



**Vision**

# Sustainable Lifestyle Capital

**Mission**

To provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence



## Partnerships

Strengthening a treaty based partnership with tangata whenua and building partnerships with not-for-profit, private enterprise, and government to improve outcomes for all



## Delivery

Understanding and balancing our people's needs and wants through prudent delivery of quality infrastructure and services



## Community

Achieving wellbeing through a safe, creative, active and connected community while embracing Te Ao Māori



## Sustainability

Nurturing our environment, mitigating our impact and adapting to climate change



## Prosperity

Growing a resilient, equitable and sustainable economy where people want to work, live, learn, play and invest across our district

**Goals**

# Content

Mayor's message .....	4
Introduction .....	5
What you have already told us .....	7
Our vision and the challenges .....	8
Our finances .....	11
Issues for your feedback .....	17
Other matters of interest .....	33
Independent Auditor's Report .....	35
Tell us what you think .....	36

## Tell us what you think!



### Online

It's quick and easy to give your feedback online!

Just complete the submission form at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

or scan the QR code below



### On paper

Fill in the paper form at the back of this document and send it to:

10 Year Plan Submissions  
Reply Paid DX  
DX Box NP90081  
New Plymouth

or email it to:  
[submissions@npdc.govt.nz](mailto:submissions@npdc.govt.nz)



### In person

We'll be out and about in the community, find out where we'll be and come and talk to us.

Our calendar of events will be advertised on [www.newplymouthnz.com](http://www.newplymouthnz.com), on our New Plymouth District Council Facebook page or call us 06-759 6060

It's your home,  
so we want to hear  
what's important  
to you!

Submissions close  
5pm Tuesday  
6 April 2021

Complete the submission form to go in the draw to win a share of \$2,000 of grocery vouchers (T&Cs apply).

## Want more information?

Check out all the supporting information on our website: [newplymouthnz.com/10years](http://newplymouthnz.com/10years)

# Mayor's message

Welcome and thanks for taking the time to consider some of the big issues our district faces over the next decade.

Your feedback on this draft 10 year plan is more important than ever. It comes after a year like no other: the Covid-19 crisis and the economic punches dealt to communities around the country and the world.

As we said during lockdown, the rules have changed. So we put our people first and launched our \$20 million *Get Us Back On Our Feet* plan to help protect jobs, by slashing fees and padding out spending that would kick-start local businesses and benefit our residents.

Our prudent financial management put us in good stead to handle the impact of Covid-19 and international ratings agency Standard and Poor's rewarded us again last year with their top rating for local government in New Zealand, AA+/A-1+.

We face uncertain times and the big lesson is that we have to be ready for whatever life throws at us. Some of it we can see and prepare for. Some of it we just don't know.

Ex-Cyclone Gita put the spotlight on the rundown state of our plumbing and the long term underinvestment in basic infrastructure. The time has come to step up and adequately fund the maintenance and development of our core public assets while the costs are still manageable.

We need to juggle these work programmes with the need to invest in a Sustainable Lifestyle Capital that our children can live, work and thrive in.

All these considerations have reshaped our view of the future and, judging from the talk so far, many of us are also looking more closely at what's in store. Our early

conversations with the public in our Top 10 Kōrero drew more than 9,400 responses. We took this on board when we drew up this draft work programme and now we want your feedback on it.

Over the next decade we're looking at investing about \$3 billion in a work programme covering three big calls: Fixing our Plumbing, Greening our Place and Paying it Forward.

We have a list of big projects competing for inclusion, from must-do jobs like upgrading our run down water and roading networks, including sewer systems for Urenui and Ōnaero and the stormwater upgrade for Waitara, through to realising visions for the Taranaki Traverse trail and extending our award winning Coastal Walkway to Waitara. New proposals include water meters for all homes to help us rein in our runaway thirst and planting 34 hectares of urban forest and wetlands.

Crunch time is looming for deciding what stays in and what has to stay out. But in this battle for each ratepayer dollar, it's important to stress that nothing is yet set in stone.

To soften the costs for ratepayers, we'll be carefully examining our reserves, continuing to tighten our belt with efficiencies, as well as thinking about how we charge and the opening hours at some of our facilities.

We could also pay for much of the work on upgrading our long term assets like the water network through more debt funding, which is a bit like a revolving credit bank account that we use to smooth the rate funding requirements for the step-change in infrastructure replacements and maintenance.

We're aware that paying a rates bill is a big ask for some people and we have support in place to help. We've



thought long and hard on this draft 10 year plan with a fresh outlook focused on building the resilience and liveability of our district and we've taken a very long term view to ensure future generations have access to quality community infrastructure and Taranaki remains a fantastic place to live, learn, work and play.

It's now up to you to tell us if we're on the right track and I look forward to your feedback.

**Mayor Neil Holdom**

**Deputy Mayor Richard Jordan**

**Cr Tony Bedford**

**Cr Gordon Brown**

**Cr Anneka Carlson**

**Cr Amanda Clinton-Gohdes**

**Cr Richard Handley**

**Cr Colin Johnston**

**Cr Marie Pearce**

**Cr Sam Bennett**

**Cr David Bublitz**

**Cr Murray Chong**

**Cr Harry Duynhoven**

**Cr Stacey Hitchcock**

**Cr Dinnie Moeahu**

# Introduction



The Council is preparing its long-term plan (10 year plan). We update our 10 year plan every three years and it is essentially our budget and key work programme for the next 10 years. This draft 10 year plan outlines how our \$3 billion work programme will work towards our vision for the New Plymouth District as a Sustainable Lifestyle Capital. If this proposed plan gets the green light we are looking at a rate increase of 12 per cent in the first year and 6.1 per cent average rate rise over the following nine years. That equates to about \$231 per year for the average urban household in the first year.

Early conversations with residents (over 9,400 respondents) helped inform our thinking. However, this is a proposed plan and is not set in stone - we are looking for your feedback before we make our final decisions. This document sets out the key issues for our major decisions, the options we have considered and the implications – both financial and non-financial.

We have also included other key information that will help you give us feedback.

There are three “big calls” we have to make that either drive much of the cost increase or are of high community interest. Under each big call there are key issues that we would like your feedback on.



## Big Call 1: Fixing our plumbing

What is the issue?

What are we proposing?

### Looking after our existing assets

We have a backlog of renewal work to do on our key infrastructure assets, particularly the three waters (drinking water wastewater/sewerage, stormwater). We are considering how much we should spend and how we should fund that expenditure.

We are proposing to spend \$248m over 10 years, with an expectation we will catch-up on the backlog in 20 years and to fund that amount from a mixture of rates and debt for long life assets. See pages 18 to 20 for details.

### Conserving water

In New Plymouth we use far more water than most other similar parts of NZ. This means we will have to find a new water source and build expensive new infrastructure for growth unless we find ways of conserving water.

We are proposing a programme of water conservation with the most important element being the installation of water meters and charging for use of water by volume. See pages 21 and 22 for details.

### Improving stormwater management in Waitara

Parts of Waitara have been built on very low lying land adjacent to the Waitara River that is controlled with stop banks. As a result, parts of the community experience regular surface water problems from inadequate stormwater management. An indepth study has identified we need to invest significant resources to address this problem.

We are proposing to provide \$20m in this 10 year plan and approximately \$101m in the subsequent 20 years to improve stormwater management and reduce the potential for property damage. See page 23 for details.

# Introduction

## Big Call 2: Greening our place

What is the issue?

### Extending our tracks and trails network

New Plymouth has a great network of tracks and trails for walking and cycling but there are many improvements we can make to extend and better connect the existing network.

What are we proposing?

We are proposing to continue the programme of extending and connecting the network of tracks and trail but to prioritise extending the Coastal Walkway and those segments that connect the Maunga to Moana (mountain to the sea). See pages 25 to 27 for detail.

### Rolling out our Climate Action Framework

The Council declared a climate urgency in December 2019 and we have developed a Climate Action Framework to identify what we can do, both as an organisation and as a community.

We are proposing to continue working on identifying appropriate actions but to rollout two immediate projects in this 10 year plan – planting in our parks and reserves and converting our fleet to electric vehicles. See pages 28 and 29 for details.

## Big Call 3: Paying it forward

What is the issue?

### Building a multi-sport hub

We have assessed our current and future sporting needs and believe rather than redevelop TSB Stadium and our netball facilities, as planned, we should build a new multi-sport hub.

What are we proposing?

We are proposing to contribute about \$40m towards the cost of the multi-sport hub, with the rest to come from external fundraising. We are also providing for the operating costs of the facility, although at this stage it is not clear how it will be operated. See pages 31 and 32 for details.



At the back of this document you will find a submission form for you to complete covering the three “big calls”.

Alternatively, it’s quicker and easier to give you feedback online at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)



# Our vision and the challenges

Our vision for New Plymouth District is to become a Sustainable Lifestyle Capital. We have a great starting point, our district offers so much – spectacular natural beauty from Taranaki Maunga to the Moana, thriving towns and communities, a productive rural sector, some excellent recreational and cultural facilities and of course great people.

Supporting our vision of a Sustainable Lifestyle Capital is a mission statement for us to provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence.

Achieving this vision is not without its challenges. Our district is continuing to grow in population. Since 2001 we have grown by one to two per cent per annum, and our population is now just over 86,000 people. We expect this growth to continue, with a forecast population of around 94,000 by 2031 and around 105,000 by 2051. Bell Block and the southern areas of New Plymouth will be the fastest growing areas and the make-up of our community will also change. We expect an ageing population and greater ethnic diversity, which will change how we provide our facilities and services.

In the short term we continue to deal with the impacts of the Covid-19 pandemic. In Taranaki we are fortunate, our economy is doing better than many earlier forecasts and is relatively well placed within New Zealand. Unemployment has not increased as much as expected and incomes have held up. Retail expenditure is generally up and investment in housing and construction remain buoyant. While international tourism has declined, historically we have relied on domestic tourism and this has remained relatively stable. Following the national lockdown the Council put in place the *Get Us Back On Our Feet* response plan to support the economic and social well-being of the community and we will continue to play our part as the economy seeks to recover.

In addition, we are facing major issues with our basic infrastructure assets (water supply, wastewater, stormwater, transportation, parks, community facilities). Our Infrastructure Strategy sets out these issues in more detail and our major decisions for your feedback, outlined later in this document, are all drawn from the Infrastructure Strategy.



