborne District Navigation and Safety Bylaw	Harbour Master and Boat Charge out rates			
	Per Hour (or part thereof)	350	350	0.00%
	Per Half Day (up to four hours)	1,000	1,000	0.00%
	Per Day (up to eight hours)	2,000	2,000	0.00%



Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
Registered or Licensed Premises				
Health (Registration of Premises) Regulations 1966 Regulation 7	Change of ownership of registered or licensed premises (4)	161	166	2.82%
Local Government Act 2002 Section 150	Application Fee for Proposed New Registered or Licensed Premises (excluding food) (4)	187	192	2.82%
Hairdressers Annual Registration and inspection				
Health (Registration of Premises) Regulations 1966 Regulation 7	Health (Hairdressers) Regulations 1980 Regulation 3			
	- Non A-Grade Premises (4)	511	525	2.82%
	- A-Grade Premises - Hairdresser (4)	291	299	2.82%
	- Extra Inspections - charged at cost using the hourly rate of: (6)	169	174	2.82%
Unregistered Hairdressers				
Local Government Act 2002 Section 150	Health (Hairdressers) Regulations 1980 - Hygiene Inspection - charged at cost using the hourly rate of: (6)	169	174	2.96%
Funeral Directors Annual Registration and Inspection				
Health (Registration of Premises) Regulations 1966 Regulation 7	Health Burial Regulations 1946 Regulation 13	349	359	2.87%
Camping Ground Annual Registration and Inspection				
Camping Ground Regulations 1985 Regulation 3	Normal	511	526	2.94%
	Limited Duration Camping Grounds	430	443	3.02%
Offensive Trade Registration and Inspection				
Health Act 1956 Section 54 (1)	Offensive Trade Fee	349	359	2.87%
Saleyard Annual Registration				
Health Act 1956 Section 58	Small	267	275	3.00%
	Large	349	359	2.87%
Local Government Act 2002 Section 150	Annual Hygiene Inspection and Administration Fee for Premises Handling Food or Alcohol but exempted from Registration Under Food Act	169	174	2.96%
Local Government Act 2002 Section 150	Mobile Shop Licence (registration fee) (7)	160	165	3.13%
	Hawkers Licence (7)	160	165	3.13%



Gisborne District Mobile Shops, Hawkers, Stalls and Itinerant Traders Bylaw	Itinerant Traders Licence registration fee(7)	160	165	3.13%
	Subsequent inspection of Mobile Shop, Hawker or Itinerant Trader per hour	169	174	2.96%
	Follow up visit to assess compliance of permit holder -per hour	169	174	2.96%
Gisborne District Public Places Bylaw and Mobile Shops, Hawkers, Stalls and itinerant Traders Bylaw	Stall in Public Place			
	Single event up to one week (1)	24	25	4.17%
	Other (1)	52	54	3.85%
Special Duties				
Local Government Act 2002 Section 150	Charge out per hour	169	174	2.96%
	Plus Disbursements at cost			
	Subsequent monitoring visit as a result of non-compliance with a Health Act notice (per hour)	169	174	2.96%
Gambling Venue Consent				
Local Government Act 2002 Section 150	Application fee	259	267	3.09%
	Plus notification/hearing costs at cost			
	Extract from record	36	37	2.78%
	Miscellaneous activity plus special events not otherwise chargeable (per hour)	169	174	2.96%
	Plus Disbursements at cost			
Litter/Rubbish				
	Investigation and clean-up of litter and dumped rubbish (per hour)	169	174	2.96%
	Plus Disbursements at cost			
Gisborne District Keeping of Animals, Bees or Poultry Bylaw	Application for approval to keep animals, bees or poultry and first monitoring visit (7)	100	103	3.00%
	Monitoring and enforcement (per hour)	169	174	2.96%

(1) If a food business, food registration and verification fees will also apply.

(2) Significant amendment means a change in the risk based measure.

(3) Minor amendment means a change to registration or scope details.

(4) Payable by the applicant on application.

(5) Any remainder, to fixed fee, payable within 20 working days of issue of invoice.

(6) Per hour of officer time. Payable within 20 days of issue of invoice.

(7) Compliance Monitoring & Enforcement Manager may waive if application was made voluntarily and not subject to a complaint.



5.2 Alcohol Licensing

Sale and Supply of Alcohol (Fees) Regulations 2013 - S.7, S.18, Local Government Act 2002, S.150

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
District Licensing Committee				
Registration fees				
	On Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Renewal On Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Variation or cancellation to conditions of On Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	On Licence (BYO)	368 - 1,207.50	368 - 1,437.50	0.00%
	Variation or cancellation to conditions of On Licence (BYO)	368 - 1,207.50	368 - 1,437.50	0.00%
	Renewal On Licence (BYO)	368 - 1,207.50	368 - 1,207.50	0.00%
	Conveyance On Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Off Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Renewal Off Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Variation or cancellation to conditions of Off Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Club Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Renewal Club Licence	368 - 1,207.50	368 - 1,437.50	0.00%
	Variation or cancellation to conditions of Club Licence	368 - 1,207.50	368 - 1,437.50	0.00%
Fee categories:		Application Fee	Annual Fee	
	Very low	368	161	
	Low	609.5	391	
	Medium	816.5	632.5	
	High	1023.5	1,035.00	
	Very High	1207.5	1,437.50	
Other Application fees				
	Manager's Certificate	316.25	316.25	0.00%
	Renewal Manager's Certificate	316.25	316.25	0.00%
	Extract from record	57.50	57.50	0.00%
	Permanent Club Charters Annual Fee	632.50	632.50	0.00%
NOTE: All fees set by regulation. Set Value of fee is payable to Alcohol Regulatory Licensing Authority for above.				
Sale and Supply of Alcohol (Fees)	Special Licence - Application Fees			



Regulations 2013	Class 1 - One large event or more than three medium events or more than 12 small events	575	575	0.00%
	Class 2 - One to three medium events or three to 12 small events	207	207	0.00%
	Class 3 - One or two small events	63.25	63.25	0.00%
	Temporary Authority	296.70	296.70	0.00%
<i>NOTE: 16% of fee payable to Alcohol Regulatory Licensing Authority.</i>				
Compliance Certificate				
Local Government Act 2002 Section 150	Compliance Certificate (Building Act and Resource Management Act) for new premises or premises seeking variations.	169	174	2.96%

In the event the application is withdrawn, consideration will be given by the Regulatory Services Manager for a refund. Administration costs will be charged prior to any refund being made. There will be no refund on Special Licence applications. Fees are set by regulation and are outside Council's control. They are subject to change without notice.

5.3 Enforcement

Infringement Offences and Fees

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
Litter Act 1979 Section 15(1)(a)	The depositing of any litter in or on any public place (definitions as below):			
	- Minor	100	100	0.00%
	- Medium	200	200	0.00%
	- Major	400	400	0.00%
Litter Act 1979 Section 15(1)(b)	The depositing of any litter in or on any private land without the consent of its occupier (definitions as below):			
	- Minor	100	100	0.00%
	- Medium	200	200	0.00%
	- Major	400	400	0.00%
Litter Act 1979 Section 15(1)(a) Section 15(1)(b)	Having deposited any litter in or on any public place or in or on any private land without the consent of its occupier, leaves the litter there (definitions as below):			
	- Minor	100	100	0.00%
	- Medium	200	200	0.00%
	- Major	400	400	0.00%

DEFINITIONS

(A) Minor Littering - INFRINGEMENT FEE \$100

Minor littering is defined as depositing in or on a public place or in or on private land without the consent of the occupier:

- | | |
|--------------------|----------------------------------|
| • Cigarette butts | • Takeaway food/drink containers |
| • Wrappers/paper | • Fish and chip papers |
| • Chewing gum | • Plastic drink bottle(s) |
| • Small food waste | • Aluminium cans |

NOTE: For cigarette butt littering, this is a two-step enforcement process.

First Step: Educate/warning – offender advised this is not acceptable.

Second Step: If a person is found depositing cigarette butt litter, having already been warned, an infringement fee of \$100 will be issued.

(B) Medium Littering - INFRINGEMENT FEE \$200

Medium littering is defined as - depositing in or on a public place or in or on private land without the consent of the occupier:

- Single used disposal nappy or nappies
- Small dumping (e.g. shopping bags) – domestic/commercial waste in or by public litter bins
- Small dumping in or by commercial waste bins/clothing bins/recycling stations
- Persistent use of unofficial bags without Council stickers
- Small insecure load from truck or trailer
- Domestic waste placed in a Council litter bin.

Small dumping defined as - one shopping bag or single item

Small insecure load - paper, single item, grass clippings, dust that has come off a truck or trailer

(C) Major Littering - INFRINGEMENT FEE \$400

Major littering is defined as depositing in or on a public place or in or on private land without the consent of the occupier:

- | | |
|--------------------|---------------|
| • Household waste | • Green waste |
| • Commercial waste | • Car parts |

- Any other litter defined in the Litter Act 1979 not defined as a minor or medium littering above.



Other Definitions**Domestic Waste** - waste generated in households, both urban and rural**Commercial Waste** - waste generated by commercial businesses, institutions and small industrial businesses such as retail and construction

NOTE: Sections 15(2) and 16 of the Litter Act 1997 define the depositing of glass or glass bottles (or broken glass bottles) as a dangerous form of litter and thus considered by Council as a major littering offence. The decision whether to issue an infringement notice for major littering or to refer the matter to the District Court will be determined on a case-by-case basis, based on the severity and malicious intent of the alleged offence.

Gisborne District Public Places Bylaw Clause 6.2(a)	No person shall play any game or use any object including skating devices, cycles or motorised scooters recklessly or in a manner which may intimidate, cause annoyance or inconvenience, be dangerous or injurious or cause an obstruction or nuisance to persons in the public place, or damage the public place.			
	- First offence	62	64	3.23%
	- Second offence	112	116	3.57%
Gisborne District Public Places Bylaw Clause 6.2(b)	No person shall drive any vehicle in a manner that is dangerous or inconsiderate to pedestrians or other vehicles.			
	- First offence	62	64	3.23%
	- Second offence	112	116	3.57%
Gisborne District Public Places Bylaw - Clause 9.1(c)	The depositing of any household or trade refuse in or around a public litter receptacle on any public place.	112	116	3.57%
Gisborne District Public Places Bylaw - Clause 9.2	Causing, permitting or suffering any litter to escape from a receptacle or vehicle onto any public place.	112	116	3.57%
Gisborne District Public Places Bylaw - Clause 17.1	No person shall ride a skating device in any area defined in the schedule of this bylaw:			
	- First offence	62	64	3.23%
	- Subsequent offence	112	116	3.57%
Gisborne District Public Places Bylaw - Clause 17.2	No person shall ride a skating device on any footpath outside areas defined in the schedule of this bylaw without due care to ensure no damage is caused to any property or without reasonable consideration for other persons using the footpath:			
	- First offence	62	64	3.23%
	- Subsequent offence	118	122	3.39%
Resource Management Act 1991 Section 336(2)(b)	Return of seized equipment - stereos	226	233	3.10%



Resource Management Act 1991 and Resource Management (Infringement Offences) Regulations 1999	Infringement offences	As per regulations	As per regulations	
Local Government (Infringement Fees for Offences Gisborne District Navigation Bylaw) Regulations	Infringement offences	As per regulations	As per regulations	

These fees and charges refer to the following regulations:

Health (registration of premises) Regulations 1966 - Regulation 3 and 7
 Local Government Act 2002, S.150
 Camping Ground Regulations 1985 - Regulation 3
 Health Act 1956 - S.54(1), S.58
 Food Hygiene Regulations 1974 - Regulation 4(1), (2), Regulation 83,
 Food Act 2014 - S.204
 Food Regulations Act 2015
 General Harbour (Nautical and Miscellaneous) - Regulations 169, Section 21
 Resource Management Act 1991
 Maritime Transport Act 1994

These fees and charges are in line with the following Council bylaws:

Gisborne District Mobile Shops, Hawkers, Stalls and Itinerant Traders Bylaw
 Gisborne District Navigation and Safety Bylaw
 Gisborne District Keeping of Animals, Bees or Poultry Bylaw



5.4 Animal Control

Sections 37 and 68, Dog Control Act 1996 and Section 14 and 15(1), Impounding Act 1955

	2021/22 Charge after 31.7.21 (If paid by 31.7.21)	2021/22 De- sexed charge (If paid by 31.7.21)	2022/23 Charge (If paid by 31.7.22)	2022/23 Charge after 31.7.22 with 25% penalty	2022/23 De- sexed charge (If paid by 31.7.22)	Variance if paid in July	Variance including penalty	Variance De-sexed charge
DOGS	\$	\$	\$	\$	\$	\$	\$	\$

Dog Control Act 1996 Section 37

DOG REGISTRATION

Rural livelihood - Income from working dogs - breed huntaway or heading	52	*65	47	54	*67.5	49	3.70%	3.70%	4.08%
Normal urban and including those in rural areas not required for rural livelihood	96	*120	87	99	*123.75	90	3.13%	3.13%	3.13%
Dangerous dog owner (rural and urban)	143	*178.75	143	148	*185	148	3.38%	3.38%	3.38%
Probationary dog owner (rural and urban)	142	*177.5	128	147	*183.75	133	3.40%	3.40%	3.76%
Selected owner policy ¹	68	**120	62	70	**120	63	2.86%	0.00%	1.59%
Selected owner - Superannuitants	55	78.75	50	57	81.25	52	3.51%	3.08%	3.85%
Superannuitants	63	*78.75	57	65	*81.25	59	3.08%	3.08%	3.39%
NZ licensed dog owner ***	56	*70	51	58	*72.50	53	3.45%	3.45%	3.77%
Guide and hearing dogs	0	0	0	0	0	0	0.00%	0.00%	0.00%

* Penalty of 25% for late payment applies to all dogs registered after 31 July 2022.

**Selected Owners who do not pay by 31 July 2022 revert back to standard owner rate plus penalty for late payment.

*** No new applications for Licensed Owners will be accepted from 1 July 2019.

¹ To be eligible for Selected Owner discount, the dog owner must pay registration fees on time and their dog has no infringement history, and the owner must agree to property inspections by Animal Control officers to insure required standards are met.

NOTE: New dog registration after 31 July-2022 will be pro-rated depending on the number of months remaining in the dog registration year and when the dog turns 3 months old.

Discount for De-sexing – with proof from licenced veterinarian, a 10% discount may be applied to registration of all qualifying dogs paid by 31 July 2022



IMPOUNDING DOGS

2021/22 Charge \$

2022/23 Charge \$

Variance

Sections 37 and 68, Dog Control Act 1996 and Section 14 and 15(1), Impounding Act 1955:**Between 8.00am and 4.30pm on weekdays**

- First impounding	64	66	3.03%
- Second impounding	74	77	3.90%
- Subsequent impounding	103	106	2.83%

After Hours and weekends

- First impounding	74	77	3.90%
- Second impounding	84	87	3.45%
- Subsequent impounding	113	117	3.42%
Sustenance per day	21	22	4.55%
Advertising	Actual & reasonable cost	Actual & reasonable cost	

STOCK RANGING / IMPOUNDING

2021/22 Charge \$

2022/23 Charge \$

Variance

Impounding Act 1955 Section 14 - Sheep**Between 8.00am and 4.30pm on weekdays**

First impounding	74	77	3.90%
Second impounding	86	89	3.37%
Subsequent impounding	120	124	3.23%

After Hours and weekends

First impounding	84	87	3.45%
Second impounding	97	100	3.00%
Subsequent impounding	130	134	2.99%
Sustenance (per day)	Actual & reasonable cost	Actual & reasonable cost	
Advertising	Actual & reasonable cost	Actual & reasonable cost	

Impounding Act 1955 Section 14 - Horse and Cattle**Between 8.00am and 4.30pm on weekdays**

First impounding	136	140	2.86%
Second impounding	159	164	3.05%
Subsequent impounding	221	228	3.07%

After Hours and weekend

First impounding	147	152	3.29%
Second impounding	169	174	2.87%
Subsequent impounding	231	238	2.94%
Sustenance (per day)	Actual & reasonable cost	Actual & reasonable cost	
Advertising	Actual & reasonable cost	Actual & reasonable cost	

DRIVING CHARGES - Impounding Act 1955 Section 15(1)

Stock control charge out rate (per hour)	110	114	3.51%
Plus Disbursements:	Vehicle cost/km	Vehicle cost/km	
Mileage	82c/km	79c/km	
Others	Actual & reasonable cost	Actual & reasonable cost	



6.0 Parking

Refer to the Gisborne District Traffic and Parking Bylaw

Authority/ Requirement	Subject	2021/22 Charge \$	2022/23 Charge \$	Variance
Gisborne District Traffic and Parking Bylaw	Parking 2 hours CBD metered parking spaces Gladstone Road, Bright Street, Hardy Lane and Peel Street (per hour)	2	2	0.00%
	Parking 2 hours CBD metered parking spaces Derby Street, Grey Street, Lowe Street, Palmerston Road and Reads Quay (per hour)	1.50	1.50	0.00%
	Parking 8 hours CBD metered parking spaces Grey Street car park, Customhouse Street and Reads Quay (per hour)	1	1	0.00%
	Parking 2 hours Maximum Library Car Park (per hour)	1	1	0.00%
	CBD Contractor's Parking Permit (per week)	10	11	9.09%
	CBD Resident's Parking Permit	169	174	2.87%
Land Transport (Offences and Penalties) Regulations 1999	Timed Parking Offences and Infringement Fees (Note: Fee increases on time factor)			
	Parked at an expired meter	12	12	0.00%
	Displayed expired parking authorisation	12	12	0.00%
	Time variations of timed offences ⁽¹⁾			
	Not more than 30 minutes	12	12	0.00%
	More than 30 minutes but not more than one hour	15	15	0.00%
	More than one hour but not more than two hours	21	21	0.00%
	More than two hours but not more than four hours	30	30	0.00%
	More than four hours	42	42	0.00%
Failing to display parking authorisation ticket in Pay and Display area	40	40	0.00%	

¹ Indicates authority also under Section 139 Land Transport Act 1998

Note: All other parking infringement fees and stationary vehicle offences infringement fees are set by statute, specifically Schedule 1 of Land Transport (Offences and Penalties) Regulations 1999.