# Our vision and the challenges



## A summary of the key points of the Infrastructure Strategy

The key drivers of our challenges	What it means	What we propose
<b>Historic underinvestment in our existing assets</b>	<p>The condition of some of our assets is poor (particularly water and wastewater) or unknown (stormwater). While we have a reasonable level of certainty on the conditions of most of our assets, we acknowledge that we don't have a full picture on the current state of our stormwater assets condition. One of our actions is to improve our knowledge of this. This might mean that we find out we need to spend more, or less, on renewing stormwater assets. While we don't have good condition data, the Council does have good knowledge of the assets and we use age and performance as a proxy for condition in determining the level of renewals. This means that we are experiencing more asset failures (for example broken pipes or mechanical failures) and our ability to deliver services at current levels will deteriorate unless we invest in maintaining and renewing our existing assets.</p>	<p>We want to invest more in understanding the current condition of our assets, prioritise our funding to improving the condition and developing proactive maintenance schedules.</p>
<b>Resilience and responding to climate change</b>	<p>Taranaki is vulnerable to volcanic and earthquake activity, but climate change also brings increased risk of sea level rise, coastal erosion, flooding events and drought.</p>	<p>We are developing a resilience framework and also proposing to upgrade or provide alternatives for critical assets and ensure our solutions are adaptive to climate change.</p>
<b>Planning for growth</b>	<p>Our district will continue to grow and it is important that we manage that growth and provide the required infrastructure to support new housing and employment areas.</p>	<p>To deal with growth we are proposing demand management projects (for example water meters) and to sequence the building of new infrastructure in line with the growth of the district.</p>
<b>Meeting the changing needs of our community and the environment</b>	<p>As our community grows and changes we need to ensure that our infrastructure assets respond to those changing needs and that we also respond to increasing standards to support public health and environmental protection.</p>	<p>Proposed projects in the three waters protect public health and safety as well as reduce our impact on the environment. We also propose projects such as the multi-sport hub and tracks and trails to meet the future needs of our community.</p>

Want to read the full version of our Infrastructure Strategy? Find it online at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

# Our vision and the challenges

We are facing considerable costs and we need to prioritise what we spend our money on. Our proposed plan is shown below.

## The “Big Calls” for your feedback



### Fixing our plumbing

We have identified unacceptable risks from ageing infrastructure failing due to historic underinvestment. By significantly increasing our expenditure on maintenance and renewals we plan to more effectively maintain our networks and work through the backlog of renewals. Within 10 years our proposed infrastructure funding will have reached a sustainable level, but the backlog of renewals will take a further decade to be fully resolved.

We also intend to address the ongoing issues of stormwater flooding in Waitara as well as increasing water conservation measures (including water meters). Conserving water now will delay spending tens of millions of dollars on new water sources, pipes and treatment plants.



### Greening our place

As our district grows we need to continue to take care of our environment. The extension of our tracks and trails network are major parts of that future focus. In addition to our Climate Action Framework initiatives of planting programmes and electrification of our fleet, we also propose more walking and cycling facilities and zero waste initiatives.



### Paying it forward

We are also proposing to focus on providing facilities and services that not only meet today's needs but those of our children and grandchildren, such as the multi-sport hub.

## What we are doing to support these “Big Calls”



### Gearing up to deliver

This plan requires us to gear up to deliver all of the projects we are proposing. We are preparing for this by a “stepping in” of the programme over the first five years which enables us to grow our ability to undertake this work. Phasing the projects across multiple years provides time for planning, land acquisition and resource consents before construction. We have also improved our processes and levels of resourcing to manage this work. Because a big chunk of our projects involve fixing our existing assets, we won't have as many delays with issues such as land acquisition and resource consents.



### Keeping a focus on costs

Savings have already been achieved in response to the Covid-19 pandemic and are proposed to be locked in moving forward. We will continue to look for efficiencies and review service levels to keep costs down.



### Partnerships

Key to achieving all parts of our plan are partnerships. We have many partners in our district but the partnership with Māori continues to be one that is central to achieving our vision.



## Our finances

While we have prioritised our spending to key projects, the financial implications of our programme are still significant. We are fortunate that we are in a strong financial position, well below our debt ceiling, and can help smooth some of the rating impacts of our programme through borrowing.

Our Financial Strategy sets out our approach to managing our finances as well as the impact on rates, and the key point of this strategy are summarised in this section.

---

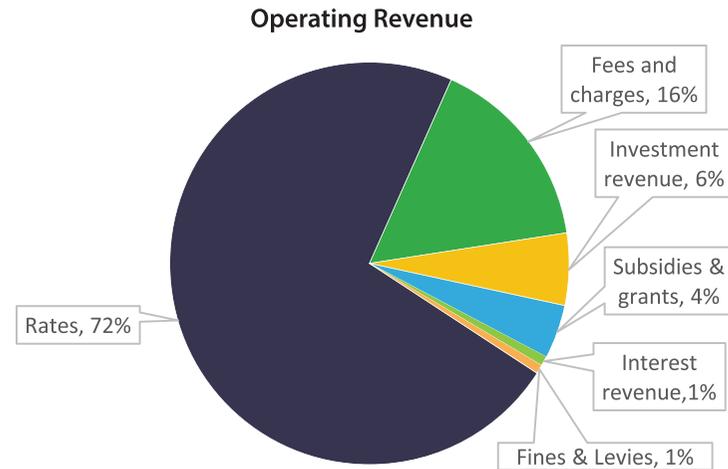
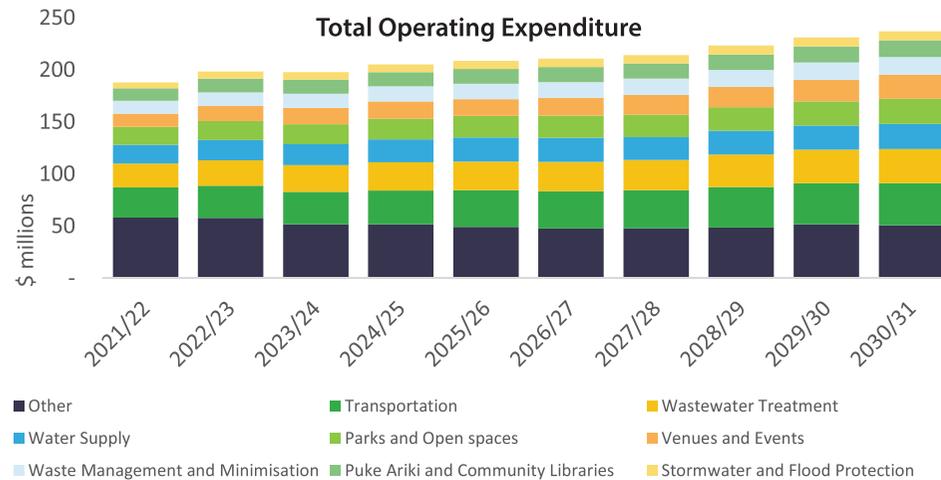
Want to read the full version of our Financial Strategy? Find it online at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

# Our finances

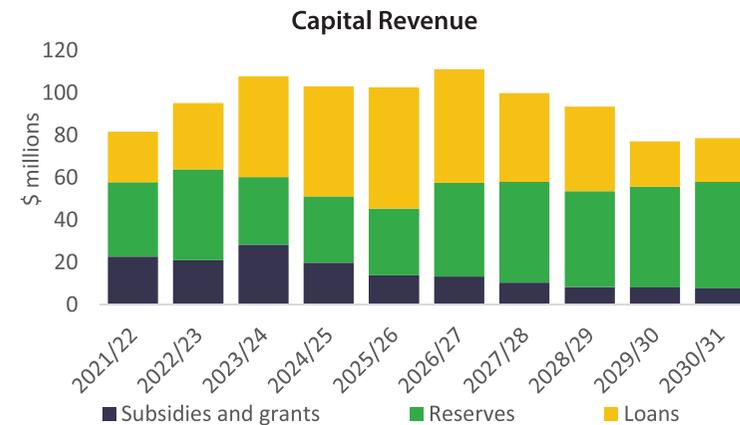
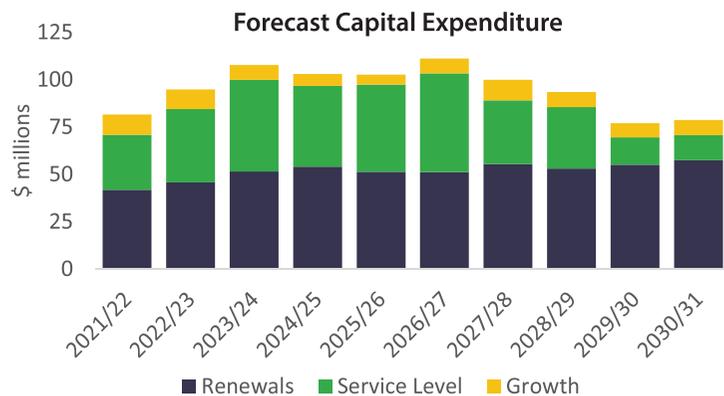
Over this 10 year plan we expect to spend \$2 billion on operating expenditure and capital expenditure of \$1 billion.

**Operating expenditure** is for providing day to day services such as kerbside collection, mowing parks, maintaining our roads, footpaths and pipes, environmental protection, running our libraries, swimming pools and other community facilities. Population growth, along with inflation, means the costs of providing these services grows every year. Operating expenditure also includes interest and depreciation, which increase as we build more infrastructure.

To pay for these costs we have different sources of revenue over the 10 year plan.

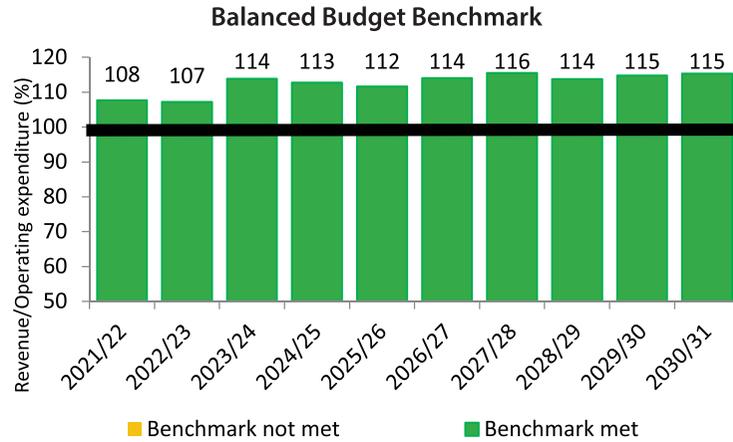


**Capital expenditure** is the amount we spend on our assets. This can be to replace an existing asset or extend its life (renewals), provide more capacity for our increasing population (growth) or to improve the service that we provide (service level).

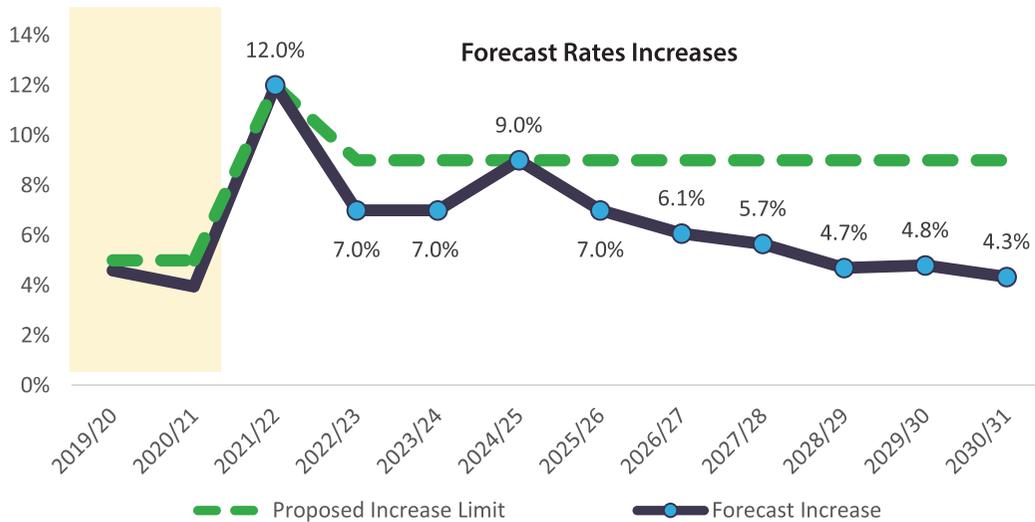


# Our finances

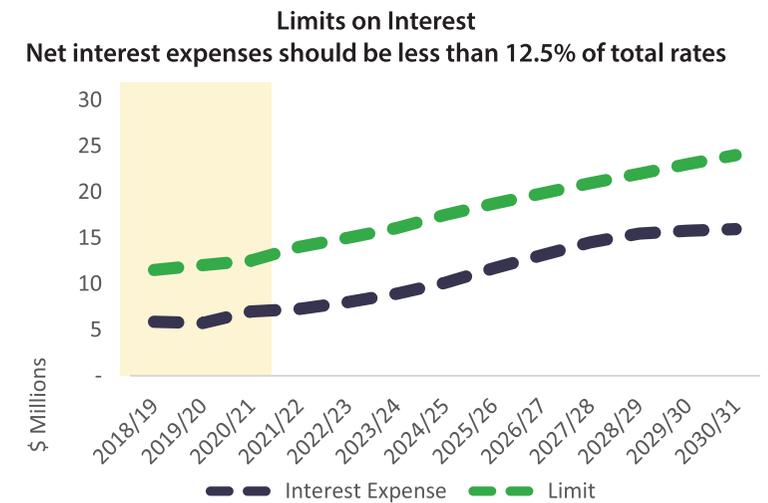
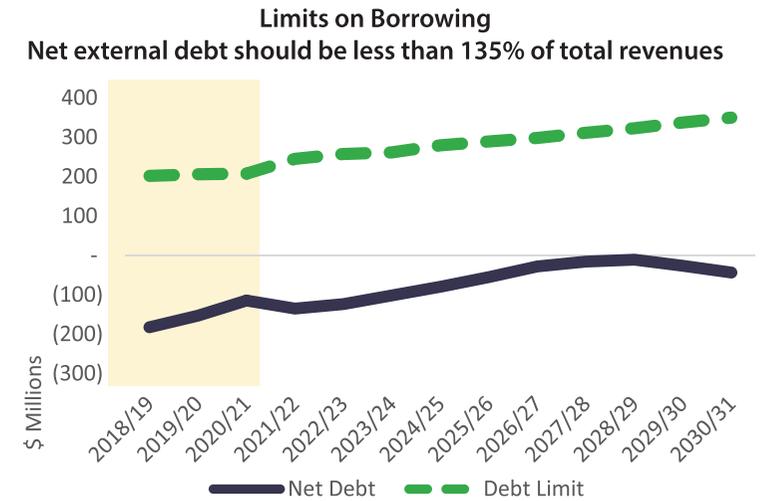
To ensure that today's ratepayers are paying for the services and amenities provided to them, we have to ensure that our operating revenue covers our operating costs. We call this a balanced budget. The graph below demonstrates an operating surplus (revenue greater than expenditure) or balanced budget is achieved for each of the 10 years of the plan. Operating surpluses are generally required to fund capital projects.



We also have to ensure that we are managing our finances prudently and, to do that, we set limits on the amount of rates increase and the amount of debt that we will accumulate. For this 10 year plan our Financial Strategy has set the rates limit at 12 per cent for year one of the plan and nine per cent for subsequent years. We also set a limit of no more than 75 per cent of our operating revenue to come from rates shown and graphed in our Financial Strategy. The graph below shows that our forecast rate increases stay below the Financial Strategy limits throughout the 10 years.



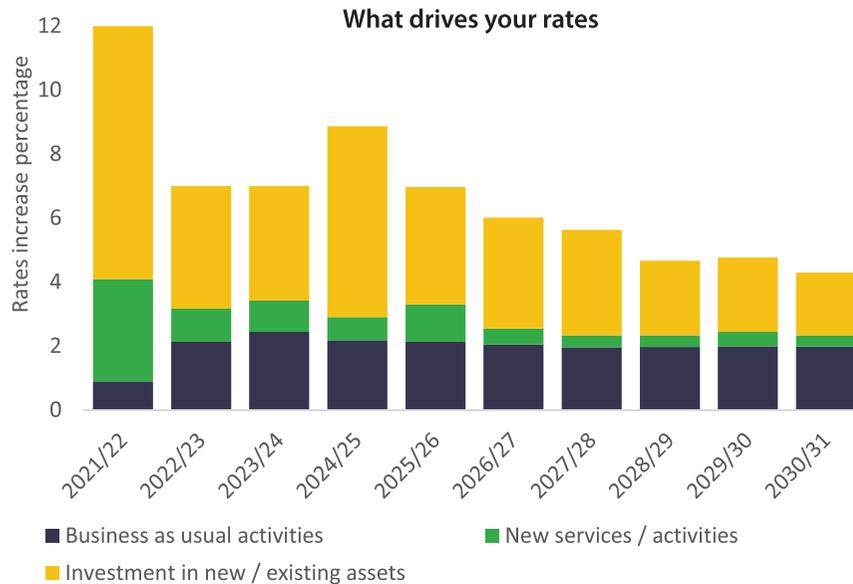
We have relatively low net debt compared to many other local authorities in New Zealand. Our Financial Strategy recognises that we will repay debt over 20 to 30 years and sets limits that our net debt will not exceed 135 per cent of our total revenue and our interest expense will not exceed 12.5 per cent of our rates revenue.



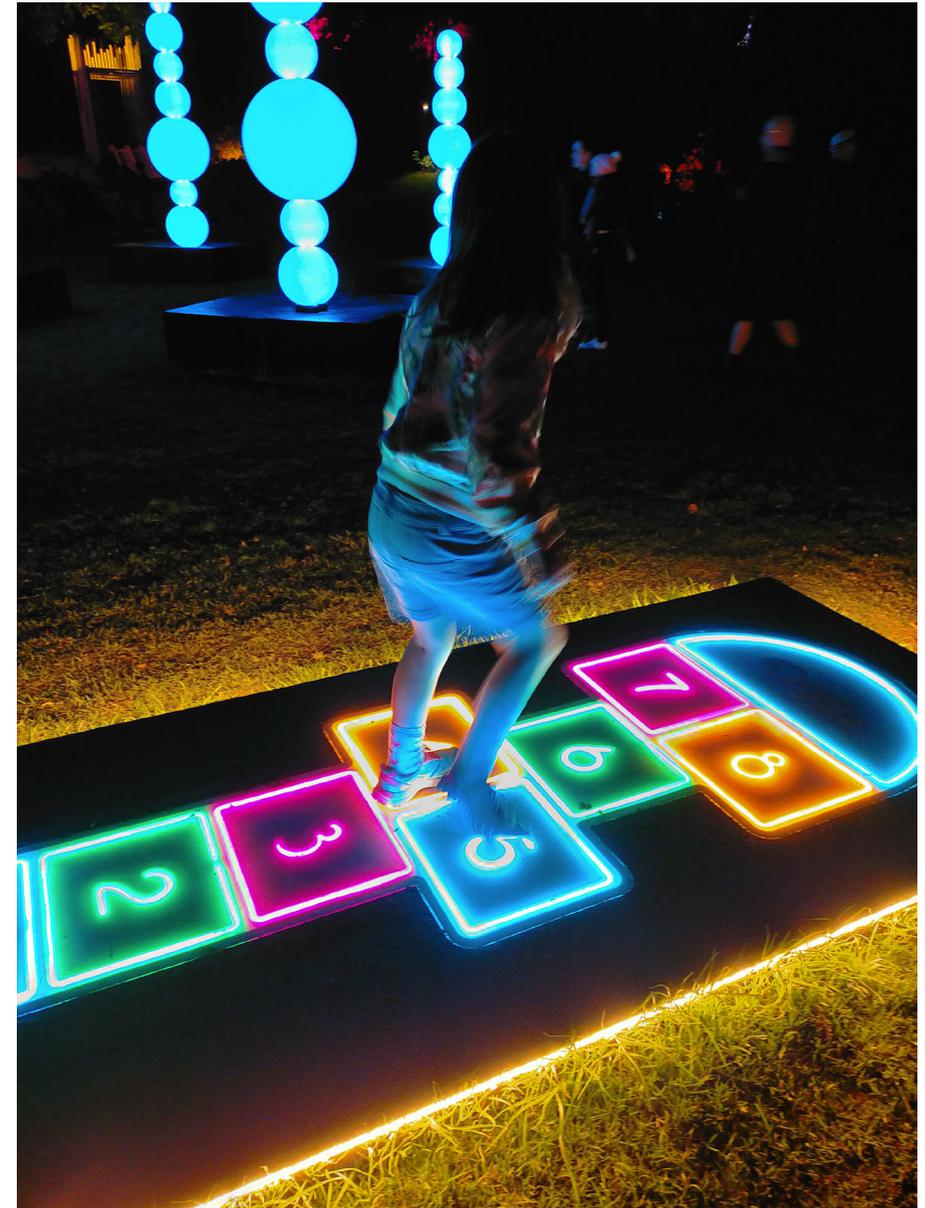
# Rating Impact

When we prepared our last Annual Plan (2020/21) we forecast a deficit of \$5.4m due to lower revenue from the effects of the Covid-19 pandemic. We found cost savings through efficiencies to reduce the deficit and many of these efficiencies have been rolled into the 10 year plan budgets. This means the core budget only increases by 0.9 per cent, well below the two to three per cent we would usually expect for inflation and growth.