Gisborne Olympic Pool

NOTE: Due to disruptions to service due to the age and deterioration of the facility, fees will remain flat. New fees will be recommended to Council for Kiwa Pools before the facility opens in 2023.

Individual	Rates effective 1 July 2022			Variance		
	Category i	Category ii (incl discount) \$	Category iii (incl discount) \$	Category i	Category ii (incl discount) \$	Category iii (incl discount) \$
Adult	4.60	4.20	3.70	0.00%	0.00%	0.00%
Child	3.50	3.30	2.90	0.00%	0.00%	0.00%
Family Swim Pass*	13.90	N/A	N/A	0.00%	0.00%	0.00%
Student (with ID)	3.50	3.30	2.90	0.00%	0.00%	0.00%
Senior Citizen (65+ years)	3.50	3.30	2.90	0.00%	0.00%	0.00%
Under 2 years (with swimmer nappy)	FREE	FREE	FREE	0.00%	0.00%	0.00%
Aqua fitness (general)	7.00	7.00	7.00	0.00%	0.00%	0.00%
Spectator	1.80	N/A	N/A	0.00%	0.00%	0.00%
Concession cards						
Adult Swim - 20 visits	75.00	N/A	N/A	0.00%	0.00%	0.00%
Child Swim - 20 visits	52.00	N/A	N/A	0.00%	0.00%	0.00%
Aqua fitness Senior Citizen (65+ years)	50.00	N/A	N/A	0.00%	0.00%	0.00%
Facilities						
Hydroslide	5.20	N/A	N/A	0.00%	0.00%	0.00%
Family Swim/Slide Pass*	28.10	N/A	N/A	0.00%	0.00%	0.00%
Hot Pool	5.70	5.30	4.40	0.00%	0.00%	0.00%
Swim and Hot Pool - top up						
Adult	3.50	3.50	3.50	0.00%	0.00%	0.00%
Child, Student, Senior Citizen	3.50	3.50	3.50	0.00%	0.00%	0.00%
All year swim pass						
Adult	N/A	N/A	348.80	0.00%	0.00%	0.00%
Student, Children, Seniors	N/A	N/A	241.20	0.00%	0.00%	0.00%

Comet Swim Club Members - Special admission fee for registered members of Comet Swim Club in accordance with the Comet Lease Agreement

* Family of up to five people, one of which needs to be an adult 21 years+; swim pass covers pool admission only; swim/slide pass covers pool admission and a slide pass each.

Definitions

Category I - All casual users

Category II

- Swipe Cardholders (see Swipe Card Regulations)
- Regular users who hold a current swipe card
- Concession cardholders
- All schools and 'not for profit' community groups

Category III - frequent user groups (on application)

Swipe Card Regulations

- \$3.70 for purchase of swipe card
- Swipe cards are for regular pool users
- Swipe cards not used for more than 6 months become invalid
- Invalid swipe cards cannot be reactivated and will be deleted from the system (no refunds for funds on card account)



GROUPS (5+ people paying all fees as one group)	RATES EFFECTIVE 1 JULY 2022			Variance		
	ADMISSIONS	CATEGORY I \$	CATEGORY II (Incl Discount) \$	CATEGORY III (Incl Discount) \$	CATEGORY I \$	CATEGORY II (Incl Discount) \$
Adult	4.10	3.90	3.60	0.00%	0.00%	0.00%
Child	3.20	2.80	2.50	0.00%	0.00%	0.00%
Student	3.20	2.80	2.50	0.00%	0.00%	0.00%
Senior Citizen (65+ years)	3.20	2.80	2.50	0.00%	0.00%	0.00%
Under 2 years (with swimmer nappy)	FREE	FREE	FREE	0.00%	0.00%	0.00%
Aqua fitness (general)	7.00	7.00	7.00	0.00%	0.00%	0.00%
Spectator	1.50	1.30	1.20	0.00%	0.00%	0.00%
Coaches, Instructors, Supervisors	FREE	FREE	FREE	0.00%	0.00%	0.00%
Facilities						
Hydroslide	N/A	4.70	4.20	0.00%	0.00%	0.00%
Hot Pool	N/A	5.20	4.40	0.00%	0.00%	0.00%
Pool and lane hireage (per hour)						
25m Lane	11.10	9.40	6.70	0.00%	0.00%	0.00%
50m Lane	22.10	18.60	12.10	0.00%	0.00%	0.00%
Hot Pool (exclusive)	73.60	54.90	37.00	0.00%	0.00%	0.00%
Dive Pool (exclusive)	73.60	54.90	37.00	0.00%	0.00%	0.00%

Note: If lanes are hired exclusively, admission price is \$1.40 per swimmer using the lanes. (Maximum of 12 swimmers per lane.)

Definitions

Category I - All casual groups

Category II

- Regular user groups (minimum of 1 booking per month - account holders)
- All school groups regardless of frequency of booking
- All group bookings between 1 April and 30 September

Category III - frequent user groups (on application)



SPECIAL SERVICES - Gear Hire (see notes)	RATES JULY 2021	RATES EFFECTIVE 1 JULY 2022	Variance
BBQ (private setting) - all day hire	60.30	60.30	0.00%
Security Lockers (padlock hire)	3.40	3.40	0.00%
Towel / Togs	3.40	3.40	0.00%
Kayak (in pool only) - per hour	10.20	10.20	0.00%
Flippers / Aqua jogging belt	2.40	2.40	0.00%
Under Water Hockey Equipment	11.30	11.30	0.00%
OPC Marquee inside - per hour	49.50	49.50	0.00%
OPC Marquee to take outside (overnight with special approval only) - per day	98.60	101.50	2.94%

Note: All gear hire is strictly at the discretion of pool staff.



Gisborne Theatres

War Memorial Theatre

	2022/23 Fee					
	Performances			Meetings & Seminars		Social Functions
	Professional or Touring Groups & Artists	Professional Groups & Artists Not for Profit	Local Amateur Groups & Schools	Commercial Professional, Government	Community & Voluntary Groups	Weddings, Gatherings, Celebrations
<i>War Memorial hireage fees have increased by inflation.</i>						
Theatre Hire: Performance day	1,750	1,235	540	1,080	590	1,545
Theatre Hire: Set up or rehearsal day	515	515	260	515	310	515
Additional shows: (on same day extra charge)	620	415	260	0	0	0
Foyer Only:	620	515	415	515	415	775
Green Room Only:	\$30 per hour (minimum 3 hours)					

War Memorial Theatre Additional Charges:	
Energy charges	*25¢ per unit metered
House Technician	\$60 per hour
Front of house staff	\$30 per hour
Security	Supplied on request, charged to hirer
Projector and screen	\$275
Sound system basic, including 1 microphone	\$175 (Full sound system quote available on request)
Use of Kitchen	\$80
Tablecloths	\$10
Raised staging, per section	\$40 per day

All scheduled fees and charges are inclusive of GST, unless otherwise stated.

A deposit will be required to confirm a hire booking.

**Fees relating to Theatre additional charges are subject to change and may be updated at any time during the year based on actual costs that Council incurs.*

House Technician minimum required hours may apply.

Proprietary Ticketing Services. Licensed Premises.



Lawson Field Theatre

	2022/23 Fee					
	Performances			Meetings & Seminars		Social Functions
	Professional or Touring Groups & Artists	Professional Groups & Artists Not for Profit	Local Amateur Groups & Schools	Commercial, Professional, Government	Community & Voluntary Groups	Weddings, Gatherings, Celebrations
<i>Lawson Field hireage fees have increased by inflation except local amateur and voluntary group fee has remained static.</i>						
Theatre Hire:	875	670	400	670	400	1,030
Theatre Hire: Set up or Rehearsal day	360	310	180	310	180	310
Additional shows: (on same day extra charge)	310	260	200	0	0	0
Theatre Hire Half Day: (8am-12pm or 1-5pm)	0	0	0	360	250	0
Theatre Hire Evening: (6-11pm)	0	0	0	515	350	0
Rose Room Only Full Day:	0	0	0	465	300	465
Rose Room Only Half Day: (8am-12pm or 1-5pm)	0	0	0	260	180	260
Rose Room Only Evening: (6-11pm)	0	0	0	310	250	310
Commercial Kitchen	\$30 per hour, \$90 per half day, \$150 per full day.					

Lawson Field Theatre Additional Charges:

Energy charges	*25¢ per unit metered
House Technician	\$60 per hour
Front of house staff	\$30 per hour
Security	Supplied on request, charged to hirer
Projector and screen	\$175
Sound system basic, including 1 microphone	\$125 (Full sound system quote available on request)
Use of Kitchen	\$80
Tablecloths	\$10
Raised staging, per section	\$40 per day

Theatre Hire on Saturdays and Sundays includes Rose Room access. Rose Room not included with theatre hire Monday - Friday 8am-5pm.

Wedding and Meeting/Seminar hire includes tables and chairs.

**Fees relating to Theatre additional charges are subject to change and may be updated at any time during the year based on actual costs that Council incurs.*

House Technician minimum required hours may apply.

To qualify for Half Day or Evening hire, the entire event (including set up and pack down) must fit into the Half Day hours. If any event activity takes place in the venue outside of these hours, then it will revert to Full Day hire charge.

A deposit will be required to confirm a hire booking.

Proprietary Ticketing Services. Option for Licensed Premises.



Gisborne Sound Shell

Gisborne Sound Shell hireage fee has increased by inflation.	2022/23 Fee					
	Performances			Meetings & Seminars		Social Functions
	Professional or Touring Groups & Artists	Professional Groups & Artists Not for Profit	Local Amateur Groups & Schools	Commercial, Professional, Government	Community & Voluntary Groups	Weddings, Gatherings, Celebrations
Per Day (minimum)	1,235	N/A	620	N/A	N/A	N/A
Set up or rehearsal day	50% daily hireage					
<i>Proprietary ticketing services except by arrangement</i>						
<i>No private functions</i>						

Patutahi Hall

Hireage for professional/touring groups and fee for setup or rehearsal has increased by inflation, Weddings, Gatherings have decreased by \$100, all other hireage fees remain static.	2022/23 Fee					
	Sport and Performance			Meetings & Seminars		Social Functions
	Professional or Touring Groups, Govt Depts. (up to 1.00am)	Community Groups	Local Amateur Groups & Schools*	Commercial, Professional, Government	Community, Voluntary Groups	Weddings, Gatherings, Celebrations (up to 1.00am)
Hall Hire: (including kitchen)	620	\$30 per hour	\$30 per hour	\$35 per hour	\$30 per hour	300
Hall Hire: Setup or rehearsal	55	55	55	55	55	55
Kitchen only:	\$30 per hour					
Cleaning if Hall left untidy	\$100					
<i>Patutahi School entitled to 3 free bookings per year (children's activities only)</i>						



HB Williams Memorial Library

Item	Loan Period	2021/22 Charge \$	2022/23 Charge \$	Variance
Rental fiction	3 weeks	2	2	0.00%
Rental DVDs	2 weeks	2	2	0.00%
Artworks	6 weeks	5	5	0.00%
Periodicals	2 weeks	0.50	0.50	0.00%
Interloans - plus any fees from loaning libraries	Various	12	12	0.00%
Replacement borrower cards		12	12	0.00%
Photocopying - A3 b/w	N/A	0.40	0.40	0.00%
Photocopying and printing - A4 b/w	N/A	0.20	0.20	0.00%
Photocopying - A3 colour	N/A	2	2	0.00%
Photocopying - A4 colour	N/A	1	1	0.00%
Decommissioned books - standard		2-5	2-5	0.00%
Book bag		6	6	0.00%
Overdue material (per item)				
<u>Adult / Young Adult Membership</u>				
1 - 27 days	N/A	1	0	-100%
28 - 56 days	N/A	2	0	-100%
57 - 90 days	N/A	Account for Item	Account for Item	
<u>Children's Membership</u>				
1 - 27 days	N/A	0.50	0	-100%
28 - 56 days	N/A	1	0	-100%
57 - 90 days	N/A	Account for item	Account for item	
Administration on all overdue items	N/A	0.50	0	-100%
Lost/damaged material - administration cost per item @ plus Replacement cost	N/A	5	5	0.00%
Reference enquiries (outside free membership area) - per hour or part thereof @ plus copy fees	N/A	51.20	50	-2.34%

Room hire	2021/22 Charge \$	2022/23 Charge \$	Variance
Mahutonga = Southern Cross Room*			
Per hour	30	30	0.00%
Half day	80	80	0.00%
Full day	120	120	0.00%
Papatipu = Launch Pad			
Per hour	30	30	0.00%
Constellation Courtyard*			
Per hour	20	20	0.00%
Half day	50	50	0.00%
Full day	80	80	0.00%
Cleaning fee**	50	50	0.00%

* Half day is max 4 hours. Full day is max 8 hours. Use subject to availability and library operation.

** Cleaning fee applies if facilities are left in unclean state.



Parks, Reserves and Sports Grounds

GDC Parks, Reserves and Sports Grounds are available for booking subject to GDC approval.

Bookings	2021/22 Charge \$	2022/23 Charge \$	Variance
Information about GDC's Park fees and booking information is available on the Council website. Booking a park, reserve, beach, sports field Gisborne District Council (gdc.govt.nz) To book a council reserve, park or sports ground, visit the GDC website and fill in the online Request Form.			
Wedding on a beach or reserve			
If you're planning to get married on the beach, at the rose garden or any other council park or reserve, you need to let us know.			
If you wish to book the Botanical Gardens, you'll need to let us know which area of the park you would like to use.			
A fee applies for weddings, you pay this once your booking has been confirmed by reserves staff.	105	108	2.86%
Sports grounds			
To hold an event or match on a council sports ground, a fee is charged based on the grounds maintenance cost.	POA	POA	
Reserves			
Any commercial event or activity is charged a fee based on the type of event.	POA	POA	
You need to fill in the Hold an Event Form.			
Alcohol in a public place			
There are some rules around consumption of alcohol in public places. Generally, a toast at a wedding is fine, anything more, you need to talk to our environmental health team.			
If you intend to supply or sell alcohol at an event on a public park or reserve, you need to fill in the Hold an Event form or talk to our environmental health team first to clarify what you are allowed to do.			
All forms and information is available on the Council website. Booking a park, reserve, beach, sports field Gisborne District Council (gdc.govt.nz)			



Stormwater, Wastewater & Water

Connection fee to the public network	2021/22 Charge \$	2022/23 Charge \$	Variance
Stormwater and Wastewater			
Wastewater and stormwater have no connection fees.	Nil	Nil	
An extraordinary wastewater connection fee to be charged at the full cost, of a tendered or quoted price, for the physical connection from the main to the boundary plus a 10% administration fee.			
DrainWise			
There are no consultation fees for DrainWise, however we will use the provisions of the Local Government Act, Building Act or Drainage Bylaw to recover costs plus a 10% administration fee.			
Trade Waste Fee			
The trade waste discharge fee is paid by industries whose trade waste flows through the city wastewater system.			
Discharge fee per cubic metre:	0.49	0.50	2.04%
Discretionary Trade Waste Consent Application Fees			
Food Premises	105	108	2.86%
Wash pad / workshop premises	105	108	2.86%
Tankered Waste		108	formally included with Significant Industry charge
Significant Industry	Actual time + testing	Actual time + testing	
Discretionary Trade Waste Annual Consent Renewal Charges			
Food Premises	168	172	2.38%
Wash pad / workshop premises	168	172	2.38%
Tankered Waste		108	formally included with Significant Industry charge
Significant Industry maximum consent charge based on risk and time	993	1,021	2.82%
Any follow up work will be charged out at an hourly charge -out rate of:			
Senior/Team Leader/Manager Professional Service	190	195	2.63%
Professional Services	163	169	3.68%
Administrative services	113	117	3.54%
Any additional testing will be charged at actual and reasonable costs.	at cost	at cost	
Wastewater			
Tankered Waste Discharge Fee	53	55	3.77%
CCTV camera hire (per hour)	263	270	2.66%
Water			
An ordinary water connection fee for the physical connection from the water main to the boundary. (This is for existing lots prior to and on 31 January 2006).	574	591	2.96%



An extraordinary water connection fee to be charged at the full cost, of a tendered or quoted price, for the physical connection from the main to the boundary plus a 10% administration fee on the connection works cost (plus GST). This will also apply for all subdivision connections after 31 January 2006.	cost plus 10% admin fee	cost plus 10% admin fee	
A definition of an ordinary and an extraordinary connection are contained within the Gisborne District Water Bylaw 2015.			
An infrastructure supply and administration fee per delivery for the supply of water to carriers from the Waipaoa Water Treatment Plant and similar Council supply points (plus GST).	12	13	8.33%
A special reading fee for each unscheduled water meter reading (plus GST)	67	69	2.99%

Water by Meter Fee

The water pricing model has been used to calculate the average cost per unit of water produced. The model determines the appropriate level of charging to cover fixed, variable and availability costs of providing water to both residential and commercial users.

Council's Funding Policy for this activity is 100% targeted rates to people connected to the reticulation system (50% for those that have availability but are not connected). Commercial users, water carriers and bulk users have a combination of targeted rate, water carrier fees and water by meter charges.

From 1 July 2022 - \$1.59 per cubic metre + GST	1.52	1.59	4.61%
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Rates

Finance Admin Fees	2021/22 Charge \$	2022/23 Charge \$	Variance
Rates Refund Fee: A fee of \$27 per transaction may be included in Fees and Charges for processing a rate refund. This would exclude refunds on properties involving sale and purchase agreements.	26	27	3.85%
Annual Fee for provision of valuation data supply. E.g. Trademe, Headway QV, REINZ.	788	811	2.92%

Summer Camping

GDC Summer Camping is allowed with a permit. A permit allows up to six people to stay at a GDC Summer Camping site. There is no charge for a permit but campers must purchase GDC Summer Camping Rubbish Bags before a permit is issued. Information about the GDC Summer Camping sites and permit conditions is available on the Council website.