However, the programme we are proposing will add to the rating requirement, with the biggest impact being the extra money we will spend on bringing our infrastructure up to an acceptable standard.



We recognise that these rate increases are much larger than we would normally expect but, as can be seen from the graph, most of this increase is to catch up with looking after our existing assets.



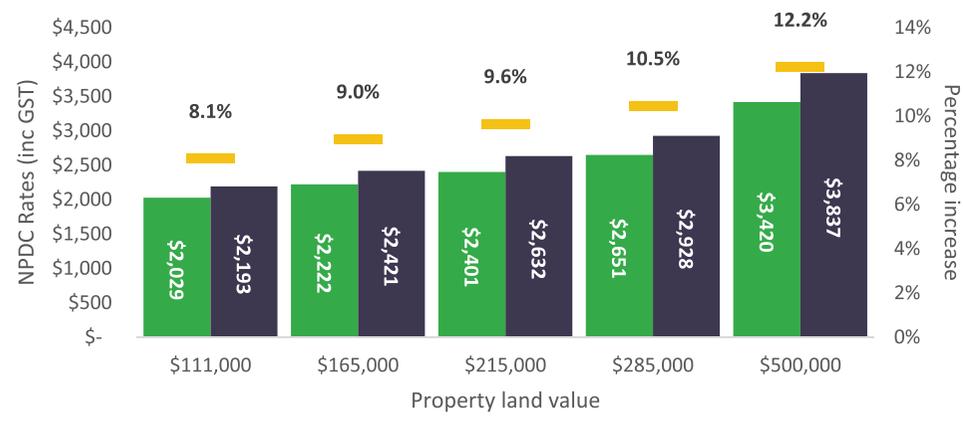
# What this means for your rates next year



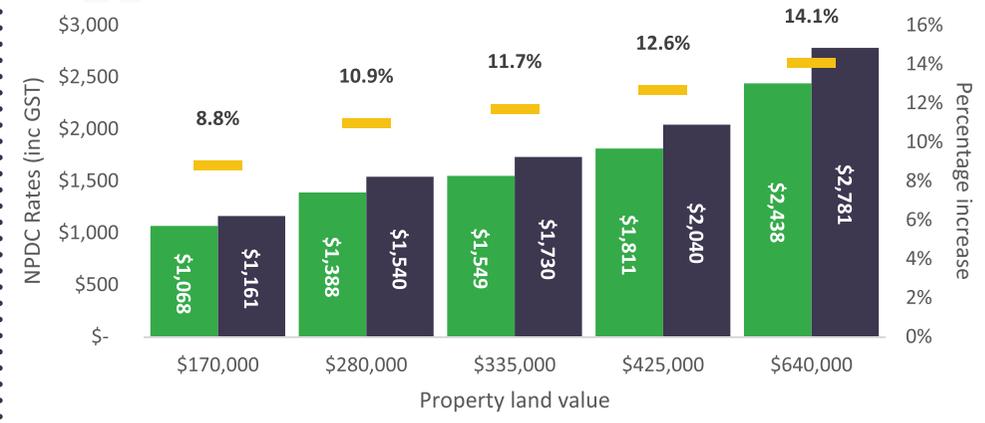
These rate increases will have different impacts for different groups of ratepayers. The graphs below show the impact for each group in year one based on land values from very low to very high but each property's rates may vary based on targeted rates.



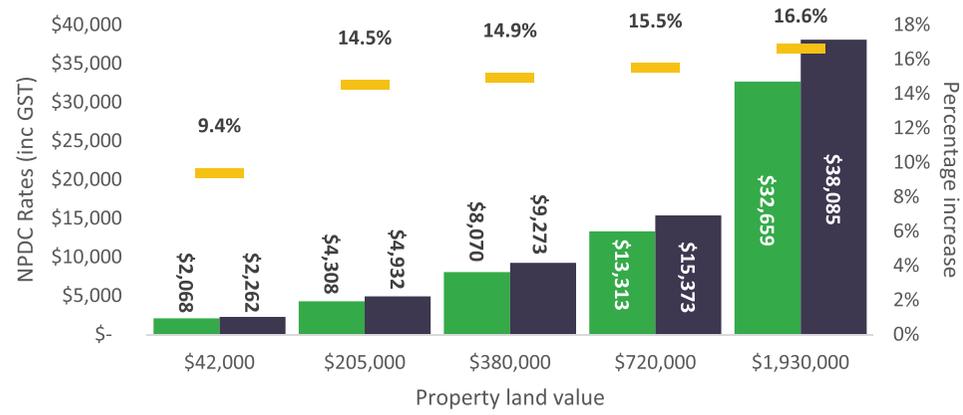
## Residential property examples



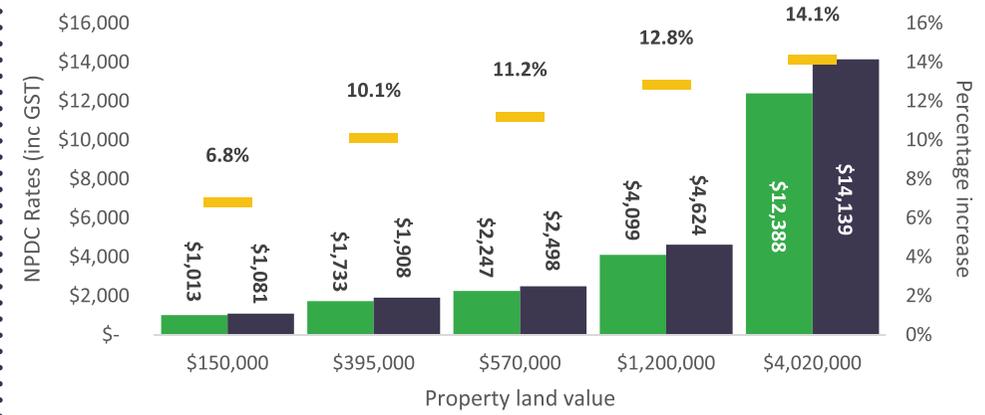
## Small Holding property examples



## Commercial/Industrial property examples



## Farmland property examples



■ 2020/21 ■ 2021/22 — Percentage increase



## Issues for your feedback

The proposed rate increases and amount of debt described in the earlier parts of this document are based on Council's preferred options for the 10 year plan. But these are options. They are not set in stone and we are looking for your feedback.

There are three "big calls" we have to make that either drive much of the cost increase or are of high community interest. Under each big call there are key issues that all relate to how we invest in the infrastructure assets that support the lifestyle of our district – now and into the future. Because of the significance of these decisions we are specifically seeking your feedback on them.

---

Want to read more on our three "big calls"? Read the full Infrastructure Strategy online at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)



## **Big Call 1: Fixing our plumbing**

Looking after our existing assets

Conserving water

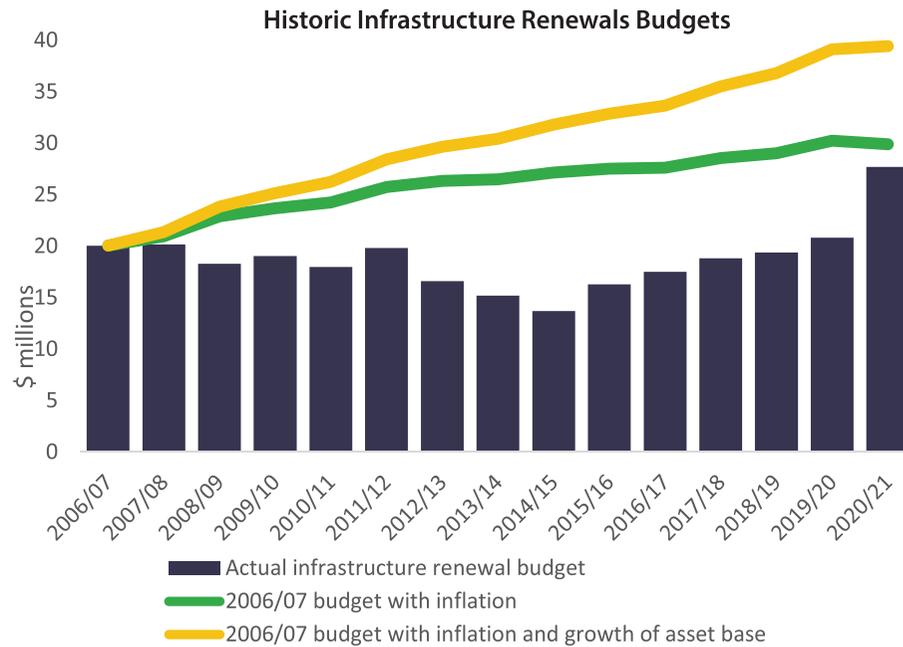
Improving stormwater management in Waitara

# Looking after our existing assets

As already mentioned, one of the big challenges we are grappling with is catching up with previous underspending on maintaining and/or renewing our key infrastructure assets, in particular the three waters (drinking water, wastewater/sewerage, stormwater). In February 2018 ex-cyclone Gita took out water supply to about 10,000 properties. As a result of this we completed an indepth exercise looking at the condition and resilience of our water assets. We identified that over recent years, renewals had been significantly underfunded and there is now a backlog estimated to be in excess of \$126m worth of work, in addition to the ongoing renewal costs. While the three waters represent the biggest issue of underfunding, there are similar concerns across most of our key infrastructure.

The graph to the right illustrates the difference between growth in the asset base and inflation and the funding of renewals.

Ideally, the amount we spend on renewals (shown in the blue bars) should have been close to the growth in the value of our assets (the yellow line), but as the graph shows the gap has grown until quite recently and still needs to catch-up.



## Three Waters Review

The Government is currently in the process of reforming the national framework for the management of drinking water, wastewater/sewerage and stormwater (Three Waters). While the assumption is that the Council retains the Three Waters it is possible that a new entity may take over running some or all of the Council's water networks.