[Summer camping | Gisborne District Council \(gdc.govt.nz\)](https://www.gdc.govt.nz/summer-camping)

Note: The GDC Summer Camping season aligns with the dates of daylight savings.

Rubbish Bag Fees	2021/22 Charge \$	2022/23 Charge \$	Variance
1 Rubbish Bag (2 night permit)	19	20	5.26%
5 Rubbish Bags (10 night permit)	37	39	5.41%
14 Rubbish Bags (28 night permit)	77	80	3.90%

Conveniences

	2021/22 Charge \$	2022/23 Charge \$	Variance
Bright Street toilets	0.20	0.20	0.00%
Bright Street showers	2.00	2.00	0.00%



Title: 22-120 Request for Funding - Waingake UV Water Treatment Facility
Section: Community Lifelines 4 Waters Operations - Water
Prepared by: Judith Robertson - Team Leader Water
Meeting Date: Wednesday 1 June 2022

Legal: No

Financial: Yes

Significance: **Medium**

Report to FINANCE & PERFORMANCE Committee for decision

PURPOSE

The purpose of this report is to seek approval for funds for the commissioning of a UV water disinfection facility required to comply with new statutory water assurance rules at the Waingake Water Treatment Plant.

SUMMARY

The treatment processes at the Waingake Water Treatment Plant are insufficient to comply with the new rules for bacterial control.

The costs of the new construction have been estimated at \$1.2m.

The rules for water suppliers, set out in the Water Service Act 2021, mean that Council will need to implement this construction in the 2022/23 financial year.

This requirement is a significant change from the current compliance regime and can only be achieved by adding a UV disinfection stage to the current water treatment arrangement.

The decisions or matters in this report are considered to be of **Medium** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Finance & Performance Committee:

- 1. Notes that changing statutory compliance is the driver for requiring this unbudgeted capital expenditure in the 2023 budget.**
- 2. Notes that additional operational budget will be required in 2024 onwards for depreciation and operating costs of the new water treatment UV facility.**
- 3. Approves additional loan funding for capital expenditure of \$1.2m in the 2023 financial year for a UV treatment facility at the Waingake water treatment plant.**

Authorised by:

David Wilson - Director Lifelines

Keywords: Waingake, Water Treatment, Water Services Act 2021, Taumata Arowai, UV Treatment, drinking water, compliance, capital expenditure, operational budget, risk

BACKGROUND

1. The Waingake Water Treatment Plant (Waingake Plant) supplies the majority of the treated water for Gisborne city, year-round. Having treatment facilities capable of achieving compliance with the relevant statutory requirements is essential for Gisborne City customers.
2. The Water Service Act 2021 (the Act) sets out the duties of drinking water suppliers to supply safe drinking water. The Act sets out the offences and penalties on prosecution for non-compliance. Taumata Arowai is the regulator.
3. Drinking Water Quality Assurance Rules (the new rules) prescribe requirements for water treatment and water suppliers must comply with these new rules. Along with revised Drinking Water Standards, Taumata Arowai completed consultation on the new rules in March 2022. The final version of the Standards and Rules is planned for adoption on 1 July 2022. The deadline date for compliance is still uncertain but will be no more than 1 year.
4. The new standards and new rules will replace the current Drinking water Standards for New Zealand 2005 (revised 2018).
5. A significant change from the 2018 Standards is the requirement for multiple treatment barriers and increased chemical treatment thresholds for bacterial control.
6. The existing chlorination treatment process at the Waingake Plant will not fully comply with the new rules for bacterial control. UV disinfection is required and \$1.2m is needed in the 2023 budget for a UV water treatment facility.

DISCUSSION and OPTIONS

7. With the new rules being implemented from 1 July 2022, full compliance will be required soon after, and within 1 year, for water supplies servicing populations of over 500.
8. The chlorination bacterial disinfection rules are changing to require greater chlorine contact time for water before leaving the treatment plant. The water treatment reservoir at the Waingake Plant has insufficient capacity to meet the new contact time requirement unless the chlorine concentration is at least doubled from the current.
9. A significant increase of chlorine concentration will cause unacceptable taste and odour for customers. It will also detrimentally affect the treatment process and require some treatment plant upgrade. Rainwater top-up customers are at increased risk from formation of chlorine by-products in their drinking water.
10. UV disinfection is the alternative and preferred treatment process ([Option A - See Option table](#)).
11. A UV facility at the Waingake Plant is included in year 11 of the 30-year Infrastructure Strategy at \$1.344m. The change in statutory compliance means that it now needs to be constructed and commissioned within the next budget year.
12. Current pricing shows \$1.2m is required, noting that inflation and increasing supply cost escalations are constantly impacting pricing.

13. There is no space on the Waingake plant platform for a gravity system and a containerised UV facility has been priced for siting on the water works land below the plant. Council owns and administers this land and there are no conflicts with use of this land for the facility.
14. A containerised facility is economical being factory prepared in Auckland and trucked to the pre-prepared site avoiding long-stay periods and associated costs for specialist out-of-town construction teams. Works external to the containerised facility will be done by Gisborne based contractors prior to arrival of the facility.
15. Options for meeting compliance with the new rules for disinfection are:
 - a) Install and commission a UV disinfection facility (**Preferred Option**).
 - b) Increase chlorine treatment levels to at least double the current concentration.
 - c) Construct a second water treatment reservoir at the treatment plant with minimum capacity of 1000m³ to meet chlorine contact times.

Option	Pros	Cons
a) Install a UV disinfection facility Preferred Option	High confidence for meeting compliance requirements. Provides for multi-barrier bacterial disinfection and protozoan treatment. Design, construction, siting and commissioning is achievable within the 2023 financial year.	Priced at \$1.2m (April 2022). Annual operational costs in order of \$15,000. Depreciation costs of approximately \$70,000 per annum.
b) Increased chlorine concentration for disinfection compliance	The increased chlorine concentration would comply with the drinking water standards Maximum Allowable Value. Medium confidence for meeting ongoing compliance for chlorine disinfection due to treatment complications with required pH adjustment.	Chlorine concentration required is similar to a well-maintained swimming pool concentration. Increased chlorine taste and odour in the water supplied to customers. Unsatisfied customers due to chlorine taste and odour. Increased chlorine by-products from organic reactions with chlorine at rainwater top-up connections, e.g. Manutuke. Upgrades required to existing treatment plant chlorination equipment. Plant automation re-programming required. High chlorine affects pH and adjustment is required. Some treatment complications anticipated resulting in high water losses from scouring out-of-specification water to waste. Increased operating costs. No improvement to a single treatment barrier for water leaving the Waingake plant.

Option	Pros	Cons
c) Construct a second water treatment reservoir at Waingake Plant	Lower operational cost solution. High confidence for meeting bacterial disinfection contact time compliance.	Costs uncertain- initial estimates for the cheapest constructed reservoir are at more than \$1.5m. Large land area required- limited suitable land at the Waingake waterworks site. Geotechnical assessments required to determine site suitability for a reservoir tank. High level of structural and seismic compliance required for construction of reservoir tanks. Extended design and construction period required likely beyond new rules compliance deadline. Ongoing operation and maintenance costs. Ongoing depreciation costs. No improvement to a single treatment barrier for water leaving the Waingake Plant.

ASSESSMENT of SIGNIFICANCE

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

This Report: **Low** Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: **High** Significance

This Report: **High** Significance

Inconsistency with Council's current strategy and policy

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The effects on all or a large part of the Gisborne district

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The effects on individuals or specific communities

Overall Process: **Low** Significance

This Report: **Low** Significance

The level or history of public interest in the matter or issue

Overall Process: **Low** Significance

This Report: **Low** Significance

16. The decisions or matters in this report are considered to be of **Medium** significance in accordance with Council's Significance and Engagement Policy.

17. The facility funding being sought is a strategic asset. As a water supplier, Council has statutory responsibility under the Water Service Act 2021 to demonstrate drinking water is safe by complying with the relevant Water Quality Assurance Rules.
18. The changing statutory compliance is the driver for requiring this unbudgeted capital expenditure in the 2023 budget, which was not included in the 2021-2031 LTP but is included in year 11 of the 30-year Infrastructure Strategy at \$1.344m.
19. The loan funding will increase Councils debt.

TANGATA WHENUA/MĀORI ENGAGEMENT

20. The need to make this decision within such a short timeframe means that meaningful engagement with tangata whenua – outside of existing general and project-specific relationship processes has not been possible.
21. Tairāwhiti Piritahi: Fostering Māori Participation in Council Decision-Making Policy, acknowledges the need to allocate time, and resources to Māori collectives so that the right people, at the right level, at the right time and on the right terms are brought into Council decision-making processes. There has been no allocation (of time or resources) to this decision process.

COMMUNITY ENGAGEMENT

22. Consistent with Council's Significance and Engagement Policy:
 - a. Taumata Arowai, are responsible for communicating the reasons why these changes (to drinking water treatment) are needed.
 - b. Council wont generally engage with our communities about decisions to act where it is necessary to comply with the law.

CLIMATE CHANGE – Impacts / Implications

23. Climate change forecast is for longer hot dry periods and droughts and for storm systems bring torrential rains. Provision of water from the Waingake source is affected by these climate conditions. Heavy rain affects water quality and the ability to reliably treat the water. Having multiple barriers for treatment increases confidence of meeting compliance requirements. Reliance only on filtration and chlorination for disinfection has limitations when the source water is dirty.
24. Reducing the amount of water that gets wasted during the treatment process is essential during summers and prolonged periods without rain. There is high wastage of water associated to treatment complications if high chlorine concentrations are implemented as the disinfection process.
25. UV treatment provides a reliable method of water disinfection and can limit the amount of water that is wasted throughout treatment processing.

CONSIDERATIONS

Financial/Budget

26. The funds are unbudgeted in the current Long-Term Plan (LTP) because the statutory change was communicated after the LTP budgets were planned.
27. The project will be met from raising an additional loan to cover its funding. Council is approaching its Financial Strategy debt cap of 130% debt to revenue (within \$10m of the cap for Annual Plan 2022/23).
28. The residual loans and operational costs of the asset will be transferred to the new Water Service Entity in July 2024 when the 3-Waters Reforms are implemented.
29. The estimated full year operational costs are in order of \$15,000 and depreciation costs of approximately \$70,000. Part-year operational costs following commissioning in 2023 will be met from allocated budgets. Additional operational budget will be required from 2024, particularly for the depreciation costs.

Legal

30. There are no legal implications of approving the funding.
31. There are legal implications set out in the Water Services Act 2021 if, while Council is the water supplier, the supplier duties aren't met to demonstrate safe drinking water.

POLICY and PLANNING IMPLICATIONS

32. The funding allocation is inconsistent with the 2021-2031 Long-Term Plan but is included in year 11 of the Infrastructure Strategy.
33. The new statutory regime for drinking water is the driver for requiring this unbudgeted capital expenditure in the 2023 budget.

RISKS

34. The key risk of Council not meeting compliance with the Water Service Act 2021 and the new rules include:
 - a. being liable to prosecution
 - b. the Gisborne municipal water supply being non-compliant and reported as unsafe.
35. There are significant financial and reputational risks associated with the consequence of supplying unsafe water to public, institutional, medical and accommodation facilities, and the food production industry.
36. The consequence of supplying water with increased chlorine from chemical disinfection (Option B – not preferred) is a high level of unsatisfied customers. There is also increased health risk from chlorine by-products forming at rainwater top-up customer connections. Also anticipated (with option B) are adverse effects on the treatment process. This could lead to lower confidence in meeting compliance and much higher water wastage during treatment processes, particularly during high flow summer demand periods.

37. Inflation, supply-chain delays and escalation of cost continue to plague capital projects. Delay in funding to progress the procurement of services and components adds risk of further cost escalation and commissioning this treatment facility on time to meet the compliance deadline.
38. The compliance deadline is still uncertain, but indications are it will be soon after July 2022. Taumata Arowai setting compliance deadlines prior to the end of June 2023 will force the project completion in 2022, which is achievable if supply chain issues don't cause timing complications.

NEXT STEPS

Date	Action/Milestone	Comments
July 2022	Project initiation, procurement for design, construction, and commissioning. Consenting.	Limited specialist suppliers in NZ for containerised UV Facility. Contract locally for site, external pipework's and power supply works.
October - December 2022	Site work preparations, construction and commissioning.	Pipe works completed prior to October water demand increasing.
April – May 2023	Containerised facility siting and commissioning.	Alternative if supply chain delays occur.

Title: 22-130 Annual Plan 2022/23 Capital Programme
Section: Finance & Affordability
Prepared by: Mary Davis - Management Accountant Team Leader
Meeting Date: Wednesday 1 June 2022

Legal: No

Financial: Yes

Significance: **Medium**

Report to FINANCE & PERFORMANCE Committee for decision

PURPOSE

The purpose of this report is to provide details and gain approval of the capital investment programme for inclusion in the 2022/23 Annual Plan.

SUMMARY

The purpose of an Annual Plan is to update the “roadmap” of Year 2 of the 2021-2031 Long Term Plan (LTP) and to incorporate changes that have occurred from when it was first proposed in December 2020. The LTP while ten years in length, the focus on delivery are the first three years of the Plan (Years 1 to 3). In effect, these projects over the first three years are a rolling programme of delivery before we reset and complete a new Long Term Plan in 2024.

The capital investment programme for 2022/23 is \$99m. It incorporates the approved draft capital estimates (\$78m), new projects that have either been approved since the adoption of the draft Annual Plan, and “carryover” projects (ie that had been forecast to be completed by 30 June, but now will roll into the beginning of Year 2).

The focus of 2022/23 Capital Investment Programme is both the delivery and key outcomes:

- a. Completion of the Wastewater Treatment Plant upgrade **improving the water quality in Turanganui-a-Kiwi** (Poverty Bay).
- b. Completion of Kiwi Pools – **a modern multi-purpose pool facility the whole community can enjoy.**
- c. Completion of **Uawa cycle and walkway.**
- d. Continuing the acceleration of the delivery of the Waipaoa River Flood Control Scheme, giving greater **protection to our community** and more **resilience against floods, safeguarding** both **economic development and wellbeing.**
- e. More Township **upgrades and place shaping** leveraging funding from Waka Kotahi to do more, supporting the **safety and health** of our people in **our smaller communities.**
- f. Continuing investment in critical infrastructure, including \$8m from Provincial Growth Fund for **roading resilience works** and route security for **safer passage** on our roads.

The proposed Capital Programme for 2022/23 is included (**Attachment 1**).

The decisions or matters in this report are considered to be of **Medium** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Finance & Performance Committee:

- 1. Approves the capital investment program of \$99.5m as outlined in Attachment 1, to be included with the 2022/23 Annual Plan.**

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Annual Plan 2022/23 Capital Program,

BACKGROUND

1. The Long Term Plan (LTP) gives approval for projects that are expected to be completed over a ten-year period. The first three years of the LTP are a rolling three-year programme. The Annual Plan is the process that allows for a review of the programme. It adjusts the timing of projects to match construction timelines, allowing for delays or for bringing projects in advance of when they were originally planned for.
2. The draft 2022/23 Annual Plan was approved at the Finance & Performance Committee on 16 February 2022 **[22-18]**.
3. Capital Investment Programme for Year 2 of the 202-2031 LTP (or Annual Plan 2022/23) includes the draft 2022/23 Annual Plan, rolling projects that are carryover, and new projects that have been identified and approved since the adoption of the 2021 LTP.
4. **Included within the attachments are:**
 - **Attachment 1**– the full capital investment programme for 2022/23.
 - **Attachment 2** summarises the carryovers; and
 - **Attachment 3** provides a list of the individual projects that have been approved or reviewed since the draft Annual Plan.

DISCUSSION

5. The proposed capital investment for the 2022/23 Annual Plan is based upon the 2021-2031 Long Term Plan programme of delivery, and updates that have occurred since the LTP was adopted. The changes that have occurred since then include:
 - complying with new statutory requirements (eg UV Treatment for water supply),
 - projects that are adapting to change (eg Tokomaru Bay Transfer Station relocation, Civil Defence Emergency Centre),
 - phasing of projects due to supply or contractors' constraints or changes made to reflect the need of renewing assets sooner than originally planned (IT projects such as firewall protection and network renewals).
6. While the Capital Investment Programme is based upon the LTP, what sits underneath this are the Infrastructure Strategy and the Asset Management Plans. These plans link the forecast asset renewals requirements, growth demand, level of service requirements and the priority of Council strategies.
7. The discussion that follows separates the main changes from the Year 2 of 2021-2031 LTP programme.

Carryovers - Projects Rolling into Year 2

8. Every budgeted plan (either LTP or Annual Plan) is based on what is expected to be completed – that is, what is probable and what is known at the time of formulating each budget. However, things change. Part of our overall annual process from March to April is reviewing the current years capital programme (ie Year 1 or 2020/21 actual programme) and we reforecast what is likely to be achieved by 30 June.

9. We refer to projects that are not likely to be not completed as originally planned by the 30 June, as “carryovers”. These projects originally expected to be completed in Year 1, now roll into Year 2 of the Long Term Plan.
10. In the majority of the cases, these “carryovers” mean a few months in the delay of project completion. But due to the way it is accounted for in both the Annual Plan (forecast or planned delivery) and Annual Report (reports on what we actually do), it creates a variance. In the normal course of a year, a few months delay in the delivery would be caught up as the end of the financial year progresses.
11. This year there have been more challenges than we have had in previous year. COVID-19, extreme weather events, rising inflation and supply shortages have impacted on delivery on some of our projects,
12. COVID has influenced both contractors and staff, causing significant delays. In addition, it has affected Council’s ability to obtain materials in a timely manner due to international and domestic shipping delays.
13. Our district has experienced significant weather events over the past 12 months, starting June 2021, then again in November, December, and March. The latter event resulting in a declared State of Emergency for the District lasting ten days. This event halted several projects and pulled contractors off jobs as they were reassigned to emergency works.
14. The fact that COVID is still present, adverse weather events are increasing, and for the foreseeable future supply chains may be disruptive does raise the question, “can the carryovers be completed next year, if we are still in these uncertain times?” This is discussed further under the Financial considerations “Rolling Three Year Programme” section.
15. Carryovers as assessed at 10 May for 2021/22 are \$16.5m. The full list of projects that rollover to Year 2 are included within **Attachment 2**.
16. Significant Carryovers include:
 - **Wastewater Treatment Plant - \$2.8m.** Procurement lead times and slowed progress due to COVID means that some of the ‘timing of spends’ are different to what we originally forecast. However, the project is still forecast to be completed by December 2022.
 - **PGF Route Security - \$5m** – 100% PGF funded, the accelerated emergency works as well as severe weather events have delayed procurement and contractor availability. Most contracts are now in procurement stage.
 - **Kiwa Pools - \$1.8m,** due to construction delays from storm events and COVID impacts on the steel fabricators workforce. The project forecasted completion date is still March 2023.
 - **1000 Year Bridge - \$1m,** planning is underway with Trust Tairāwhiti on an overall strategic plan.

New projects

17. The total for new projects in the 2022/23 Annual Plan is \$3.9m. The majority of these projects have already been to Council committees and have had Council approval. The full list of projects are included within **Attachment 3**.
18. New Projects Include:
- **IT upgrades and equipment of \$355k:** The Firewall at Awarua is due for replacement at a cost of \$75k, Chamber AV equipment is at end of life therefore budget for microphones, sound processing gear and improved video conferencing is included at \$100k, laptops and monitors for Councillors at \$30k, and network switch replacement across all Council sites will begin in 2023 at a cost of \$150k.
 - **Bridge at Te Arai (Report 22-74)** was approved for \$515k, of which \$465k will be spent in 2023.
 - **Waingake Treatment Plant UV Installation \$1.15m (Report 22-120)** a project driven by statutory compliance to bring the treatment processes in compliance with new rules for bacterial control and UV disinfection.
 - **Tokomaru Transfer Station Relocation \$800k - (Workshop 22-175)** to relocate the transfer station to reduce environmental risks, further flood damage and non-compliance issues.
 - **Freshwater Improvement Fund \$100k – (Report 22-34)** Part of the 5-year programme to restore the Mauri and Ora of the Turanganui Estuary System.
 - **Taruheru Block New Pump Station - \$1.05m –** in 2022 \$1.2m was brought forward from 2027 and 2028 for Oakview Development **(Report 22-9)**. The work began in the second half of the financial year and will be completed in the 2023 financial year.

ASSESSMENT of SIGNIFICANCE

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

This Report: Medium Significance

Inconsistency with Council's current strategy and policy

This Report: Low Significance

The effects on all or a large part of the Gisborne district

This Report: Low Significance

The effects on individuals or specific communities

This Report: Low Significance

The level or history of public interest in the matter or issue

This Report: Medium Significance

19. The decisions or matters in this report are considered to be of **Medium** significance in accordance with Council's Significance and Engagement Policy.

TANGATA WHENUA/MĀORI ENGAGEMENT

20. There are no significant changes to the Capital Investment Programme that requires additional Māori engagement to what was consulted in the 2021-2031 LTP.

COMMUNITY ENGAGEMENT

21. There are no significant changes within the Capital Investment Programme for 2022/23 Annual Plan that trigger consultation.
22. The projects within the programme are of interest to the community and are communicated through delivery of the Annual Plan and reported within the Annual Report. Once the 2022/23 Annual Plan is adopted, our community will be informed through social media, newspapers and our website.

CLIMATE CHANGE – Impacts / Implications

23. Adverse weather events are increasing especially for our region. These will impact on the delivery of our projects but by taking a longer three year cycle of review, focus and priorities of capital projects could be better managed.

CONSIDERATIONS

Financial/Budget

24. In the year where capital budgets are recognised, most if not all, costs are recorded only at the “balance sheet” level. This is through the recognition of an asset and increase in debt or alternatively a decrease in reserve funds. Therefore, in the year the capital budgets are raised, there are minimal costs that impact on rates. Operational costs such as depreciation, maintenance and the full interest occurs only in the year following when an asset is created.
25. However, there will be some interest costs for loan funded projects, from when the loans are drawn down upon. In most cases, loans are drawn upon in increments and are not raised in full at the beginning of the year. Projects that are reserve funded (such as from depreciation reserves) will not have any interest associated with them.
26. For the 2022/23 Annual Plan, total new projects (excluding carryovers) that are loan funded is around \$1.5m which equates to \$26k in interest costs. Carryover loans are excluded as they will have been rated and provided within the 2022 budgets.

Rolling 3 Years Programme

27. There are challenges in delivering the Capital Investment Programme, aligning to a financial year’s expected spend ie from July through to June period. This is a short term focus or a snapshot in time. The LTP has a medium timeframe of ten years, and the Infrastructure Strategy takes a longer time view where it plans over 30 years period.
28. But even the Infrastructure Strategy could be considered a snapshot of our long term assets. Many of our Four Water assets have an expected life of 60 to 80 years.
29. The challenge then arises around our short term focus and accountability against the long life of the asset cycle and how our Capital Investment Programme each year fits into this.

30. On the one hand we have what we expect to do in each Year of the LTP, and we account for what we do in the Annual Report. This is an important aspect of accountability and transparency to our community.
31. But on the other hand, if we don't acknowledge changes and are not agile, any decisions made based on strict time delivery, could come at a cost. Flexibility of pushing out contracts, where there are limited contractors, each competing with deadlines, means that fixing a project delivery by 30 June, might be more costly, than if we had more flexible timelines. Recently, some contract estimations were \$25k more for delivering by 30 June constraint as opposed to 30 September deadline.

How do we have Assurance is there that we are Doing the Work Needed?

32. The Office of the Auditor General¹ has noted that "if budgets accurately reflect the required spending, the investment that local authorities are making may not be enough to maintain the quality of their assets and the services levels."
33. However, as noted above there are inherent issues with budgeting (LTP and Annual Plan) as they are at a point in time and reflect what is probable at that time. Also, the yearly review is only a short term snapshot in the life of an asset.
34. But what assurance do we have that carryover of projects won't cause a risk that we are failing to renew something that is critical?

Planning

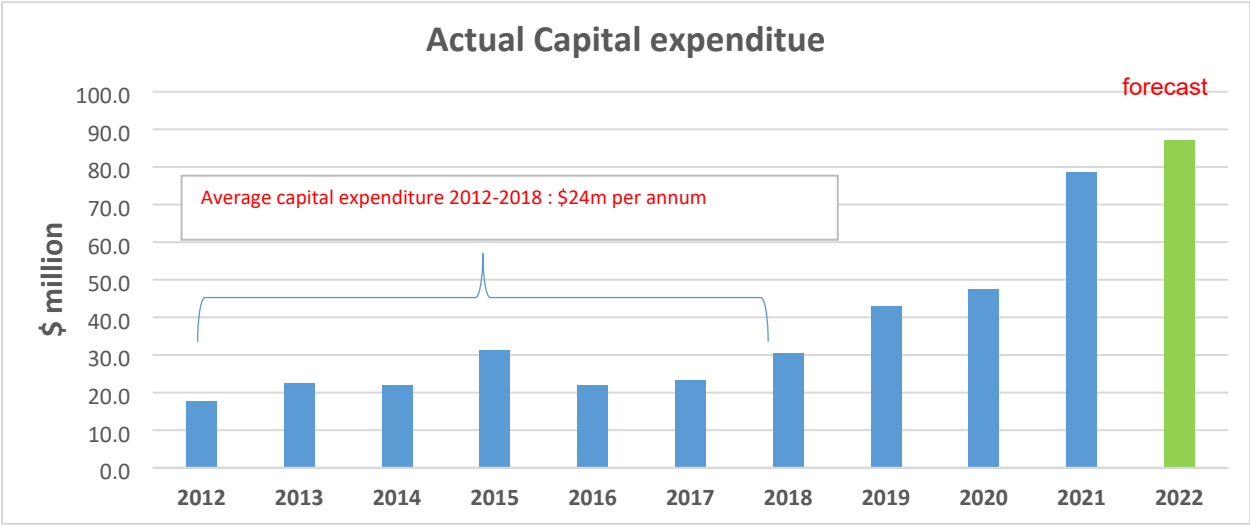
35. All of our lifelines infrastructure are assessed for renewal based on risk i.e. the most critical assets and those most likely to fail are prioritised for replacement. As age is one of the factors used to calculate risk, an aging asset will start to appear in a high risk category well before the scheduled end of its useful life.
36. Before finalising the Annual Plan renewal programme, targeted condition assessments for each asset are usually carried out to confirm a need for renewal. Conditional assessments also feeds into Asset Management Plans.
37. Asset Management Plans (ie Plans for life of the assets) informs the 30 year view within our Infrastructure Strategy. All these are audited and have a high focus of scrutiny from the Office of the Auditor General.

Doing

38. Next year the majority of our critical infrastructure projects while there have been delays, they are still forecast to be completed by the same completion date (eg Wastewater Treatment Plant and Kiwi Pools).

¹ Office of the Auditor General "Local Government: Results form 2017 audits"

39. In the past three years, capital investment has tripled. This shows that actual delivery of projects has increased significantly.



40. Asset Management Plans, condition assessments coupled with actual increased capital investment gives assurance that there is a focus of delivery over the full useful life of the assets.

Way Forward

- 41. In 2019 a report by Department of Internal Affairs² around costs and funding of local government, found that most Councils were facing challenges in Capital Works Programme that was signalled within the LTP and their ability to deliver as it was planned.
- 42. They noted that Councils were making improvements to their capital works programme by:
 - a) More streamline procurement processes including use of alliances and panels.
 - b) Increasing internal resources.
 - c) Sending strong market signals.
 - d) Utilising existing contractors on major local projects.
 - e) A shift towards managing capital works budgets on a three year cycle.
- 43. In some councils, actual delivery of projects planned in Years 1-3 are interchanged to match capacity, availability of contractors and economies of scale (ie leading to lower pricing).
- 44. Our Council has been improving the way we do things, including all of the **a-d** items identified above. This has been evident in the biggest recurring costs, which was in the procurement of roading network costs.
- 45. Up to now we have focused on each year's delivery strictly adhering to the July to June short snapshot in time as our basis for accountability. In reality, the Capital Investment Programme is a rolling three year programme, Years 1 to 3. We will reset our focus in 2024, when we complete a new LTP.

² 2019 Department of Internal Affairs: "Costs and funding of local government"
[https://www.dia.govt.nz/diawebsite.nsf/Files/Central-Local-Government-Partnerships/\\$file/Q+As-Morrison-Low-Report-on-costs-and-funding-of-local-government.docx](https://www.dia.govt.nz/diawebsite.nsf/Files/Central-Local-Government-Partnerships/$file/Q+As-Morrison-Low-Report-on-costs-and-funding-of-local-government.docx)

46. Going forward, to give a better picture of our obligations, the focus will change to reflect our three year cycle of Capital Investment Programme.
47. A three year cycle programme also means that the current issues we faced this year (COVID-19, supplies chain, inflation and increasing weather events) can be balanced and prioritised more easily when it has a longer term focus. It also manages community expectations around delivery of projects, where delivery is likely to be more reflective of the uncertain times we are in.

Legal

48. Any options that depart from the 2021-31 LTP Consultation Document must be assessed in terms of whether they are significant, or a material change from the options that were consulted on.
49. Local Government Act 2002 s.97 states that an amendment to a LTP is required whenever there are decisions that alter:
 - Significantly the intended level of service provision for any significant activity or
 - There is a transfer of ownership or control of a strategic asset
50. The capital programme for the LTP year 2 aligns with what is included within the 2022/23 Annual Plan. Those projects that have been reprioritised, brought forward or have been delayed, do not constitute an alteration of an intended level of service that was consulted throughout the LTP process.

POLICY and PLANNING IMPLICATIONS

51. There are no significant changes for the Capital Investment Programme for Year 2 of the 2021-2031 LTP, from what is proposed in the Annual Plan 2022/23.
52. The programme is within the Financial Strategy limits, Treasury Management Policy and within the Revenue & Financing Policy.
53. The proposed capital investment while closer to our over 130% debt to revenue limit than what we initially planned in the LTP, it is still under the overall cap.

RISKS

54. The capital investment program for next year is significant. There is a risk that the programme is not delivered as planned, which can cause reputational risk as we may not have meet the communities expectations.
55. By focusing on a three year cycle, means that timing that is delayed due to initial financial year phasing is communicated to our community in a more realistic timeline.

NEXT STEPS

Date	Action/Milestone	Comments
23/06/2022	Adoption of 2022/23 Annual Plan	

ATTACHMENTS

1. Attachment 1 - 2023 Draft Annual Plan Capital Programme with Changes [**22-130.1** - 3 pages]
2. Attachment 2 - Carryover Projects [**22-130.2** - 1 page]
3. Attachment 3 - New Projects [**22-130.3** - 1 page]

Attachment 1

2023 Draft Annual Plan Capital Programme with Changes

Details	2023 DRAFT \$000	Final Annual Plan Capital \$000	Variance to DRAFT \$000	Comments
Commercial Operations				
Commercial Property - Staff Housing Upgrades	77	77	0	
Community Housing - Upgrades	205	205	0	
Total	282	282		
Environmental Services & Protection				
Parking meter renewals	45	45	0	
Total	45	45		
Land, Rivers & Coastal				
Waipaoa River Flood Control Scheme Resilience Improvements	2,070	2,070		
Mahanga Stream Improvements		90	90	Carryover - Contractor delayed by access and ground conditions
Waipaoa River Flood Ctl Scheme - Grant funded *	2,438	2,438	0	* LTP budget - adjustment for Draft budget removed
Taruheru and Turanganui Rivers City Revetment Renewals		220	220	Carryover - Delivery of materials delayed, project forecasted to complete first half of 2023.
Mangahauini River Erosion Protection	52	52		
Pump Station Renewals		99	99	Carryover - Contractor delays due to impacts from Covid
Total	4,559	4,968	409	
Liveable Communities				
Waingake Restoration (Pamoā)	2,656	2,831	175	Carryover - Cost relates to plant on order to arrive in July
Titirangi to Tuamotu	10	10		
Loading Dock Wall - WMT		23	23	Carryover - Project is under contract but won't be completed by 30 June
Conveniences - Rural	154	154		
Refurbish Conveniences - City	257	257		
Peel St Toilets	0	365	365	Carryover - Pending final decision regarding project outcomes
Playground Soffall and Shade Sails	36	36		
Parks and Reserves - Buildings	41	41		
Parks and Reserves - Hard Surfacing/Paving/Concrete/Car Parks	103	103		
Parks & Reserves - Playgrounds	221	221		
Titirangi Restoration	15	65	50	Carryover - Planning underway for work on Home Guard Track. To be complete by Dec. 2022
Parks & Reserves - Dune Care	21	21		
Neighbourhood Parks and Local Purpose Reserves - Fencing, signage, revegetation, and furniture and fittings	51	51		
Parks & Reserves - Land Purchases (DC's) - Taruheru Block	446	446		
Parks - Kopututea Private Reserve - Co-Governance	14	14		
Sportsground Facilities Upgrades and Renewals	77	227	150	Carryover - for lighting Te Araroa & Uawa and upgrade facilities at Harry Barker Reserve
Street Trees Planting	103	103		
Signage	51	51		
Land Remediation (asbestos contamination on Reserve land)	103	103		
Waihiere Domain Development	154	184	30	Carryover - Contractor delays/availability
Community Strategy Implementation capex	449	849	400	Carryover - planning ongoing
Cemeteries Capital Renewals	18	18		
Roadside Bollarding - Taruheru Cemetery	56	56		
Cemeteries Ash Gardens	15	15		
Monuments, Public Art, Town Clock Renewals	21	21		
Lynar House renewals	257	257		
Redevelopment of Olympic Pool Complex	17,780	19,560	1,780	Carryover - Delays due to Covid, weather, & availability of structural steel. Completion planned for March 2023
Hawaiki Turanga		490	490	Carryover - Currently consulting with iwi regarding asbestos removal.
Public Art	51	101	50	Carryover - Uawa artwork committed, delayed due to Covid issues, loss of contractor and poor weather
1000 Year Bridge	450	1,460	1,010	Carryover - Planning underway with Trust Tairāwhiti on an overall strategic plan