The Council expects the Government to ask local authorities to participate in the new delivery system in late 2021 and the Government has signalled that councils can opt out. If these reforms occur it is likely that the new entity will carry on with the Council's programme. These reforms would mean the Council is no longer responsible for the delivery of these services and would impact on our finances. There is more information on the potential impact of the Three Waters Review in the forecasting assumptions (in the Policies and Supporting Information document) available at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years).



# How much to spend on... looking after our existing assets



We have considered a number of options on how much to spend looking after (renewing) our existing assets. The options range from maintaining the current level of renewals funding (i.e. maintain the status quo) to increasing the funding for asset renewals to approximately \$337m over the next 10 years.

We have outlined four options for your feedback.

			Impact on Rates	Impact on Debt
<b>Option 1: Status quo</b>	 <b>Very high risk</b> \$108m over 10 years	While this has the least impact on rates it has a very high risk of asset failure, i.e. the probability is that more than one of our critical assets (e.g. a water main) would fail each year causing significant disruption and inconvenience to parts of the community. Our work on renewals will be quite reactive and because we are already underfunding our renewals, this option will mean that the backlog will continue to grow, leaving future generations to address the problem.	A rates increase of \$55m or 5.5% over 10 years.	No impact on debt.
<b>Option 2: Low option</b>	 <b>High risk</b> \$185m over 10 years	This increases the amount we spend on renewals by \$78m from option 1. It will lessen the risk of failure, but that risk still remains high, i.e. the probability is that at least one of our critical assets will fail each year. Some planned renewal work will be completed but much of the expenditure will be still be reactive (i.e. when an asset fails). The backlog of work will continue to increase, while not as much as in option 1. Future generations will still have a growing problem to address.	A rates increase of \$133m or 13.3% over 10 years.	No impact on debt.
<b>Option 3: Medium option</b>	 <b>Medium risk</b> \$248m over 10 years	This option starts a programme of proactive renewals with an additional \$140m from option 1. The backlog will be gradually cleared over about 20 years. This programme is considered to be deliverable with Council resources. The risk of critical asset failure is reduced to a moderate level with this option, which means there is a 50% probability (rather than the 100% in option 2) that there will be a failure in one of our critical assets. There is sufficient funding to address any reactive repairs required and future generations will not be burdened with a backlog of work to be done. The impact of this option on rates would be significant so we have looked at alternative ways of paying for this (see next page).	A rates increase of \$196m or 19.6% over 10 years.	Refer to funding options on next page.
<b>Option 4: High option</b>	 <b>Low risk</b> \$337m over 10 years	Under this option sufficient funding with an additional \$229m from option 1 is provided to address any asset failures and to clear the backlog of renewals over 10 years. The risk of critical asset failure is reduced to low/moderate. Future generations will continue to receive good quality infrastructure and will not need to address the backlog, but this is the most expensive option. The impact of this option on rates would be very significant so we have looked at alternative ways of paying for this (see next page). Also, delivering this programme within Council resources would be difficult.	A rates increase of \$284m or 28.4% over 10 years.	Refer to funding options on next page.

## Our preferred option is Option 3 - Medium option

We believe this option strikes the right balance between addressing the historical problems with our infrastructure and reducing risk to an acceptable level while managing that cost over a more affordable period.

# How to fund ... looking after our existing assets

As well as deciding how much to spend on asset renewals over the next 10 years we also have choices on how to fund that expenditure. Currently we fund renewals from rates, with under and overspends on renewals being applied to a separate reserve account. The amount we include in the rates is based on a 10 year forecast of renewal funding requirements. Because of the extent of the backlog we are trying to address and the effect of that on rates within options 3 and 4 on the previous page, we have looked at other ways for funding these two big renewals programmes.

			Impact on Rates and Debt for Option 3 (on previous page)	Impact on Rates and Debt for Option 4 (on previous page)
<b>Option A: Status quo</b>	 Fully rate funded	We would continue to fund all renewals, as described above, from rates based on a 10 year forecast.	A rates increase of \$196m or 19.6% over 10 years.  No impact on debt.	A rates increase of \$284m or 28.4% over 10 years.  No impact on debt.
<b>Option B: Debt funding to bridge the gap</b>	 Partial fund long life assets with debt	This option would continue our existing approach for most renewals, but debt fund the renewal of some long life assets.	A rates increase of \$155m or 15.5% over 10 years.  A debt increase of \$31m over 10 years.	A rates increase of \$201m or 20.1% over 10 years.  A debt increase of \$84m over 10 years.
<b>Option C: Fully debt fund long life asset renewals</b>	 Debt fund all long life assets	Under this option, the Council would continue with its existing approach for some renewals, alongside the use of debt to pay for the renewal of all long life assets, such as pipes and bridges.	A rates increase of \$53m or 5.3% over 10 years.  A debt increase of \$166m over 10 years.	A rates increase of \$84m or 8.4% over 10 years.  A debt increase of \$236m over 10 years.

## Our preferred option is Option B - Debt funding to bridge the gap option

We believe current ratepayers should pay for renewing existing assets, however debt funding the backlog of renewals for some long life assets is more affordable for today's ratepayers without overburdening future ratepayers with too much debt.

# Conserving water



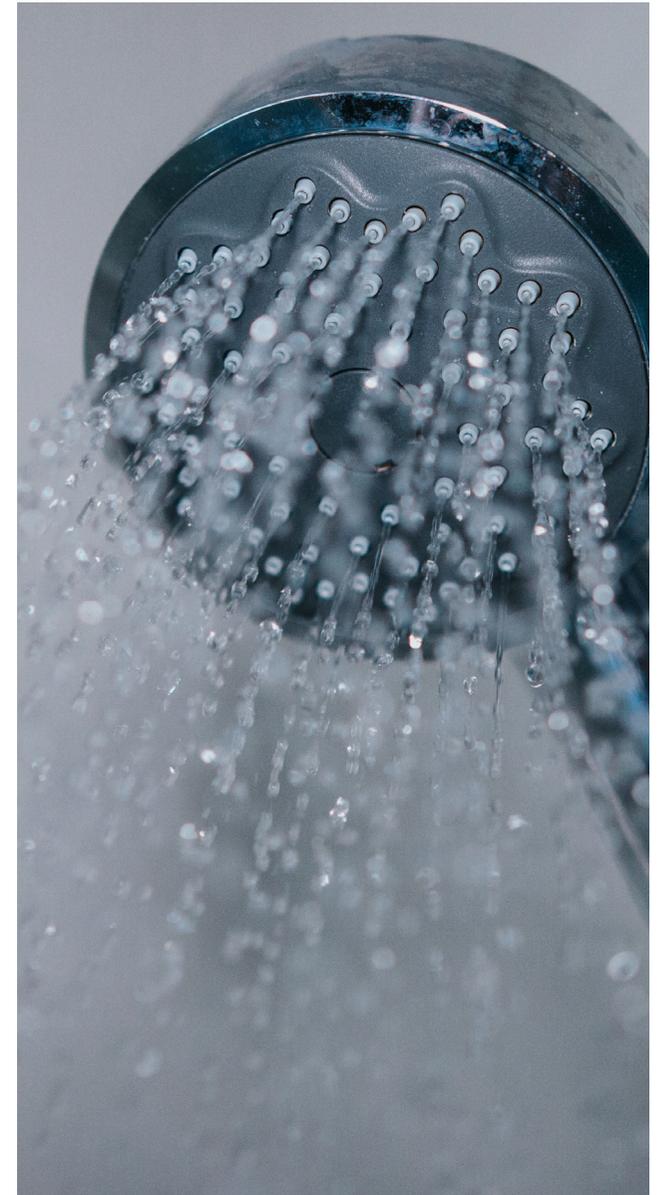
New Plymouth residents consume significantly more water (up to 60 per cent more) than other comparable places. While there is significant rainfall in New Plymouth, water use peaks during the late summer when rainfall is at its lowest. As our population continues to grow, we will need to plan for increasing capacity in our treatment plants, reticulation (pipe) networks and identifying a new water source. Compounding this, the predicted effects of climate change could see more frequent summer droughts, and, in addition, the Government has recently introduced the National Policy Statement for Freshwater Management which, among other things, continues to strengthen the requirement for the efficient use of freshwater.

All of these factors drive us to look at ways to conserve water rather than constantly increasing our supply through expensive new infrastructure and taking more water from our rivers and streams. In response, we have developed options for conserving water and estimated both the cost and the net savings from delaying the need to build additional water infrastructure. The most significant initiative among the options is the installation of water meters and a change to volumetric charging for drinking water. While ratepayers will benefit from the delaying of the costs of new infrastructure, so will developers as it enables them to continue to provide additional housing without the much more expensive infrastructure that would otherwise be required to service population growth. Because of this we propose to recover a significant portion of the upfront costs of this option from developers.

**We have prepared more detailed information on the reasons for this proposal and the options. You can find this at [www.newplymouthnz.com/ourwater](http://www.newplymouthnz.com/ourwater)**

## Notes:

- 1. Impact on rates and water charging. The current approach to charging for water is generally (there are some historic anomalies) that commercial and industrial properties pay on a volumetric usage basis, farmlands and small holdings pay either on a restricted flow or a volumetric basis, and residential properties pay a uniform annual charge through their rates. A shift to volumetrically charging for water means every property will pay based on actual usage. A new charging regime will not be introduced until 2024/25 and the tariff structure will be consulted on with the next 10 year plan. This allows time to install the water meters and have a "mock billing" run to allow users to monitor their usage and identify any issues with leaks etc. More detail can be found in the Revenue and Financing Policy at [www.newplymouthnz.com/HaveYourSay](http://www.newplymouthnz.com/HaveYourSay)*
- 2. Development and Financial Contributions Policy changes. As mentioned above it is proposed in the Draft Development and Financial Contributions Policy that a significant proportion of the initial cost of water conservation measures (primarily water meters) will be met by contributions from developers. Water conservation enables development to happen without investing in new infrastructure until well into the future. This reduces potential development contributions when compared to paying for new infrastructure for a new water source and other growth infrastructure. More detail can be found in the Development and Financial Contributions Policy at [www.newplymouthnz.com/HaveYourSay](http://www.newplymouthnz.com/HaveYourSay)*
- 3. Bylaw changes. Installing water meters will also require amendments to the New Plymouth District Council Bylaw 2008 Part 14: Water, Wastewater and Stormwater Services. We are consulting on these changes at the same time and details can be found at [www.newplymouthnz.com/HaveYourSay](http://www.newplymouthnz.com/HaveYourSay)*



# Conserving water

The choices we have are:

			Impact on Rates	Impact on Debt
<b>Option 1:</b> Status quo	 <p>No water savings costing \$42m over 10 years</p>	Carry on with the same minor water conservation programme we currently have. This will maintain the status quo and will not reduce water usage. We will need to spend \$171m on additional infrastructure for population growth (\$42m over 10 years and an additional \$129m in years 11 to 30 of the Infrastructure Strategy).	A rates increase of \$13m or 1.3% over 10 years.	A debt increase of \$34m over 10 years.
<b>Option 2:</b> Introduce minor conservation measures, including water meters	 <p>20% water use reduction, costing \$45m over 10 years</p>	Increase our conservation programme by installing water meters over the next two years and shifting to volumetric charging in year 4 (from 1 July 2024) so that people pay for what they use. This is expected to reduce water usage by 20%. We will need to spend \$18m on water meters and an additional \$2m on operating expenditure over 10 years. Option 2 reduces the cost of additional infrastructure for population growth to \$110m (\$43m in years 1 to 10 and \$67m in years 11 to 30), saving \$61m over 30 years.	A rates increase of \$18m or 1.8% over 10 years.	A debt increase of \$32m over 10 years.
<b>Option 3:</b> Introduce moderate conservation measures, including water meters	 <p>25% water use reduction, costing \$50m over 10 years</p>	In addition to option 2, increase our community and commercial education programmes, manage the pressure in some of our supply zones and introduce a green plumber and other incentive tools. This is expected to reduce water usage by 25%. We will need to spend additional costs from option 2 of \$2m of capital expenditure and additional \$3m of operating expenditure. Option 3 reduces the cost of additional infrastructure for population growth to \$50m (\$45m in years 1 to 10 and \$5m in years 11 to 30), saving \$121m over 30 years.	A rates increase of \$23m or 2.3% over 10 years.	A debt increase of \$34m over 10 years.
<b>Option 4:</b> Introduce significant conservation measures, including water meters	 <p>30% water use reduction, costing \$56m over 10 years</p>	In addition to option 3, we would significantly increase our community education programmes and expand our leak detection and repair programmes. This is expected to reduce water usage by 30%. We will need to spend additional costs from option 3 of \$4m of capital expenditure and additional \$3m of operating expenditure. Option 4 reduces the cost of additional infrastructure for population growth to \$49m (\$48m in years 1 to 10 and \$1m in years 11 to 30), saving \$120m over 30 years. Despite the additional cost of implementation over 10 years, there is no significant long term reduction of the cost of new infrastructure for population growth.	A rates increase of \$26m or 2.6% over 10 years.	A debt increase of \$37m over 10 years.

## Our preferred option is Option 3 - Introduce water meters and other conservation measures

This will deliver savings by delaying growth related capital expenditure such as new reservoirs, new water source, the second stage of the eastern feeder duplication and a range of other minor growth projects. Over the long term (30 years) significant additional water supply assets are avoided.

# Improving stormwater management in Waitara



Parts of Waitara are situated on low lying land adjacent to the Waitara River that is controlled by stop banks. The current stormwater network in Waitara does not meet our level of service requirements or our standard level of protection for a number of properties. This results in regular surface water problems from inadequate stormwater management, including some private properties during heavy rainfall.

We have previously (in the last 10 year plan) provided \$9m for addressing this issue and part of this was an indepth study of the issues and possible solutions. The result of the study has indicated that the total cost of resolving these issues could be in the order of \$100m. This is an expensive project, but the current situation causes significant costs and inconvenience to the Waitara community.

We have developed the following options for feedback.

			Impact on Rates	Impact on Debt
<b>Option 1:</b> Stop the project completely	 Existing level of service	By 30 June 2021, we will have spent \$1.3m in investigations, planning and initial work. Stopping the project would result in no further cost to the Council but there would be ongoing cost to the community of repairs and property damage from surface water from inadequate stormwater management.	No rates increases over 10 years.	No debt increases over 10 years.
<b>Option 2:</b> Continue with the existing budget of \$9m	 Small reduction in flooding	This option would enable some high priority work, such as the Tangaroa Stream project, to be undertaken but will still not resolve the majority of issues. The key risk with this option is that there would continue to be ongoing surface water issues from inadequate stormwater management throughout Waitara. There would also be ongoing community requests for further funding to continue to resolve the issue.	A rates increase of \$4m or 0.4% over 10 years.	A debt increase of \$7m over 10 years.
<b>Option 3:</b> Increase the budget to \$20m over 10 years	 Much reduced risk of flooding	This option provides \$20m over 10 years to reduce the risk of surface water from inadequate stormwater management and costs paid by the community for property damage. It provides for additional stormwater management projects to be planned and implemented. A further \$101m will also be required over the following 20 years and has been included in the Infrastructure Strategy to reflect both the benefit and cost to future generations.	A rates increase of \$7m or 0.7% over 10 years.	A debt increase of \$16m over 10 years.

## Our preferred option is Option 3 - Increase the budget to \$20m over 10 years

The current frequency of surface water from inadequate stormwater management and property damage in Waitara can be reduced. This option will allow us to begin to address the problem.

*Note: The Taranaki Regional Council is responsible for the flood control banks in Waitara which protect the town from the Waitara River overflowing its banks. NPDC is responsible for the stormwater system to manage surface flooding from more localised rainfall events.*



## **Big Call 2: Greening our place**

Extending our tracks and trails network

Rolling out our Climate Action Framework

# Extending our tracks and trails network



New Plymouth District is known for its high quality tracks and trails network, with an award winning Coastal Walkway and great urban connections alongside our streams. We have approximately 82 kilometres of tracks and trails that support walking and cycling across the district. Our community are very supportive of ongoing development of the tracks and trails network, but to be financially prudent we need to adopt a strategic approach to developing the network and maximise the benefit for the community. In order to do this we are proposing a staged approach focused in the short to medium term on Maunga to Moana (mountain to the sea) connections.

However there are other options on whether, or how, we implement the programme.

			Impact on Rates	Impact on Debt
<b>Option 1:</b> Maintain status quo	 No additional tracks and trails	Maintain the existing range of tracks and trails but do not implement any further significant extensions and connections. There would be a number of gaps in the network, particularly connecting townships to New Plymouth. Some small tracks would be created in existing parks.	No rates increases over 10 years.	No debt increases over 10 years.
<b>Option 2:</b> Prioritise projects for the Maunga to Moana network	 Additional tracks and trails from the Maunga to Moana	Spend \$36m over 10 years to prioritise projects that contribute to, or complete, the proposed Maunga to Moana (Taranaki Traverse) and provide links between townships in close proximity to New Plymouth such as Waitara and Ōākura (details of the planned rollout are set out on the next page). This would address the key gaps in the network and would start the ball rolling on other initiatives. Other projects will be delayed beyond year 10 and are provided for in the Infrastructure Strategy.	A rates increase of \$16m or 1.6% over 10 years.	A debt increase of \$26m over 10 years.
<b>Option 3:</b> Roll out all projects over the 10 years	 Completing full network of tracks and trails	Spend \$60m over 10 years to increase the focus on tracks and trails with the full range of possible projects. This would result in a completed network within 10 years. Further initiatives may be identified after that. Option 3 includes over the 10 years commencement of the development of the Waiwhakaiho River link, Ngāmotu to Ōākura and planning for the White Cliffs and Fort St George walkways.	A rates increase of \$20m or 2.0% over 10 years.	A debt increase of \$49m over 10 years.

**Our preferred option is Option 2 - Prioritise projects for the Maunga to Moana network** (see map on page 27)

We know our community strongly support ongoing development of our tracks and trails and that they are a tourist attraction supporting local business. This option continues to progress the network of tracks and trails but with a strategic focus on the Maunga to Moana connections which maximises the benefits to the community.

# Extending our tracks and trails network

Our proposed approach to rolling out the programme for option 2 is:

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Waiwhakaiho corridor (Taranaki Traverse)	Route planning in year 1 and land acquisition through the 10 years									
Waitara to Bell Block Coastal Walkway extension	Construction (Stage 1)	Land purchase	Construction (Stages 2 & 3)							
Kaitake trail (Taranaki Traverse)		Construction complete								
Centennial Park to Ōākura shared pathway				Commence planning for shared pathway						
Safer shared pathway commuter routes*	Progress implementation across the 10 years * Clemow Road, Cumberland, Huatoki, Upjohn and Record streets in New Plymouth and Dixon Street to Corbett Park in Ōākura									

The next page shows a map to help you see these planned tracks and trails. Our “Lets Go” programme is also providing \$7.5m over the 10 years for walking and cycling projects as alternative transport options.



# Extending our tracks and trails network



———— Existing & Under Construction 
 ..... Short-Medium Term (2021—2031) 
 ..... Long Term (2031—2051)

- New Plymouth Coastal Walkway
- Huatoki
- Rotokare/Barrett Domain
- Herekawe
- Mangaotuku
- Te Henui
- Waitara Heritage Trail
- Lake Mangamahoe
- Trimble Park/Joe Gibbs Reserve
- Waiwhakaiho Walkway
- Mangati

- NP Coastal Walkway Extension —Waitara to Bell Block
- Waiwhakaiho Corridor Planning/Acquisition
- Kaitake Trail
- Centennial Park to Ōākura Planning
- ✿ Safer Shared Pathway Commuter Routes

- White Cliffs Walkway
- Centennial Park to Ōākura Acquisition/Construction
- Ngāmotu to Centennial Park
- Waiwhakaiho Corridor Construction



### Our planned approach - option 2

New Plymouth District is known for its high quality tracks and trails network, with an award winning Coastal Walkway and great urban connections down its streams.

Creating new trails that form a loop from the Maunga to Moana and connecting through to Waitara is our planned approach. These trails will link to natural areas, cultural and historic sites and recreation spaces and will connect neighbourhoods with safe shared pathways.

# Rolling out our Climate Action Framework

Following our resolution in December 2019 that climate change required an urgent response we have put in place a forward looking work programme which we call a Climate Action Framework.

The Climate Action Framework has both an internal focus (to embed climate change awareness into the organisation), as well as an external focus to work with the community to propose a district-wide Emission Reduction Plan and develop a district-wide Adaptation Plan. We will also need to consider shifts in central government policy that may require a more comprehensive plan in the future.