Details	2023 DRAFT \$000	Final Annual Plan Capital \$000	Variance to DRAFT \$000	Comments
Aquatic Facilities Renewals (External)	10	10		
Library Books	165	165		
Library Books ex Book Trust	20	20		
Library-DVD,CD's,Talking books	16	16		
Library Furniture & fittings	10	30	20	Carryover - Delays in shipment of materials/parts
Total	23,833	28,377	4,543	
Regional Leadership & Support Services				
Orthophoto Regeneration - Aerial Photography	40	40		
Existing core hardware renewal	449	449		
Software Renewals & upgrades	98	243	145	Carryover - for improvement to website & intranet
New IS Supported Software	5	5		
Digitisation of records- capex	622	727	105	Carryover - Recruitment delays at start of project
Business Analytics	135	135		
Network Switch Replacement		150	150	New Project - replace network equipment approaching or past useful life
Chambers AV Equipment		100	100	New Project - to upgrade Chambers AV Equipment
Awarua Firewall Replacement		75	75	New Project - to upgrade IT Firewall
Councillor laptops/Screens		30	30	New project to provide IT equipment to Councillors
Bore Drilling and Renewals	446	446		
Groundwater Model	33	33		
Groundwater abstraction device	72	72		
Freshwater Improvement Fund		100	100	New Project - (Report 22-34) 5 year programme to restore the Mauri and Ora of the Turanganui Estuary System
Emergency Co-Ordination Centre	400	890	490	Carryover - In planning/consenting stage
Telemetry and Hydrological Equipment	88	88		
Air Quality and Noise Monitoring Equipment	82	82		
Vehicle Replacements	372	372		
Minor Plant Renewals	15	15		
Total	2,857	4,052	1,195	
Roads & Footpaths				
Roading Renewals (drainage, bridges, resurfacing, rehab, pavement)	12,811	12,811		
Minor Improvements Projects	1,394	1,394		
Resilience Improvement	466	466		
Bus Shelter Replacements	60	60		
Gisborne City Carpark Facility	22	43	21	Carryover - Work to start in 2023
Taruheru River Walkway and Cycling	1,603	1,603		
Traffic Service Renewals (Renewal of Local Roads)	148	148		
Environmental Renewals	16	16		
Streetlight Upgrades to LED	250	250		
Footpath Replacements - Funded	241	241		
PGF - Route Security		2,500	2,500	Carryover - PGF works delayed due to weather events
PGF - 50 Max	650	650		
PGF - Route Security (East Cape)	4,000	6,500	2,500	Carryover - PGF works delayed due to weather events
Pavement Maintenance-Forestry	500	500		
Uawa Walking Path CAPX	342	342		
Total	22,502	27,523	5,021	
Wastewater				
Localised Urban Upgrades	33	33		
Wastewater Pump Station Renewals	114	114		
Wastewater Pipeline Renewals	3,867	4,067	200	Carryover - Work is currently out to tender
Taruheru Block New Pump Station 1		1,050	1,050	Carryover - Carried forward in 2022 from 2027 & 2028 for Oakview Development Report 22-9
Wastewater Treatment Plant Further Treatment	12,508	15,337	2,830	Carryover - Due to slow procurement of contract related to designs & supply chain issues caused by Covid and weather events
Tolaga Bay Septage Site	0	844	844	Carryover - Pending land owner agreement
Septage Solids Removal	1,000	1,000		
Wastewater Treatment Plant Upgrades & Renewals	186	186		
Pump Station Health & Safety Upgrades	0	51	51	Carryover - to be used for network monitoring, a requirement of the consent
Te Karaka Wastewater Land Disposal	111	111		

Details	2023 DRAFT \$000	Final Annual Plan Capital \$000	Variance to DRAFT \$000	Comments
SCADA Repeater Relocation	89	89		
Mortuary Waste Drain Field		157	157	Carryover - Ongoing discussions regarding site location, expect to progress Sept/Oct weather dependent
WWTP Phase2 Equipment	150	150		
Total	18,058	23,189	5,131	
Urban Stormwater				
Stormwater Pipeline Renewals	388	388	0	
Stormwater In Drain Structures	0	195	195	Carryover - Ongoing discussions with private party
Stormwater Localised Urban Upgrades	78	78	0	
Taruheru / Waru / Haisman (Stormwater Catchment)	531	531	0	
002 Graham/Delatour Road	741	741	0	
Public drains on private property	559	1,019	460	Carryover - Delays due to lack of resources related to Covid issues as well as weather events
SW Upgrade Rural Townships	0	360	360	Carryover - Delays due to contractor withdrawing from project and weather events
Douglas St. Improvemt Stage2	413	413	0	
Bush Intake (Te Arai) Bridge		465	465	New Project - Report 22-74 to Council
Total	2,710	4,190	1,480	
Solid Waste				
Paokahu Closed Landfill	31	136	105	Carryover - Ongoing investigations and discussions with parties involved
Transfer Stations	54	54		
Litter Bins	26	26		
Retrofitted Container offices 8 x 20ft Containers	32	64	31	Carryover - placement of containers under review, to be completed in 2023
Heritage Landfill Remediation	186	186		
Tokomaru Transfer Stn Relocation		800	800	New Project - Workshop Report 22-175 , approval report due in June
Total	329	1,266	936	
Water Supply				
Gisborne Pipe Renewals	983	983		
Distribution : Water Meter Renewals	56	56		
Local Urban Upgrades	39	39		
Bulk Distribution:Waingake Raw Water Pipeline Renewal	445	445		
Telemetry Site Renewals	33	33		
Waingake T/Plant UV Installations		1,145	1,145	New Project - Report 22-120
Te Karaka Reticulation Renewal	367	417	50	Carryover - Covid delayed design work as well as delays in components
Residential Backflow Prevention	555	555		
Rabbit Road Culverts		70	70	Carryover - Delays with completion of design and then wet weather
Misc. Plant & Equipment	78	78		
Waingake Water Treatment Plant Renewals	88	88		
Waipaoa Treatment Plant Renew	104	128	24	Carryover - Delayed shipment of pump, likely to arrive in Aug 2022.
Waingake Pump Station Renewals	155	155		
Total	2,902	4,191	1,289	
Township				
Township Subsidised Improvements	350	350		
Township upgrades	365	765	400	Carryover - Playgrounds delayed due to contractor availability and flood damage
Total	715	1,115	400	
Total Capital Programme	78,793	99,198	20,405	

Attachment 2

2023 Draft Annual Plan Forecasted Carryovers

Project	Carry-over \$000	Comments
Mahanga Stream Improvements	90	Contractor delayed by access and ground conditions
Taruheru and Turanganui Rivers City Revetment Renewals	220	Delivery of materials delayed, project forecasted to complete first half of 2023.
Pump Station Renewals	99	Contractor delays due to impacts from Covid
Land, Rivers, Coastal	409	
Waingake Restoration (Pamoa)	175	Cost relates to plant on order to arrive in July
Loading Dock Wall - WMT	23	Project is under contract but won't be completed by 30 June
Peel St Toilets	365	Pending final decision regarding project outcomes
Titirangi Restoration	50	Planning underway for work on Home Guard Track. To be complete by Dec. 2022
Sportsground Facilities Upgrades and Renewals	150	for lighting Te Araroa & Uawa and upgrade facilities at Harry Barker Reserve
Waihirere Domain Development	30	Contractor delays/availability
Community Strategy Implementation capex	400	To align with community work in this area
Redevelopment of Olympic Pool Complex	1,780	Delays due to Covid and weather, and availability of structural steel. Completion planned for March 2023
Hawaiki Turanga	490	Currently consulting with iwi regarding asbestos removal.
Public Art	50	Uawa artwork committed, delayed due to Covid issues, loss of contractor and poor weather
1000 Year Bridge	1,010	Planning underway with Trust Tairāwhiti on an overall strategic plan
Library Furniture & fittings	20	Delays in shipment of materials/parts
Liveable Communities	4,543	
Software Renewals & upgrades	145	for improvement to website & intranet
Digitisation of records- capex	105	Recruitment delays at start of project
Emergency Co-Ordination Centre	490	In planning/consenting stage
Regional Leadership & Support Services	740	
Gisborne City Carpark Facility	21	Work to start in 2023
PGF - Route Security	2,500	PGF works delayed due to weather events
PGF - Route Security (East Cape)	2,500	PGF works delayed due to weather events
Journeys	5,021	
Wastewater Pipeline Renewals	200	Work is currently out to tender
Wastewater Treatment Plant Further Treatment	2,830	Due to slow procurement of contract related to designs, supply chain issues, and weather events
Tolaga Bay Septage Site	844	Pending land owner agreement
Pump Station Health & Safety Upgrades	51	Carryover - to be used for network monitoring, a requirement of the consent
Mortuary Waste Drain Field	157	Ongoing discussions regarding site location, expect to progress Sept/Oct weather dependent
Wastewater	4,081	
Stormwater In Drain Structures	195	Ongoing discussions with private party
Public drains on private property	460	Delays due to lack of resources related to Covid issues as well as weather events
SW Upgrade Rural Townships	360	Delays due to contractor withdrawing from project and weather events
Stormwater	1,015	
Paokahu Closed Landfill	105	Ongoing investigations and discussions with parties involved
Retrofitted Container offices 8 x 20ft Containers	31	Placement of containers under review, to be completed in 2023
Solid Waste	136	
Te Karaka Reticulation Renewal	50	Covid issues delayed design work as well as delays in components
Rabbit Road Culverts	70	Delays with completion of design and then wet weather
Waipaoa Treatment Plant Renew	24	Delayed shipment of pump, likely to arrive in Aug 2022
Water Supply	144	
Township upgrades	400	Playgrounds delayed due to contractor availability and flood damage
Total Carryovers	16,490	

Attachment 3**2023 Draft Annual Plan New Projects**

Details	New projects \$000	Comments
Network Switch Replacement	150	To replace network equipment approaching or past useful life
Chambers AV Equipment	100	To upgrade Chambers AV Equipment
Awarua Firewall Replacement	75	To upgrade IT Firewall
Councillor laptops/Screens	30	To provide IT equipment to Councillors
Freshwater Improvement Fund	100	New Project - (Report 22-34) 5 year programme to restore the Mauri and Ora of the Turanganui Estuary System
Bush Intake (Te Arai) Bridge	465	Report 22-74 to Council
Tokomaru Trnsfr Stn Relocation	800	Workshop Report 22-175
Taruheru Block New Pump Station 1	1,050	Carried forward in 2022 from Years 5 & 7 LTP for Oakview Development Report 22-9
Waingake T/Plant UV Installations	1,145	New Project - Report 22-120
Total	3,915	

Title: 22-82 Rates and Sundry Invoice Debt Management Report to 31 March 2022

Section: Finance and Affordability

Prepared by: Angelee Brown and Fiona Scragg - Senior Revenue Officer and Revenue Team Leader

Meeting Date: Wednesday 1 June 2022

Legal: Yes

Financial: Yes

Significance: **Low**

Report to FINANCE & PERFORMANCE Committee for decision

PURPOSE

The purpose of this report is to inform the Finance & Performance Committee on all outstanding debt and debt trends as at 31 March 2022.

SUMMARY

This report covers:

- All Council debt, apart from debt for parking fines and dog infringements.
- The outstanding debt and trends for sundry aged debt and unsettled rates. All amounts include the GST content.
- All debt figures quoted are qualified as overdue. Current invoices not yet due for payment are excluded.
- A review of rates debt trends from 2012 to 2021.

The main debt outstanding at 31 March 2022 is:

- Rates debt for this period is \$8.7m compared to \$9.1m the previous year. Most of the reduction in debt this year, is due to changes to the Local Government (Rating) Act 2002 with the introduction of the Local Government (Rating of Whenua Māori) Amendment Act 2021. The change to the Act means unused Māori Freehold Land (MFL) properties are now non-rateable, and all past debt associated with those properties is written off.
- Sundry debt (ie debt excluding rates) for this period is \$316k, this is a reduction of \$1.3m compared to the same period last year. Last year sundry debt included a one-off grant which has since been paid.

The main rate debt trends showed:

- Collectability of rates (expressed as a percentage of total rates revenue) has favourable improved both in General Land (GL) and in Māori Freehold Land.
- Rates debt in dollar terms has reduced in General Land (peak \$4.1m to current \$2.7m). In Māori Freehold Land overall debt has increased due to penalties that have accumulated over time, but the underlying basis for debt has decreased.

The decisions or matters in this report are considered to be of **low** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Finance & Performance Committee:

- 1. Requests the Chief Executive to review current rating debt that has significant penalties applied to it and remedy where appropriate.**

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: rates, arrears rebate, debt

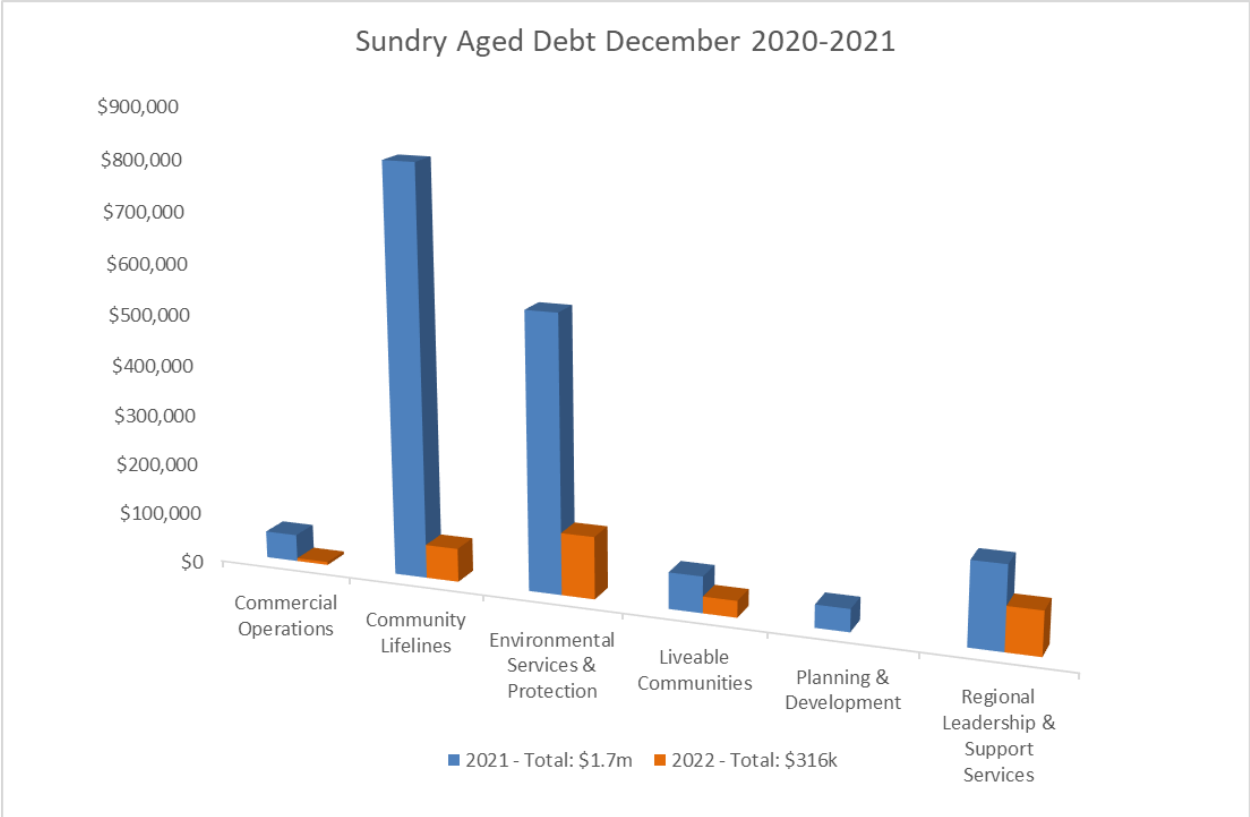
BACKGROUND

1. Council's Revenue Team takes several debt management initiatives, including sending reminder notices and making phone contact. Staff work with customers to find payment solutions taking into consideration their personal circumstances.
2. Due to the uncertain times arising from the COVID-19 pandemic, we understand that everyone's circumstances are unique. Our priority is to work together with our ratepayers to help find the best solution for them. Options available to ratepayers include:
 - Promoting the Government rates rebate to low-income earners which provides relief of up to \$665 for this current year. The Government rates rebate scheme is central government funded and is not a cost to Council.
 - Working with customers on suitable payment arrangements to recover current and outstanding rates.
 - Offering rates remissions for rates and penalties (Council rates relief initiatives).

DISCUSSION and OPTIONS

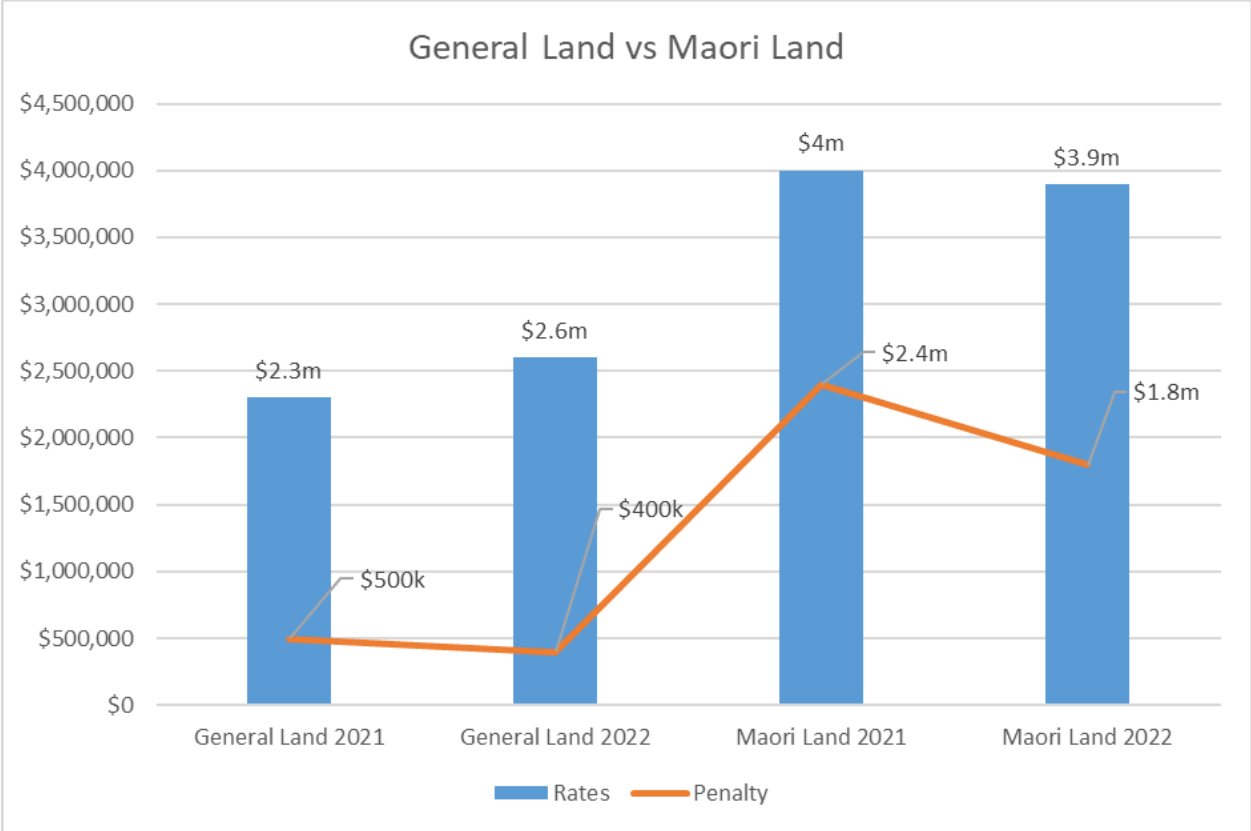
Sundry Invoicing Debt as at 31 March 2022

3. Sundry invoicing debt stands at \$316k, a 71% reduction in debt from the same period last year. Last year sundry debt was higher as there was a one-off grant outstanding which has since been paid.



Rates Debt as at 31 March 2022

- 4. At 31 March 2022, the total rates debt owed to Council was \$8.7m, a \$400k reduction from the same period last year.
- 5. Last year in June 2021, after assessing the new requirements the Local Government (Rating of Whenua Māori) Amendment Act (Act), some Māori Freehold Land was made non-rateable. All debt associated with the non-rateable properties was written off.
- 6. The aim of the Act is to make changes to the rating of Māori Freehold land, looking to reduce the barriers for effective partnership between local government and Māori, encourage development and modernise the rating legislation. More information and details of the Act was reported to the Finance & Performance Committee [21-187] on 15 September 2021.



Current Rating Debt Practices

- 7. A review of Council debt collection practices across New Zealand has been carried out. In addition, our internal debt module criteria that determines the various collection methods, has been updated and these updates tested before a new Revenue Collection Policy was introduced in April. These updated debt collection techniques, together with reviewing the work history of the accounts and a new Communications Plan, is at the heart of a campaign that was rolled out to the community on 1 April 2022.

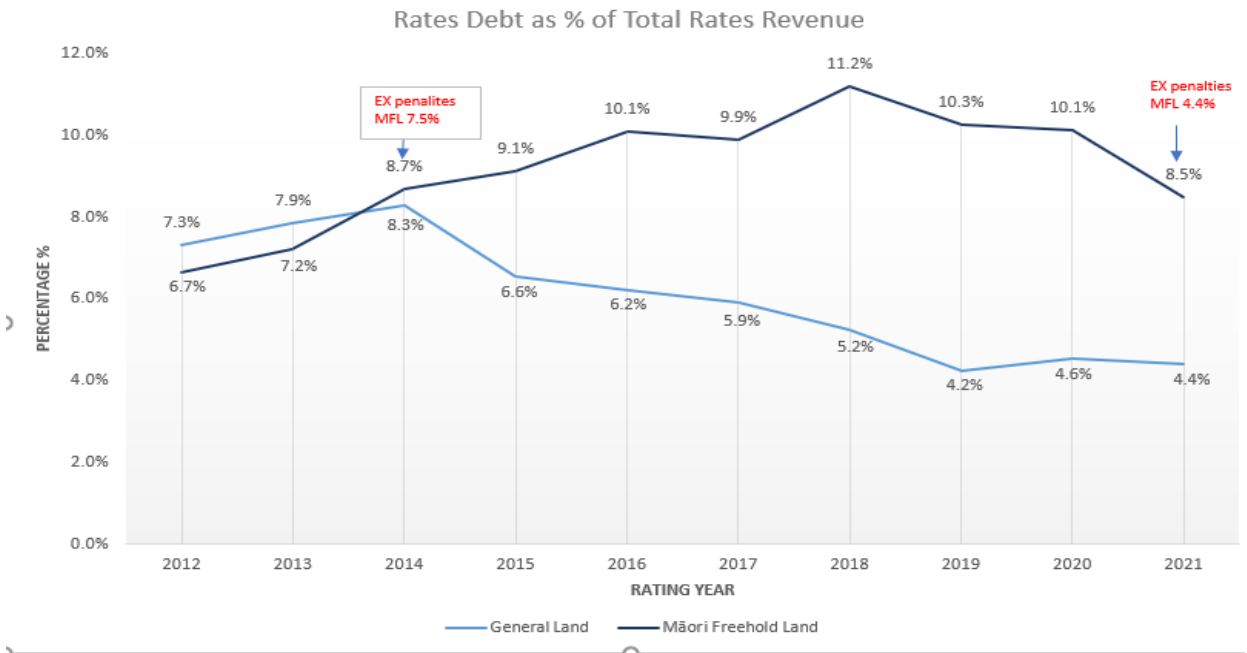
8. This campaign has a bigger 'one-on-one' focus with customers. The Communications Plan is aimed at reducing barriers so that customers who are behind in their rates are willing to contact Council for assistance and together we can find a permanent solution that works for both parties.
9. Staff also continue to use Rate Remission Policies to help customers in need, and rate remissions have been granted to help facilitate payment plans where appropriate.
10. Currently there are 147 payment plans totalling \$500k.
11. There are 430 properties with a mortgage totalling \$1.2m that we are endeavouring to resolve with payment plans rather than applying the traditional mortgagee notifications. Staff are reaching out and making telephone contact with these customers.
12. Since the COVID pandemic, we have not applied mortgagee notifications (only applicable for General Land properties) and third-party debt collection was on hold for a period. This, coupled with progress-planned payments (instead of expecting upfront rates repayments), has seen a slight increase in the percentage of debt recovery to rates increase. It has successfully involved a more personal service to our ratepayers with reliable results and an increase in customer confidence.
13. As noted above, for the past two years no mortgagee processes have occurred and if applied in the future, they will be by exception. Prior to 2020, this was a standard end of year practice where notifications were sent to banks, and if the rates debt was not settled by a certain time (or a payment plan in place), the banks would automatically adjust mortgage costs to take into account the outstanding debt.
14. For some specific debts, the mortgage notification process is still the most efficient option e.g. properties in overseas ownership and ratepayers with continuous non-response. These by exception cases, will be followed up with a review for the mortgagee process in August 2022.
15. Currently there are 43 properties with approximately two years of unpaid rates (\$6k or more) totalling \$511k which we will endeavour to resolve before lodging with Baycorp and again reaching out with phone calls with a more personal approach.
16. There are 28 properties currently lodged with Baycorp totalling \$380k.
17. The success of one-to-one relations and tailoring solutions with ratepayers is a more enduring solution. This is a more focused approach to contacting our ratepayers, particularly by telephone so they are aware of the options available to them.

Rates Trend

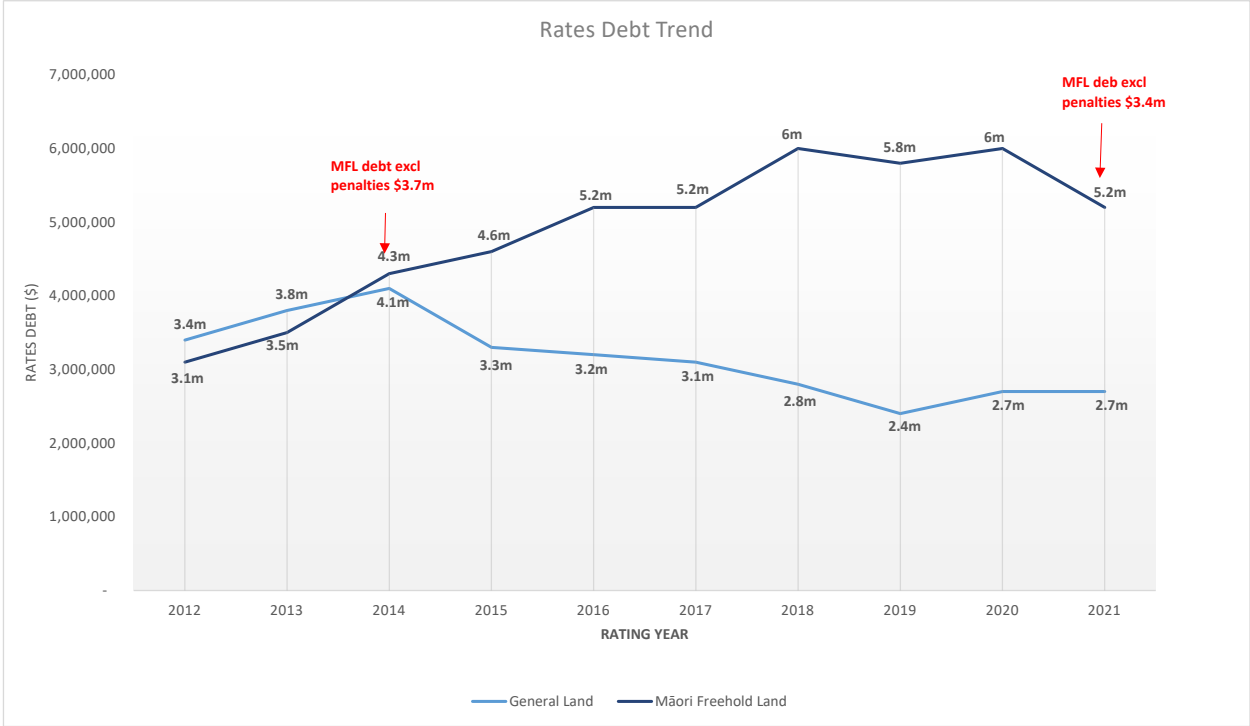
18. At the last Finance & Performance Committee meeting on 4 April 2022, concern was raised that current debt practices did not appear to be as effective as they were in the past.
19. A review of rate debt trends was undertaken, going back to 2012 analysing both General Land and Māori Freehold Land debt. The review shows the trend of debt over time, both in absolute dollar values and as debt as percentage of total rates revenue. The percentage measure shows the collectability of rates over time. Total absolute dollar figure does not take into account, that rates themselves increase year on year.

- 20. At a high level, **graph 1** shows that General Land rates collectability has improved. At its peak, rates debt as a percentage of total rates revenue was 8%, but it is now favourably nearly half that rate.
- 21. Māori Freehold Land rates collectability increased to a peak of 11%, but now is around 8.5%. Its lowest rate was 7% in 2012 and 2013. However, it should be noted the collectability of MFL debt has improved significantly once the punitive penalties have been excluded. In 2014, excluding penalties debt 7.5%, compared to 2021 where it was 5.5% (2020 was 6%). This shows that collectability has been steadily improving.
- 22. The graph also shows some time periods where there was some significant movement in rate debt. Specifically:
 - a. 2014 Māori Freehold Land debt went from 7% to 9%.
 - b. 2020 Both MFL and GL debt increased due to COVID-19 lockdowns level 3-4.
 - c. 2021 MFL debt decreased to 8.5% after introduction of the Rating of Whenua Māori Amendment Act 2021.

GRAPH 1 Collectability of rates over time



GRAPH 2: Debt trends expressed by Dollars



- 23. **Graph 2** shows the debt expressed in dollar terms. General Land debt at its peak in 2014 of \$4.1m, reached a low in 2019 of \$2.4m. However, in 2020 as part of COVID-19 rates relief, it did increase to \$2.7m, mostly arising from payment plans that spread repayments over a longer period and the stopping of the mortgage notifications process.
- 24. **Graph 2** shows for Māori Freehold Land (MFL) was at its lowest in 2012 at \$3.4m, a peak in 2018 of \$6m but now dropping to \$5.2m in 2021. Fundamentally, the issue with MFL debt is compounding effect of penalties. Debt excluding penalties in 2014 was **\$3.7m** – this compares to 2021 where debt excluding penalties is **\$3.4m** (2020 was \$3.6m). It shows that the current practices where we are working with our ratepayers and removing some of the annual penalties, is addressing the base debt.
- 25. Section 58 of the Local Government (Rating) Act 2002 sets out penalties on unpaid rates that maybe imposed. There are three layers:
 - a. S 58 (1)a where there is a 10% penalty applied to unpaid rates on instalment amount, applied at the end of the quarter (referred to as P1). Current and ongoing.
 - b. S 58 (1) b applied annually in July, at 10% on total rates outstanding at 30 June (referred to as P2). The application of this penalty **stopped June 2020**, after COVID-19.
 - c. S 58(1) c was run annually in January and applied at 5%, based on unpaid rates, penalties, and historic penalties. (Referred to as P3). The was **last run in the 2014/15** financial year in January 2015.

Review of Māori Freehold Land

26. In 2014, due to increasing debt on MFL, Daran Ponter was engaged to carry out a Strategic Review of Māori Land Debt. The findings of the review were reported **[14 098]** to Council 10 April 2014. It was noted in the report that rates arrears on Māori freehold land “have been growing steadily – from \$2.1 million in October 2010 to \$3.7 million in October 2013 (cumulative totals excluding penalties)”.
27. The report identified the challenges facing MFL owners:
 - a. Multiple ownership of MFL, with many rating units lacking formal governance structures who were willing or able to take responsibility for debt that had accumulated over time.
 - b. Disproportionate amount of MFL rating units being remote and inaccessible.
 - c. Lack of incentives and support to encourage the development of MFL.
 - d. Existing Council remissions not being actively applied to MFL.
28. Up until 2014, rates remissions were only approved by Council, however the Strategic Review report recommended that the remissions in future:
 - a. Provide adequate incentives for the development of MFL.
 - b. Provide flexibility for Council staff to be able remit rates when all criteria are met.
29. The inherent issue for MFL debt, is the compounding impact of penalties upon penalties. As identified in the Ponter report, the very punitive impact of penalties means no owner – under the multiple ownership of a MFL - could or would be willing to take on rate debt.
30. This would be directly comparable to a new General Landowner unwilling to take on debt of a previous owner. When on-selling of property, all debt outstanding for a GL means that compounding debt due to penalties, is not an issue that a new owner needs to take responsibility for.
31. While our current debt collecting practices are working, it shows that we should be doing more in terms of relief due to the imposed penalties. The previous practice, which was a punitive application of penalties, and as shown in graphs that they act as a disincentive for people to pay rates.

Rate Rebate scheme for 2021/22

32. The purpose of the Rates Rebate Scheme is to provide a subsidy to low-income homeowners on the cost of their rates. Applicants have until 30 June to apply for the rate rebate.
33. Low-income homeowners and most retirement village residents can apply for a rates rebate. Most community-based rate rebate applications are processed by our Customer Services team.
34. For retirement villages, a separate form is required to be filled in by the retirement village operator and must be included with the Rate Rebate Application form. Council staff visit the retirement villages a few times during the year, meet with the residents and process the rate rebates for them on site.

35. A person is eligible to apply for a rate rebate if they:
 - pay the rates on the property that is their home
 - are living in their home on 1 July
 - are listed as the ratepayer in the Council's Rating Information Database (RID).
36. A person is not eligible for a rate rebate if the property is mainly used for commercial activities, for example farming or business, or if the property is a rental property or holiday home.
37. The maximum rebate for this financial year is \$665. The applicant must pay the first \$160 towards the rates and Council calculates the rebate on the balance.
38. The amount of the rebate depends on:
 - the rates payable
 - the applicant's income and that of their spouse/partner's income (if applicable)
 - the number of dependents living at home.
39. An applicant with an income of \$26,510 or less would qualify for a full rebate of \$665 if their rates are \$1,250 per annum or more. Applicants can still earn more than \$26,510 and receive a lesser rebate.
40. To date for 2021/22 (with one quarter still to go before 30 June), 1,439 rate rebates worth \$892,500 have been processed. Of these 121 were for retirement village residents and worth \$76,400.
41. Council takes a proactive approach to encouraging ratepayers to apply for rate rebates by writing to all previous applicants at the beginning of each financial year, visiting retirement complexes and telephoning previously eligible ratepayers that have not re-applied each May before the 30 June expiry date.
42. The table below shows rate rebates processed compared to last year.

	Total number of Rebates	Total rebates value	Number of rebates Retirement Village Residents	Value of rebates for retirement Village Residents
2021/22 to date	1,439	\$892,500	121	\$76,400
2020/21 to 30 June	1,622	\$997,189	134	\$77,845

ASSESSMENT of SIGNIFICANCE

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: **Low** Significance

This Report: **Low** Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: **Low** Significance

This Report: **Low** Significance

Inconsistency with Council's current strategy and policy

Overall Process: Low Significance

This Report: Low Significance

The effects on all or a large part of the Gisborne district

Overall Process: Low Significance

This Report: Low Significance

The effects on individuals or specific communities

Overall Process: Medium Significance

This Report: Low Significance

The level or history of public interest in the matter or issue

Overall Process: Medium Significance

This Report: Medium Significance

43. The decisions or matters in this report are considered to be of low significance in accordance with Council's Significance and Engagement Policy.

CONSIDERATIONS

Financial/Budget

44. Council has a budget for rate remission policies. Staff continually work with customers to reduce debt. We offer full online payment facilities, and actively encourage direct debts. Nearly 49% of rates and water rates payers make payment by direct debit.

Legal

45. The Local Government Act 2002 and the local Government (Rating) Act 2002 are the over-arching legislation for Council's Rate Remission Policies, collection of rates and rate arrears.
46. The Rate Rebate Act 1973 sets out how rate rebates are calculated and applied. Central Government offers rate rebates to low-income homeowners where certain requirements are met and these rebates are processed by Local Authorities.

Statute Barred Rates

47. Debt that is older than six years, is statute barred and Council is unable to recover it through the legal court collection system. There are two Acts which prevent the recovery of aged rates debt of more than six years:
- Local Government (Rating) Act 2002 – section 65.
 - Limitation Act 2010.
48. Legislation under the Limitation Act 2010 prohibits us from commencing Court action after six years from the due date for payment. Unpaid debt from this period is barred from the right to bring civil proceedings for collection.
49. Each year we calculate and process debt which falls into the "older than six years" and write it off. In 2020/21 we wrote off \$773k, relating to debt arising from the rating year 2015/16.

Local Government (Rating of Whenua Māori) Amendment Act 2021

50. On 12 April 2021, the Local Government (Rating of Whenua Māori) Amendment Act was enacted. The Act makes changes to the rating of Māori Freehold land, looking to reduce the barriers for effective partnership between local government and Māori, encouraging development and modernising the rating legislation.
51. Report **21-187** to the Finance & Performance Committee 15 September 2021 gave details of the legislative changes and the impacts. One of the key changes was that the Chief Executive has the power to remove rate arrears if she was satisfied that the rates are uncollectable or if a previous owner is deceased.