Two immediate initiatives have been identified:

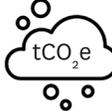
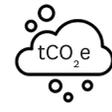
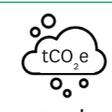
1. A programme of **Planting our Place** on Council owned reserves which improves carbon sequestration, the district's biodiversity and may provide for additional recreational opportunities as well. The target is to plant 34 hectares of indigenous vegetation over a 20 year timeframe at a cost of \$170,000 per annum (although this timeframe could be reduced by external funding). Additional funding is also proposed to provide a minimum of \$30,000 per annum for the provision of a grant for community planting of indigenous species.
2. Introduce **electric vehicles** into the NPDC vehicle fleet when vehicles are renewed, spread over the 10 year plan at a cost of \$1m (the extra cost reflects the higher price currently paid for electric vehicles) over 10 years.



# Rolling out our Climate Action Framework



In addition, there is a proposal to provide \$150,000 of operating budget per annum for years 1 to 3 to accelerate the delivery of the Climate Action Framework (CAF). The options for addressing the Climate Action Framework are:

			<b>Impact on Rates</b>	<b>Impact on Debt</b>
<b>Option 1: Status quo</b>	 No new climate action initiatives	Under this option no additional budget is provided and any identified initiatives can only be delivered if sufficient funding is available in existing budgets.	No rates increases over 10 years.	No debt increases over 10 years.
<b>Option 2: Focus on two key initiatives (Planting our Place and electric vehicles) and fund CAF for three years</b>	 Some additional climate action initiatives	This option allows sufficient funding to: <ul style="list-style-type: none"> <li>• Roll out the first 10 years of the 20 year planting programme of parks and reserves at \$170,000 p.a. (with some seed funding from the forestry reserve funding* in years 1 and 2).</li> <li>• Provide at least \$30,000 p.a. for community planting programmes (with seed funding from the forestry reserve funding* in year 1).</li> <li>• Replace the Council fleet with e-vehicles as they reach renewal date at a cost of \$1m over 10 years.</li> <li>• Provide \$150,000 p.a. for the <b>first three years</b> to accelerate the delivery of the CAF (with the first year to be funded from the forestry reserve*).</li> </ul>	A rates increase of \$3m or 0.3% over 10 years.	A debt increase of \$1m over 10 years.
<b>Option 3: Focus on two key initiatives (Planting our Place and electric vehicles) and fund CAF for 10 years</b>	 Longer term commitment to climate action initiatives	This option allows sufficient funding to: <ul style="list-style-type: none"> <li>• Roll out the first 10 years of the 20 year planting programme of parks and reserves at \$170,000 p.a. (with some seed funding from the forestry reserve funding* in years 1 and 2).</li> <li>• Provide \$30,000 p.a. for community planting programmes (with seed funding from the forestry reserve funding* in year 1).</li> <li>• Replace the Council fleet with e-vehicles as they reach renewal date at a cost of \$1m over 10 years.</li> <li>• Provide \$150,000 p.a. for the <b>full 10 years</b> to further accelerate the delivery of the CAF (with the first year to be funded from the forestry reserve*).</li> </ul>	A rates increase of \$4m or 0.4% over 10 years.	A debt increase of \$1m over 10 years.

## Our preferred option is Option 2 - Focus on two initiatives

We believe that we need to start acting now to address our impact on climate change. This option allows us to start two specific initiatives and fund the CAF in years 1 to 3.

\* The forestry reserve is funding from joint venture forestry sales.



## **Big Call 3: Paying it forward**

**Building a multi-sport hub**

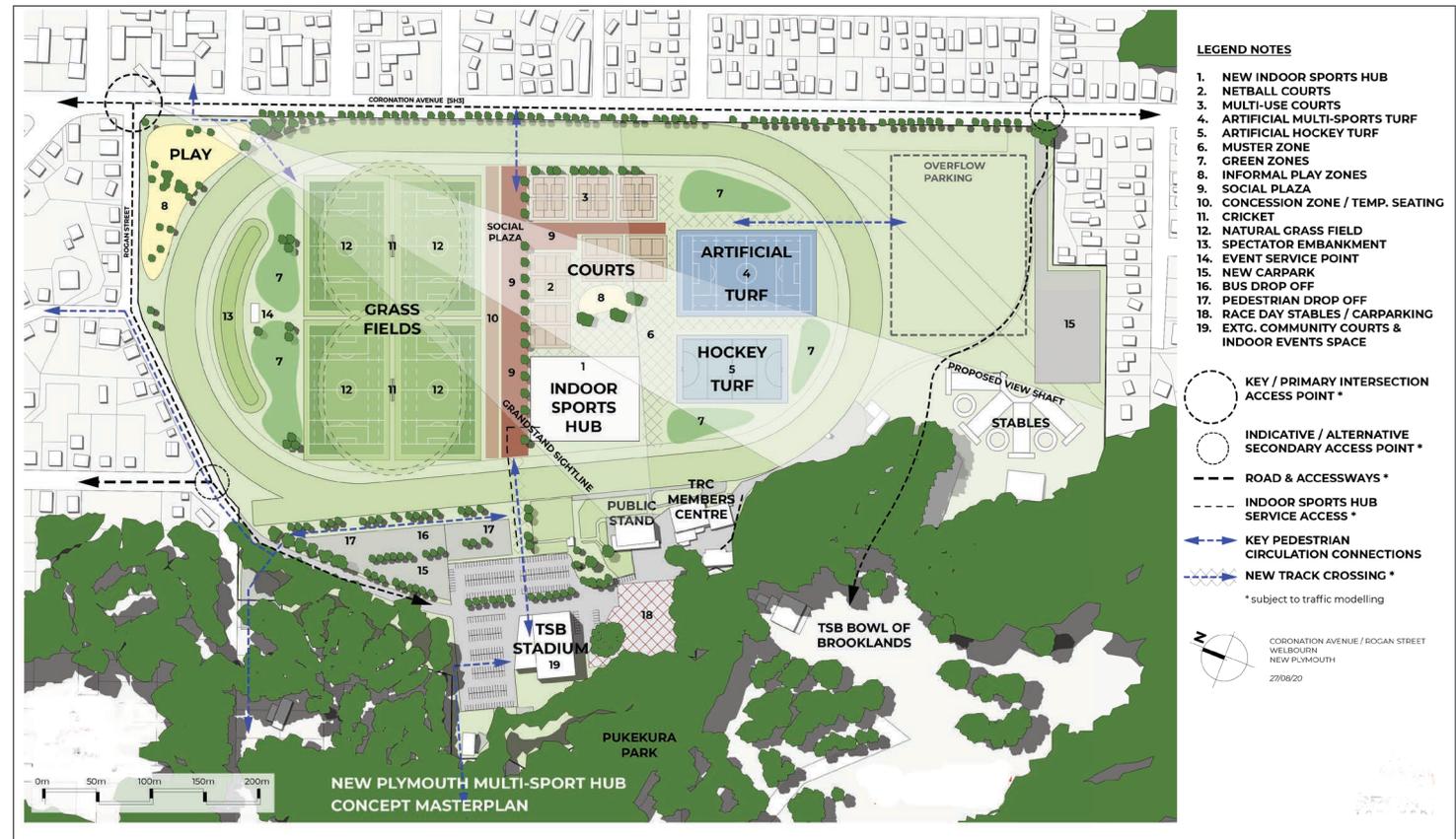
# Building a multi-sport hub



There is a shortfall of space for sporting facilities particularly indoor court space, movement facilities (such as gym sports) and specialist turf facilities in the New Plymouth District. There are significant benefits from combining sport facilities at a single location. So, instead of just a TSB Stadium and netball redevelopment as originally planned, we are now considering contributing funding to a multi-sport facility. Sport Taranaki have led the development of a master plan for a multi-sport hub on the New Plymouth Racecourse site in collaboration with NPDC, Te Kotahitanga o Te Atiawa, sporting codes and other key stakeholders.

The multi-sport hub proposes the following:

1. Artificial turfs for hockey and other sports.
2. A hub building that is the central point of the complex. This will provide six courts for indoor sports and multi-use space.
3. Fourteen additional outdoor courts for netball and multi-use sports and four sports fields.



Central to the hub is the concourse, pathways and green spaces that ensures it is accessible to all users. The hub is not just about sport but allows the wider community to be active and healthy. It will provide social opportunities for non-sporting activities and the potential for shared services to save costs in administration for the various sporting codes.

A draft master plan has been developed to show how a hub can be developed alongside the continuing operation of the racecourse.

# Building a multi-sport hub

We are proposing to fund about \$40m of the capital costs to build the multi-sport hub. The remainder will come from fundraising and other agencies and key stakeholders. We are also providing for operating costs in the year that the facility is expected to start operating. NPDC will own the hub facility and will have a role in its governance and operation. These arrangements, including any partnerships, are still under discussion and have not been finalised. External funding has not been included in the LTP as this has not yet been secured. If external funding/fundraising is not secured the impact will be that the project will be rescoped in line with community expectations.

The options for your feedback are:

			Impact on Rates	Impact on Debt
<b>Option 1: Status quo</b>	No additional facilities	Maintain the current TSB Stadium facility and review sporting needs and requirements in 10 years. This would mean the current services continue with the reported sporting needs shortfall continuing.	No rates increases over 10 years.	No debt increases over 10 years.
<b>Option 2: Develop over eight years and begin construction of the hub building in year 6</b>	 Additional facilities and hub building in <b>year 6</b>	Develop the multi-sport hub at the New Plymouth Racecourse (with NPDC contributing about \$40m towards the cost) using a phased approach that delivers <ul style="list-style-type: none"> <li>• A hockey turf in year 3 (2023/24).</li> <li>• A hub building with construction starting in year 6 (2026/27).</li> <li>• Courts, fields and an artificial turf in year 8 (2028/29).</li> </ul> Capital contribution of \$40m and \$11m operating costs over 10 years. This would improve the services as quickly as reasonably affordable given the other financial issues that the Council is facing.  The majority of this rates increase is related to the hub building and would be across years 6 to 8.	A rates increase of \$22m or 2.2% over 10 years.	A debt increase of \$34m over 10 years.
<b>Option 3: Develop over eight years and begin construction of the hub building in year 4</b>	 Additional facilities and hub building in <b>year 4</b>	Develop the multi-sport hub at the New Plymouth Racecourse (with NPDC contributing about \$40m towards the cost) using a phased approach that delivers: <ul style="list-style-type: none"> <li>• A hockey turf in year 3 (2023/24).</li> <li>• A hub building with construction starting in year 4 (2024/25).</li> <li>• Courts, fields and an artificial turf in year 8 (2028/29).</li> </ul> Capital contribution of \$40m and \$11m operating costs over 10 years. This option would also improve the services as quickly as reasonably affordable, but the phasing of the expenditure is not as favourable given the other financial issues that the Council is facing.  The majority of this rates increase is related to the hub building and would be across years 4 to 6.	A rates increase of \$28m or 2.8% over 10 years.	A debt increase of \$33m over 10 years.