POLICY and PLANNING IMPLICATIONS

52. The Financial Strategy and Council's Rate Remission Policies are contained in the 2021-2031 Long Term Plan.

RISKS

53. There are no decision risks associated with this information report.

NEXT STEPS

Date	Action/Milestone	Comments
June 2022	New rates recovery practices and 'We Can Help' flyer rolls out following instalment 4 due date 20 May 2022.	
November 2023	Revenue collection policy preparation for LTP 2024-2034.	

ATTACHMENTS

1. Attachment 1 - Revenue Key Indicators as at 31 March 2022 - Council [**22-82.1** - 1 page]
2. Attachment 2 - Sundry Aged Debt as at 31 March 2022 - Council [**22-82.2** - 1 page]

REVENUE PERFORMANCE RESULTS

GENERAL LAND

General land is land, other than Maori Freehold land, that has been alienated from the Crown and is registered under the land transfer Act 1952 and the land titles are administered by LINZ

\$3.0m

Consists of \$2.6m rates and \$0.4m penalties

MAORI FREEHOLD LAND

Maori Freehold land (mostly in multiple ownership) is land whose beneficial ownership is determined by the Maori Land Court

\$5.7m

Consists of \$3.9m rates and \$1.8m penalties

TOTAL RATES DEBT

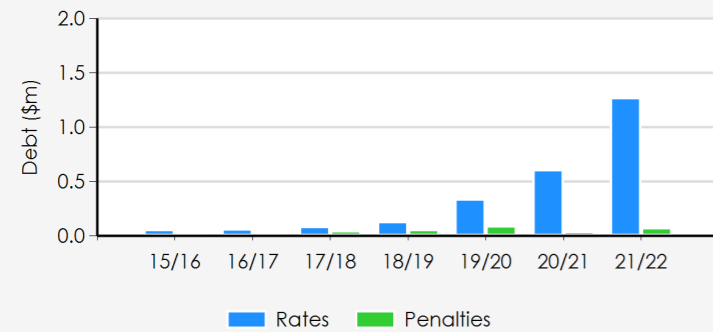
Total district wide rating debt as at March 2022

\$8.7m

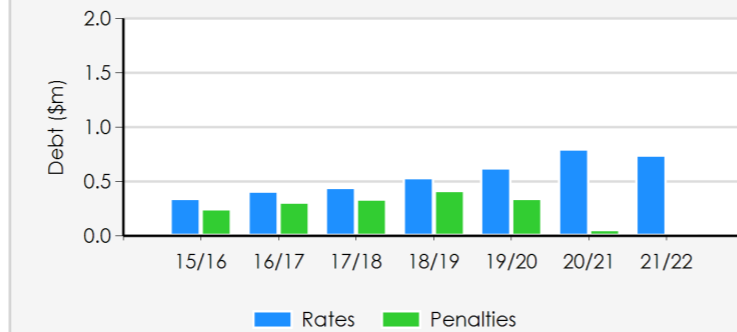
Consists of \$6.5m rates and \$2.2m penalties

Debt position as at March 2022.
Values include GST where applicable.
(Penalties are GST exempt).
All values are subject to rounding.

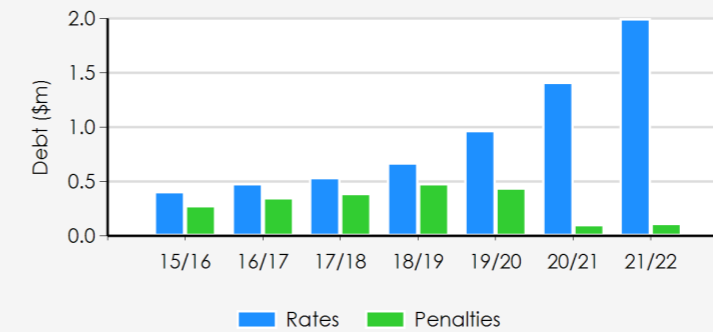
General land aged rates debt as at March 2022



Maori freehold land aged rates debt as at March 2022

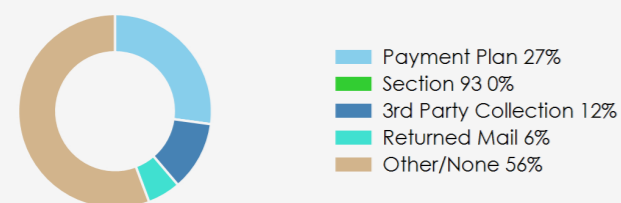


Total aged rates debt as at March 2022

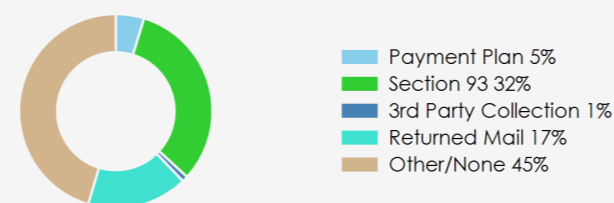


Shows the rates debt as at March 2022, broken down (aged) into respective financial years.
The debt is also shown as whether it is rates or penalties.
Rates debt includes GST.
Penalty debt is GST exempt.

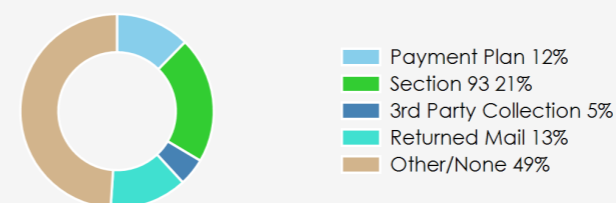
General land rates debt - collection method as at March 2022



Maori freehold land rates debt - collection method as at March 2022

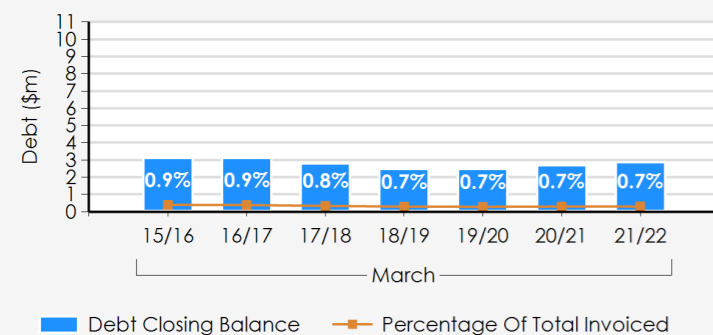


Total rates debt - collection method as at March 2022

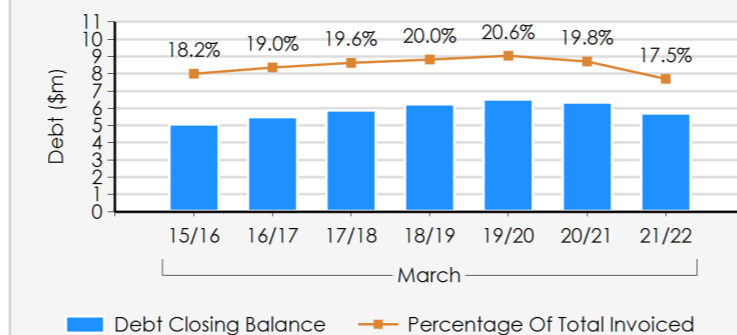


Debt collection practices.
Payment Plan – managed plan is in place.
Section 93 – The Local Government (Rating) Act 2002 states that where Maori Freehold Land is vested in Trustees, the Trustees are liable for rates only to the extent of money derived from the land and received by the Trustees.
Mortgage Process – proceedings taken against the mortgage.
Legal Process – properties without a mortgage where legal proceedings can be taken.
3rd Party Collection – the debt has been referred to an external collection agency for settlement.
Returned Mail – Invalid postal address and unable to contact owners.
Other – actively working to recover debt.

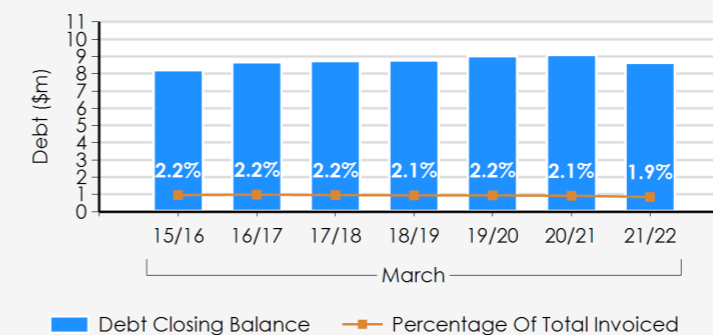
General land rates debt as at March each year



Maori freehold land rates debt as at March each year



Total rates debt as at March each year



Each bar shows the rates debt outstanding as at March of that financial year.
It includes amounts outstanding from July to March of that financial year plus the amounts outstanding from the six full financial years before that.

The trend line shows the rates debt outstanding as a percentage of the total rates invoiced for the same period.

SUNDRY DEBTOR AGED DEBT

March 2022 vs March 2021

Activity	Overdue 30 Days	Overdue 60 Days	Overdue 90 Days	Mar 2022 Total Debt	Variance
Commercial Operations				5,913	
Commercial Operations	253	0	5,660	5,913	-47,649 ▼
Community Lifelines				66,517	
Land, Rivers & Coastal	3,480	0	11,083	14,563	-592,264 ▼
Roads & Footpaths	2,403	18,917	5,786	27,106	12,570 ▲
Solid Waste	1,980	200	0	2,180	257 ▲
Wastewater	0	0	4,181	4,181	-4,910 ▼
Water Supply	16,306	0	2,181	18,487	-24,577 ▼
Environmental Services & Protection				123,406	
Environmental Services & Protection	23,671	19,401	80,334	123,406	-105,817 ▼
Liveable Communities				32,919	
Liveable Communities	5,063	5,061	22,795	32,919	-281,716 ▼
Regional Leadership & Support Services				87,094	
Regional Leadership & Support Services	6,348	10,151	70,595	87,094	-139,277 ▼
Sundry Debt Total	59,505	53,729	202,615	315,849	-1,183,384

10.2. INFORMATION Reports Finance



22-127

Title: 22-127 Financial Report - 30 April 2022
Section: Finance & Affordability
Prepared by: Melanie Hartung - Finance Manager
Meeting Date: Wednesday 1 June 2022

Legal: No

Financial: Yes

Significance: **Low**

Report to FINANCE & PERFORMANCE Committee for information

PURPOSE

The purpose of this report is to provide a high-level overview of the Council's financial results for the period ended 30 April 2022.

SUMMARY

The report covers the Council's financial performance for the period ended 30 April 2022. It includes commentary against a year to date (YTD) Annual Plan on the Statement of Comprehensive Revenue and Expenses.

For the ten months ending 30 April 2022, Council has a net surplus of \$48m, \$2.7m lower than the Annual Plan. Capital grant funding is lower than the Annual Plan, due timing of when projects will be completed. Initially several projects were planned to be completed by 30 June 2022 but will now be completed beginning of 2022/23. These projects include Roothing Provincial Growth Fund (PGF) capital works (\$5m) and Kiwi Pools timing of grants (\$1.8m) as a result the grants and the expenditure will transfer to next year, meaning that there are no adverse impacts to Council.

A summary of the key financial indicators for April year to date:

- **YTD total revenue** is \$143m, \$2.9m above the Annual Plan. The higher-than-expected revenue is due mostly to receiving more operational grants. The operational grants include funds from the PGF, Waka Kotahi for roading emergency works, Mayoral Task Force, Freshwater Improvement Fund and the Mayoral Relief Fund.

An accounting gain for fair value interest swaps partially offset some of the lower-than-expected YTD capital grants. Capital grants are usually received as we complete capital works. The timing of the Kiwi Pools(\$1.8m) and some of the roading PGF resilience project (\$5m) means that capital grants revenue is lower than where we expected it to be.

At this point, both the accounting gain and the timing of capital grants does not impact on Council's bottom line. The swap market movements may or may not eventuate when the swaps are realised in the future. The capital grants for both Kiwi Pools and PGF roading resilience projects will still occur. However, the timing of receiving them may mean they fall outside the financial year, and into the first half of 2022/23 as the projects are completed.

- **YTD total expenditure is \$95m**, \$5.6m more than the Annual Plan. Expenditure on operating activities is \$7.4m above the YTD Plan, mostly due to roading emergency works and 100% funded PGF operational projects. Finance costs are lower than expected due to lower interest rates than was forecast and also due to the timing of capital works programme.
- **YTD capital expenditure is \$59.4m** (79%) against the Annual Plan budget of \$75m. Most of the YTD variances relates to PGF roading resilience works (\$5m), Kiwi Pools and the Wastewater Treatment Plant.

In addition, the variance also includes the Enterprise Solutions Project (Annual Plan Project \$2.4m) where the project is now recorded as an operational project due to changes in accounting standards "recognition of intangible assets" applied to software enhancements. The accounting standards occurred after the adoption of the Long-Term Plan.

Refer to report [22 130] to Financial and Performance Committee 1 June 2022, which identifies projects that are included within the 2021/22 Annual Plan, but are now expected to be completed within 2022/23 (identified as capital carryovers)

The decisions or matters in this report are considered to be of **Low** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS

That the Finance & Performance Committee:

1. **Notes the contents of this report.**

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Financial Report 30 April 2022, Capital Reporting 2021/22,

ATTACHMENTS

1. Attachment 1 - Financial Summary April 2022 [**10.2.2.1** - 11 pages]



**Council
Summary Financial Report**

April 2022

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Statement of Comprehensive Revenue & Expenses	1
Notes on Statement of Comprehensive Revenue & Expenses	2
Statement of Financial Position	3
Notes on Statement of Financial Position	4
Capital Expenditure by Activity	5 - 9

Draft Statement of Comprehensive Revenue and Expenses
For the Period Ended April 2022

	Note	Apr-22 Actual \$000s	YTD Budget \$000s	YTD Variance \$000s	Full Year Budget \$000s
REVENUE FROM NON-EXCHANGE TRANSACTIONS					
Grants and Subsidies - Operational	1	19,587	12,445	7,143	14,699
Grants, Donations, Subsidies and Contributions - Capital	2	39,303	46,720	(7,417)	61,396
Other Non Exchange Revenue	3	1,048	1,292	(244)	2,138
General Rates And Uniform Annual General Charge		22,871	22,493	379	22,493
Targeted Rates		43,288	43,288	(0)	43,288
REVENUE FROM EXCHANGE TRANSACTIONS					
Development and Financial Contributions		740	1,323	(583)	1,587
Other Revenue	4	8,429	8,191	238	10,429
Targeted Water Rates		2,561	2,805	(243)	3,366
Dividends		1,662	1,500	162	1,500
Interest Received		90	0	90	0
Other Gains/(Losses)	5	3,453	42	3,411	(474)
Total Revenue		143,033	140,098	2,935	160,422
EXPENSES					
Employee Benefit Expenses	6	22,015	22,026	11	26,570
Expenditure on Operating Activities	7	51,794	44,376	(7,418)	56,477
Depreciation and Amortisation	8	19,269	19,777	508	23,733
Financing Costs	9	1,875	3,178	1,303	3,813
Total Expenses		94,953	89,357	(5,596)	110,593
Net Surplus/(Deficit) Before Taxation		48,080	50,741	(2,661)	49,829
Subvention payment		0	0	0	600
Net Surplus/(Deficit)		48,080	50,741	(2,661)	50,429
Gains/(Losses) on Property Revaluation		0	0	(0)	35,747
TOTAL COMPREHENSIVE REVENUE AND EXPENSES		48,080	50,741	(2,661)	86,176
CAPITAL EXPENDITURE	10	59,393	75,034	(15,641)	103,467

Notes to the Statement of Comprehensive Revenue and Expense

01 Grants and Subsidies – Operational

Most of this revenue comes from roading subsidies through Waka Kotahi and the Provincial Growth Fund (PGF). This financial year we recover 68% of roading maintenance costs (excluding emergency works) from Waka Kotahi. Higher subsidies of 88% are received for high impact roading emergency works including the 2020 flood events. Tracking \$7m over YTD budget mainly due to roading subsidies related to emergency flood events, PGF projects (that were approved after the adoption of the LTP) and receipt of additional grants from Central Government for programs that include Freshwater Improvement, Covid Vaccination Fund, Mayors Task Force for Jobs and Mayoral Relief Fund.

02 Grants, Donations, Subsidies and Contributions – Capital

The capital grants expected to be received this year are from Waka Kotahi for roading renewals, PGF for the roading resilience programme and capital grant funding for projects such as Kiwa Pools, Wastewater Treatment Plant, Waipaoa Stop banks), the 1000-year bridge and 3 Waters Reform fund. Capital grants are behind where it was expected to be, mainly due to 100% funded PGF resilience capital project. This project was approved by Waka Kotahi to be delivered over three years. The grant funding will still occur but the receiving of the grant may fall outside of the financial year and into the first quarter of 2022/23 financial year, aligning to when the project is completed.

03 Other Non-Exchange Revenue (Includes penalties, infringement fees, court enforcement fees, and other fees)

This includes court enforced fees, penalties received and infringements.

04 Other Revenue (Rent income, lease income, and all other fees and charges)

Other revenue includes fees and charges such as dog registration fees, rents, parking fees and trade waste charges.

05 Other Gains/(Losses)

Other Gains/losses includes gains or losses arising from the sale of assets and financial gain recognitions (such as interest rate swaps). The main movements arise from interest rate swaps. The interest rate swaps arise from the gain recognised from fair value Interest rates movement of swap financial instruments. The gain in fair value is an accounting recognition and it may or may not eventuate when the swaps are finally realised in the future.

06 Employee Benefit Expenses

Employee Benefit expenses are on track with budget.

07 Expenditure on Operating Activities

Overall expenditure is over YTD annual plan by \$5.6m, mainly due to PGF operational costs and higher than expected roading emergency works. Emergency works completed YTD is \$11.4m, against YTD budget of \$3.3m. While the PGF operational costs were not within the Plan (as the funding approved after the adoption of the LTP), it has nil rate payer impact due to being 100% externally funded.

08 Depreciation and Amortisation

Growth movements calculated for assets at year-end may alter the actual depreciation slightly, however it is expected that depreciation will come in under the Annual Plan.

09 Financing Costs

Financing costs are lower than the YTD budget due to lower interest rates than was forecast and to lower than expected capital spend YTD.

10 Capital Expenditure

Overall, the capital expenditure is \$59.4m against a \$75m YTD budget and includes major projects and renewal programs.

This year there have been many challenges that have impacted the progression of the capital works programme. Covid, extreme weather events, rising inflation and supply shortages all caused delays and uncertainty around costs.

After Quarter 4 reforecasting, capital is expected to be about 80% spent at year end. The main drivers for the variance will be: Enterprise Solution project has been recategorized as operational, which will reflect a \$2.4m capital under budget at year end (\$1.8m YTD); the Wastewater Treatment Plant is \$3.2m under YTD budget and forecasting a \$2.8m carryover at year end; PGF Route Security & East Cape Road projects tracking under \$4.8m YTD and forecasting a \$5m carryover at year end; Kiwa Pools are under YTD \$1.7m and forecasting \$1.8m carryover at year end; the grant funded Muriwai Pipeline/Ruatoria Bulk Supply are under \$2.9m and will be carried over to next year; the 1000 Year Bridge forecast for year end is a \$1m carryover.

More information regarding capital projects variances can be found under "Notes to Capital Expenditure" below.

**Statement of Financial Position
For the Period Ended April 2022**

	Notes	YTD Actual \$000s	Full Year Budget \$000s
CURRENT ASSETS			
Cash & Bank	01	11,804	9,967
Non Exchange Trade and Other Receivables	02	22,440	11,486
Exchange Trade and Other Receivables	03	9,795	11,933
Inventories	04	38	101
Non Current Assets Held for Resale	05	80	(0)
Total Current Assets		44,158	33,487
CURRENT LIABILITIES			
Deposits Held	06	558	431
Trade and Other Payables	07	21,329	30,604
Employee Benefits and Suspense	08	2,719	2,625
Borrowings	09	0	5,000
Provisions for Other Liabilities	10	93	94
Derivative Financial Instruments	11	357	1,219
Total Current Liabilities		25,057	39,973
Total Net Working Capital		19,101	(6,486)
NON CURRENT ASSETS			
Derivative Financial Instruments	11	1,375	0
Property Plant and Equipment	12	2,454,581	2,491,959
Intangible Assets	13	6,009	6,427
Biological Assets	14	3,080	3,309
Investments	15	34,384	33,595
Total Non Current Assets		2,499,428	2,535,290
NON CURRENT LIABILITIES			
Borrowings	09	85,700	104,288
Employee Benefit Liabilities	08	179	176
Provisions for Other Liabilities	16	2,452	2,892
Derivative Financial Instruments	11	0	4,029
Emission Trading Scheme Liabilities	17	1,950	1,950
Total Non Current Liabilities		90,281	113,335
Total Net Funds Employed		2,428,249	2,415,469
EQUITY			
Accumulated Surplus		526,934	551,341
Special Funds	18	49,346	33,481
Revaluation Reserves	19	1,851,969	1,830,647
Total Equity		2,428,249	2,415,469

Notes to the Statement of Financial Position

- 01 Cash at Bank**
Westpac current account balance and overnight ANZ money market.
- 02 Non-Exchange Trade and Other Receivables**
Includes rates receivable and other current receivables such as Waka Kotahi receivables.
- 03 Exchange Trade and Other Receivables**
Includes sundry debtors, prepayments and GST where receivable.
- 04 Inventories**
Includes product and or stock on hand.
- 05 Non-Current Assets Held for Resale**
Includes any identifiable assets that have been held for disposals. Decisions relating to disposals must be approved by Council.
- 06 Deposits Held**
Includes footpath deposits, bond deposits and theatre ticket sale deposits.
- 07 Trade and Other Payables**
Includes accounts payable, sundry creditors, audit fee accruals, GST where payable and other IRD payables, Waerenga o Kuri Liability.
- 08 Employee Benefits Liabilities and Suspense**
Includes holiday pay and other current and non-current employee benefit liabilities.
- 09 Borrowings**
Includes long term and short-term borrowings from LGFA and Money market loan obtained from other banks.
- 10 Provisions for Other Liabilities - Current**
Includes provision for various legal matters and other liabilities.
- 11 Derivatives Financial Instruments**
Interest rate swaps.
- 12 Property Plant and Equipment**
Council's fixed assets.
- 13 Intangible Assets**
Includes computer software.
- 14 Biological Assets**
Includes the value of livestock and forestry.
- 15 Investments – Non-Current**
Includes investments in GHF and CCTO.
- 16 Provisions for Other Liabilities – Non-Current**
Includes non-current provisions such as Paokahu landfill and Waiapu landfill aftercare provisions.
- 17 Emissions Trading Scheme**
Provision for Emission Trading Scheme Liability.
- 18 Special Funds**
Includes various reserves such as depreciation reserve.
- 19 Revaluation Reserves**
Gain on asset revaluation.

Gisborne District Council

Statement of Capital Expenditure for the period ended April 2022

Activity	Notes	% Spent			
		Apr-22 Actuals YTD \$000s	Apr-22 Budget YTD \$000s	YTD Actuals of YTD Budget %	2021 / 2022 Full Year Budget \$000s
Including Major Projects					
Community Lifelines		38,293	47,606	80%	62,936
Roading	1	18,310	21,462	85%	26,776
Wastewater	2	13,050	15,730	83%	22,495
Stormwater	3	710	1,230	58%	2,018
Water Supply	4	2,450	3,728	66%	5,871
Solid Waste	5	8	234	4%	281
Land, Rivers & Coastal	6	3,766	5,223	72%	5,495
Liveable Communities	7	18,540	22,207	83%	32,939
Land & Soil Resources		636	876	73%	1,438
Theatres		8	25		25
Conveniences		276	661	42%	831
Reserves		809	1,360	59%	1,693
Cemeteries		45	23		23
Community Property Mgmt		16,197	17,526	92%	26,670
Arts & Public Places		344	1,414	24%	1,900
Pool Operations		64	67		67
District Library Operations		159	255	62%	293
Regional Leadership & Support Services	8	2,038	4,748	43%	7,075
Information Services		1,219	2,915	42%	4,128
Customer Service & Townships		76	648	12%	958
Parks & Community Pty Mgmt		1	-		-
Water and Coastal Resources		324	329	99%	477
Civil Defence		87	438	20%	1,000
Environmental Monitoring		66	79	84%	105
Facilities & Plant Management		265	339	78%	407
Environmental Services & Protection	9	388	250	155%	250
Environmental Health & Risk		29	-		-
Parking		359	250	144%	250
Commerical Operations	10	132	223	59%	267
Community Housing		132	223	59%	267
Grand Total (Including Major Projects)		59,393	75,034	79%	103,467

Notes to the Statement of Capital Expenditure 30 April 2022**1. Roading**

The roading budget includes renewals (\$16.2m), PGF (\$8.8m) and other projects (\$1.7m) such as walking and cycling.

YTD Capital expenditure is tracking \$3m under budget. This variance is mainly due to an underspend in the PGF East Cape work programme, \$4.8m under YTD and forecasting a \$5m year-end carryover. The accelerated emergency works as well as severe weather events have delayed procurement and contractor availability.

2. Wastewater

This budget consists mainly of the Wastewater Treatment Plant (\$18.8m) and renewals (\$3m). Actuals YTD are \$13m against YTD budget \$15.7m.

The WWTP cost for the eight months is \$12m, under YTD budget by \$3.7m. Delays relating to procurement, supply chain issues and poor weather have slowed progress. In addition, in the first quarter construction was halted during periods of COVID level 3 and 4 lockdowns. A \$2.8m carryover to 2023 has been signalled and the completion date pushed to June 2023.

Renewals for the ten months are \$645K against YTD budget of \$2.5m, tracking under budget due to delays of product delivery arising from Covid.

3. Stormwater

Stormwater projects are mainly renewals (\$858k) and Drainwise (\$1.3m).

Capital Expenditure is \$710k, against YTD budget of \$1.2m. This variance is mainly due to Drainwise under YTD \$424k due to ongoing delays due to poor weather and around access to drains on private property.

4. Water Supply

YTD spend is \$2.5m against \$3.7m budget, under \$1.3m. Water Supply capital budget includes \$2.5m of renewals and \$3.3m of upgrades. The \$3.3m upgrades includes \$500k for Ruatoria Bulk Supply and \$2.8m for Muriwai Pipeline and reticulation project which are both 100% grant funded.

Renewal actuals to date are \$2m against the phased YTD budget of \$2.4m, \$380k under budget. Delays due to Covid related issues during the year and severe weather events have slowed expenditure. Current forecasts by year end, is very close to full year budget.

The grant funded Muriwai Pipeline & reticulation and Ruatoria Bulk Supply Point projects have a full year budget of \$3.3m. YTD costs are \$369k against the phased budget of \$3.3m, under YTD budget \$2.9m. Exploratory bore work was delayed at Ruatoria due to weather events. The Muriwai Pipeline had delays due to community consultation, finalising the contractor tender process and getting access agreements signed. Both projects have signalled underspends at year end.

5. Solid Waste

There are 6 projects in this budget, the largest is the Paokahu Closed Landfill project with a budget of \$105k. Paokahu capital work in the planning stage while maintenance and monitoring continue onsite. The project has been identified to carryover to next financial year. In addition, \$34.5k for retrofitted container offices will be carried over as location sites are being planned.

6. Land, Rivers and Coastal

The main project in this budget includes \$4.7m for the Waipaoa River Flood Control Scheme as well as a renewals programme of \$810k.

YTD actuals is \$3.8m, against the phased YTD budget of \$5.2m. The variance relates to phasing of the Taruheru & Turanganui revetment project (under budget \$230k). Delays with availability of materials has slowed progress and a \$220k carryover has been forecasted. The Waipaoa River FCS is under by \$1m YTD due in part to initial phasing as well as adverse weather conditions. This project is forecasted to finish on budget at year end. Covid related delays have also impacted Pump Station Renewals (\$99k carryover) and the Mahanga Stream Improvement project (\$90k carryover).

7. Liveable Communities

The Kiwa Pools is the main project in this grouping with a full year budget of \$26.7m. Also included are the 1000-year Bridge (\$1.4m), and Waingake Restoration (\$1.4m).

The \$3.7m underspend relates to the 1000 Year Bridge under YTD \$790k; this project is with external consultants preparing the Resource Consent. A carryover of \$1m as been signalled. Kiwi Pools is underspent \$1.7m due to early budget phasing, poor weather conditions and availability of structural steel. A \$1.8m carryover for this project is forecasted.

There are underspends in Conveniences and Reserves of \$385k and \$552k, respectively. This is due to delays in supplies, contractor availability and poor weather conditions. Overall, forecasted carryovers for Liveable Communities, is \$4.5m against a full year budget of \$33m.

8. Regional Leadership & Support Services

Several activity budgets sit under this grouping, with most of the budget sitting in Information Services (\$4.1m) and the Emergency Co-ordination Centre (\$1m) Actual costs for the group are \$2m against the YTD budget of \$4.7m.

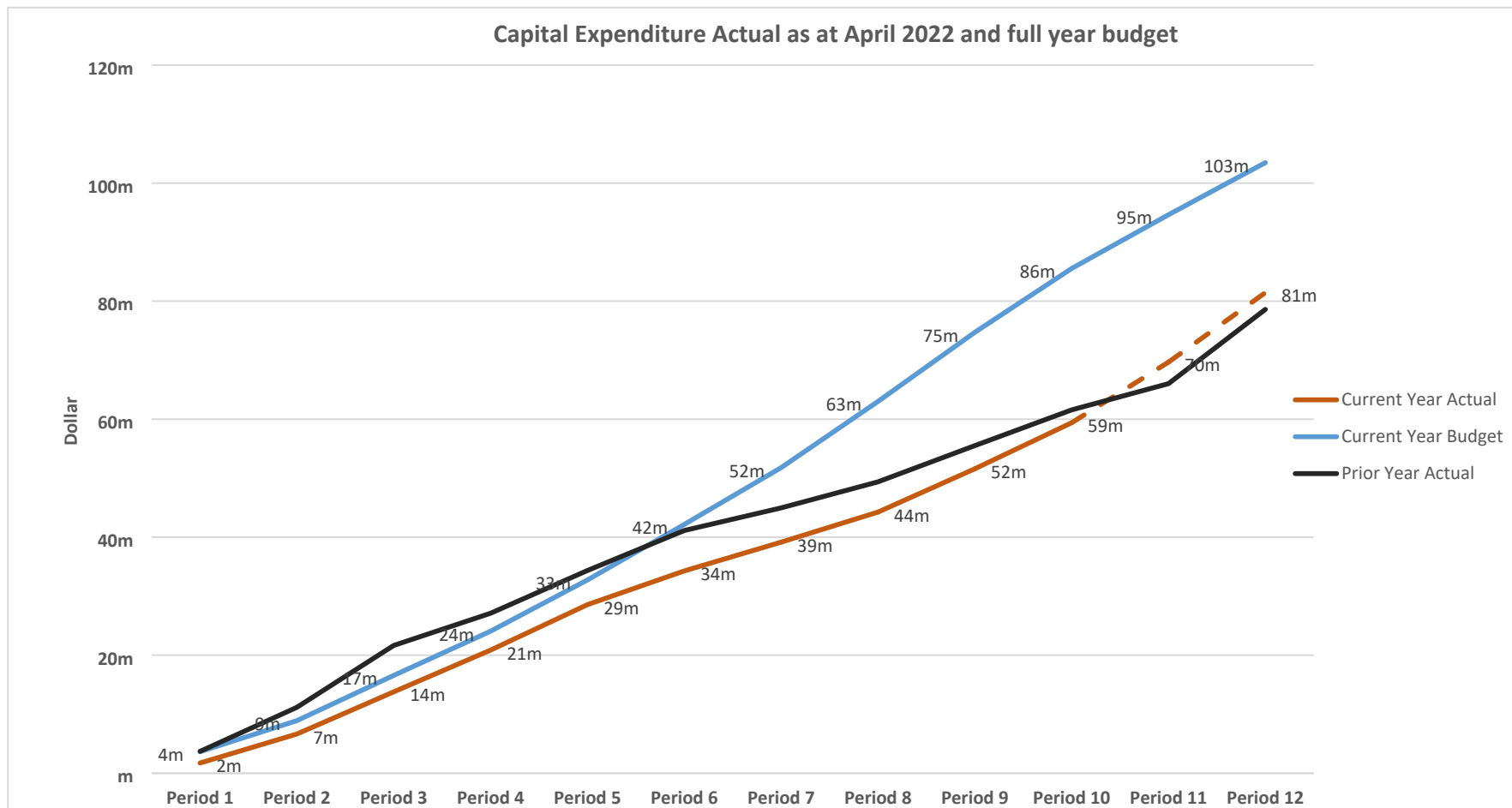
Information Services is \$1.7m under YTD, because the actual costs for Enterprise Solutions have been reclassified to operational cost while the budget remains in capital. The project variance will remain through year end. Facilities and Plant Management is our vehicle replacement budget, under YTD \$74k, due to a nation-wide shortage of vehicles in the first half of the year. Orders are now being processed and expected to come in on budget by year end. The new Emergency Co-Ordination Centre is under budget \$357k YTD. This project is in planning and consenting stage and forecasting a \$490k carryover to 2023.

9. Environmental Services & Protection

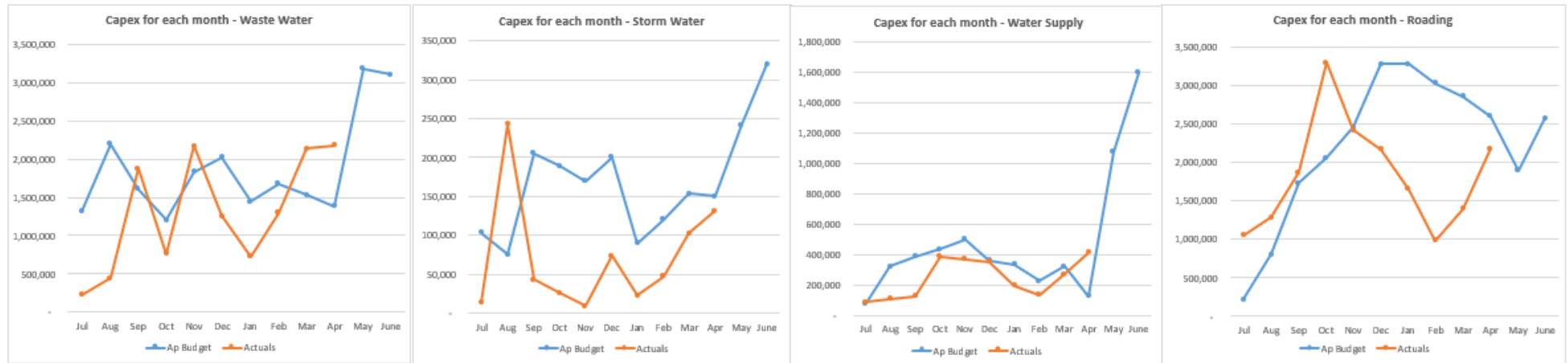
YTD capital expenditure is \$388, up \$138k on the YTD plan. This is due to bringing forward Year 2 budget for parking meter renewals and for a Waihora rock buoy which sits as a marker for safe navigation. There are no forecasts for additional capital expenditure this financial year in this activity.

10. Commercial Operations

This budget is for Staff and Community Housing upgrades. GHM manages this work. The budget has been phased evenly over the year. Repairs due to the fire at Lytton Court are expected to be completed by year end.



Gisborne District Council
Periodical CAPEX charts for the period ended Apr 2022



YTD Accumulating CAPEX Charts