## Our preferred option is Option 2 - Providing a contribution of \$40m and beginning construction of the hub in year 6

We believe we need to be providing flexible options for the future in our sporting facilities and this should be a joint Council and community project. While there is no real cost difference between options 2 and 3 we believe year 6 is more realistic for beginning construction of the hub building as it allows better phasing of our capital programme.

# Other matters of interest



In addition to the issues for feedback outlined earlier, there are a number of other matters you may be interested in and wish to give feedback on.

## Fees and charges

When we are considering how much to charge for some of our services, we must consider a variety of factors which help us to determine how much the user of a particular service should pay versus how much the ratepayers should subsidise the service. For more details on this see the Revenue and Financing Policy at [www.newplymouthnz.com/HaveYourSay](http://www.newplymouthnz.com/HaveYourSay)

In this 10 year plan most of our fees and charges have either stayed the same or have been increased by 2.2 per cent for the 2021/22 year. However, there are a few fees where costs have escalated, or we have not moved the fee for several years with inflation, and we have made more significant adjustments. Without these fee increases the overall rates increase would be higher.

The key areas where increases have been applied are:

**Cemetery and crematorium.** The charges for plot purchases and interment are proposed to increase.

**Transfer stations.** Fees at rural transfer stations are proposed to gradually increase over the next three years to better align with the regional transfer station in New Plymouth. Also, large trailers and small trucks will no longer be able to use rural transfer stations.

**Todd Energy Aquatic Centre and other swimming pools.** Fees for entry and some other activities are proposed to increase, except for community service card holders.

The full list of fees and charges is available at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

## Brooklands Zoo upgrade

Brooklands Zoo attracts over 113,000 visitors every year and has consistently high levels of community satisfaction. However, some of the enclosures and facilities are ageing and will need to be replaced in order to meet modern animal welfare standards. There is an opportunity to provide an enhanced visitor experience, create space for a gift shop, improve back of house operational facilities, improve animal welfare standards and offer education on Taonga species and wildlife rehabilitation. We are proposing to provide \$6.5m in years 2 to 5 of the 10 year plan to redevelop the Zoo. This project is likely to receive external funding (although not budgeted) as we believe it is an exciting initiative for potential sponsors.

Over the 10 years of this plan this would increase debt by \$5m and rates (to repay the debt and interest) by \$3m (an average rates increase of 0.3 per cent over 10 years).



# Other matters of interest

## Zero waste projects

Our Waste Management and Minimisation service provides recycling, food scraps and landfill collection, across parts of the district, as well as four rural transfer stations and the New Plymouth Resource Recovery Facility (which includes a transfer station run by a private operator). Last 10 year plan we talked with you about improvements to our kerbside collection service. In this 10 year plan we are proposing to continue to work towards our zero waste objectives. The following projects to support this are being funded from reserves or grants with no impact on rates.

**The Junction permanent building.** The Reuse Shop at the Junction Zero Waste Hub is currently located within a temporary building. A capital budget of \$3.3m is proposed for years 1 and 2 of the 10 year plan for a permanent building.

**Commercial and industrial material recovery facility.** The greatest proportion of waste going to landfill in our district is commercial, so managing this waste stream is a priority. We are proposing to spend a capital budget of \$0.7m in year 1 of the 10 year plan to provide a commercial and industrial material recovery facility. Aggregating all commercial waste into one facility enables more efficient operation, maintenance and recycling opportunities.

**Organic waste processing facility.** To provide a local solution to diverting organic waste from landfill, we are proposing a capital budget of \$1.2m in years 2 to 3 of the 10 year plan. We are also intending to explore opportunities for a regional facility with two other district councils.



# Independent auditor's report on New Plymouth District Council's Consultation Document for its proposed 2021-2031 Long-Term Plan



I am the Auditor General's appointed auditor for New Plymouth District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 26 February 2021.

## Opinion

In our opinion:

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

## Emphasis of Matter - Uncertainty over three waters reforms

Without modifying our opinion, we draw attention to the disclosure on page 18, outlining the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The consultation document was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

## Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. In meeting the requirements of this standard, we took into account particular elements of the Auditor General's Auditing Standards and the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk

of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

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

## Responsibilities of the Council and auditor

The Council is responsible for:

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

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

## Independence and quality control

We have complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

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

Debbie Perera  
Audit New Zealand

A handwritten signature in blue ink, appearing to read 'DP' or similar initials.

On behalf of the Auditor General, Palmerston North, New Zealand

# Tell us what you think!

You can give us your views on all the topics in this consultation document or just the ones that interest you most. Complete the submission form to go in the draw to win a share of \$2,000 of grocery vouchers (T&Cs apply).

It's easy to share your thoughts with us - here's how



## Online

It's quick and easy to give your feedback online!

Just complete the submission form at [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

or scan the QR code below



## On paper

Fill in the paper form at the back of this document and send it to:

10 Year Plan Submissions  
Reply Paid DX  
DX Box NP90081  
New Plymouth

or email it to:  
[submissions@npdc.govt.nz](mailto:submissions@npdc.govt.nz)



## In person

We'll be out and about in the community, find out where we'll be and come and talk to us.

Our calendar of events will be advertised on [www.newplymouthnz.com](http://www.newplymouthnz.com), on our New Plymouth District Council Facebook page or call us 06-759 6060

Please ensure your submission is with us by 5pm on Tuesday 6 April 2021

## Want more information?

Check out all the supporting information on our website: [newplymouthnz.com/10years](http://newplymouthnz.com/10years)





# Your home, your say

Name: .....

Organisation (if applicable): .....

Phone (landline or mobile)\*: .....

Email address:\* .....

Postal address:\* .....

\* we require either an email, phone or postal address to inform you about hearing times and decisions

Do you want to speak to the Council about your submission? (tick a box)  Yes  No  
If one of the boxes is not ticked, we'll assume you don't want to be heard.

If you do wish to speak, how long would you want to speak for and what is your preferred time\*\*? (please tick one)

Hearings will be held early May.

- 5 mins       10 mins       15 mins
- morning       afternoon       evening

\*\* if there are a large number wishing to speak, we may have to restrict your speaking time to fit everyone in

## Want further information?

Please refer to the page reference in the Consultation Document on each issue and/or the supporting information on our website [www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

### Fixing our plumbing

Our water network is run down and we've been underinvesting in it for many years. It's a backlog that we need to get on top of to avoid more frequent water outages and sewerage overflows.

#### How much should we invest in fixing our plumbing over the next 10 years? (pg 19)

(please tick one)

- Option 1: Do nothing. Status quo. No additional funding.
- Option 2: Low. Start chipping away at the backlog so that it grows more slowly. \$78 million additional funding.
- Option 3: Medium. Clear out the backlog and start making some improvements. \$140 million additional funding. **NPDC's preferred option.**
- Option 4: High. Clear out the backlog and make significant improvements. \$229 million additional funding.

#### How do we pay for fixing our plumbing? (pg 20) (please tick one)

- Option A: Pay for it from rates.
- Option B: Partially debt fund long life assets to bridge the gap. **NPDC's preferred option.**
- Option C: Fully debt fund long life assets.

Comments: .....  
.....  
.....  
.....  
.....

Need more space? Fill out this form online or attach more pages

**Saving water and water meters (pg. 22)** (please tick one)

We use too much water compared to the rest of New Zealand and if we saved more of it, we could recover about \$121 million on new water supply assets over the next 30 years. As part of a broader water savings plan, we want to introduce water meters into every home, so you only pay for how much you use.

- Option 1: Do nothing. Status quo costing \$42 million over 10 years for new water supply assets. No water meters.
- Option 2: Low. Introduce a water saving plan, including water meters. This will cost \$45 million over 10 years while reducing new water supply assets, saving \$62 million over the long term.
- Option 3: Medium. A middle of the range water saving plan, including water meters. This will cost \$50 million over 10 years while reducing new water supply assets, saving \$121 million over the long term. **NPDC's preferred option.**
- Option 4: High. A significant water saving plan, including water meters. This will cost \$56 million over 10 years while reducing new water supply assets, saving \$120 million over the long term.

Comments: .....  
.....  
.....  
.....

**Improving stormwater management in Waitara (pg. 23)** (please tick one)

Parts of Waitara have been built on very low lying land beside the Waitara River and are subject to surface water from inadequate stormwater management. We're proposing to invest an extra \$20 million, as the first stage of fixing the problem.

- Option 1: Do nothing. No additional investment in Waitara stormwater.
- Option 2: Invest \$9 million over 10 years.
- Option 3: Invest \$20 million over 10 years. **NPDC's preferred option.**

Comments: .....  
.....  
.....  
.....

**Greening our Place**

**Extending our tracks and trails network (pg. 25)** (please tick one)

We have 1,600 hectares of parks, tracks and trails. We are proposing to continue our award-winning Coastal Walkway from Bell Block to Waitara and further develop the Taranaki Traverse, from Mountain to Sea at a cost of \$36 million.

- Option 1: Do nothing. Status quo. No new or additional investment in tracks and trails.
- Option 2: Extend the Coastal Walkway from Bell Block to Waitara and develop further the Taranaki Traverse Mountain to Sea, costing \$36 million. **NPDC's preferred option.**
- Option 3: Option 2, plus give our tracks and trails network a boost over the next 10 years at a total cost of \$60 million.

Comments: .....  
.....  
.....  
.....

**Boosting our Climate Action Framework (pg. 29)** (please tick one)

We declared a climate urgency in December 2019 and developed a Climate Action Framework (CAF) or action plan. We propose to rollout two projects; Planting our Place which will see us plant 17 hectares of trees over 10 years costing \$200,000 per year and electrifying our NPDC vehicle fleet costing \$1 million over 10 years.

- Option 1: Do nothing. Status quo. Continue working on the CAF but no new actions or additional funding.
- Option 2: Continue working on the CAF, implement Planting our Place costing \$200,000 per year and electrifying our NPDC vehicle fleet costing \$1 million over 10 years. Begin additional funding of \$150,000 per year for three years. **NPDC's preferred option.**
- Option 3: As per option 2, plus make the additional funding of \$150,000 per year, permanent.

Comments: .....  
.....  
.....  
.....





NPDC

Have your say online or find further information...

[www.newplymouthnz.com/10years](http://www.newplymouthnz.com/10years)

