

What's new, what's changed...?

Consultation Document for
the Annual Plan 2016/2017



Why we are doing this plan...



Message from the Mayor Andy Watson

Last year Council produced a Consultation Document for the Long Term Plan – ‘What’s the Plan Rangitikei...?’ which outlined the key choices for the coming decade.

One year on, much of what was planned is in progress. But, inevitably, there are changes – partly because of different circumstances, partly because of altered priorities. The purpose of this Consultation Document – What’s new, What’s changed...? – is to highlight the big differences from what the Long Term Plan projected for 2016/17 in terms of major projects and/or impact on rates. What hasn’t changed is the projected increase in rates – the Long Term Plan forecast an increase of 1.96% for 2016/17 but maintaining that depends on the outcome of this consultation.

There are four new proposals. First is the Council’s discussion with Manawatu District Council over an improved, longer-term arrangement for managing Rangitikei’s roading, water, wastewater and stormwater services. With nearly two thirds of rates being used for these services, finding the best way to deliver better value is of critical importance for the District. Vital in another way is finding a longer-term approach for the provision of services for Rangitikei’s young people. Council wants to be sure that whatever approach is taken has strong community support, and I hope you will use this opportunity to tell us what you think.

Your view matters too for the two new major developments in community facilities up for consideration. The first is the proposal from Rangitikei College and Nga Tawa Diocesan School to develop artificial multi-sports turfs in Marton which would be open to community use.

The second is the proposal from the Taihape Memorial Park Users Group to construct a new amenity block in the Park with potential to expand into a recreational centre later on.

The Consultation Document also outlines changes to what was envisaged for 2016/17 by the Long Term Plan. There are two I want to highlight here. First is whether Council should replenish the roading reserve that was used as a result of the severe rainfall on 20-21 June 2015 and the lower contribution from the New Zealand Transport Agency for this emergency work. Secondly, we have been given an opportunity that we didn’t envisage, to purchase land in the main street of Marton for a new civic centre. This fits in with what was planned in the Council’s Long Term Plan that was adopted last year, but would be earlier than envisaged. The reason for bringing it forward now is we could lose this opportunity if we don’t act now.

The provisions in the Local Government Act setting out the requirements for the Consultation Document are explicit on not allowing Council to include those activities which were projected in the Long Term Plan. Previously, we could use the Summary Annual Plan document to highlight such programmes. Given that limitation, Council is convening a number of public meetings which enables us to present a more comprehensive picture of what the Council intends doing next year – and also to give members of the community an opportunity to ask about such things – as well, of course, those matters covered in the Consultation Document.

That is why the final question on the submission form is open-ended – for you to raise any matter which you want Council to consider as it plans for the year ahead.

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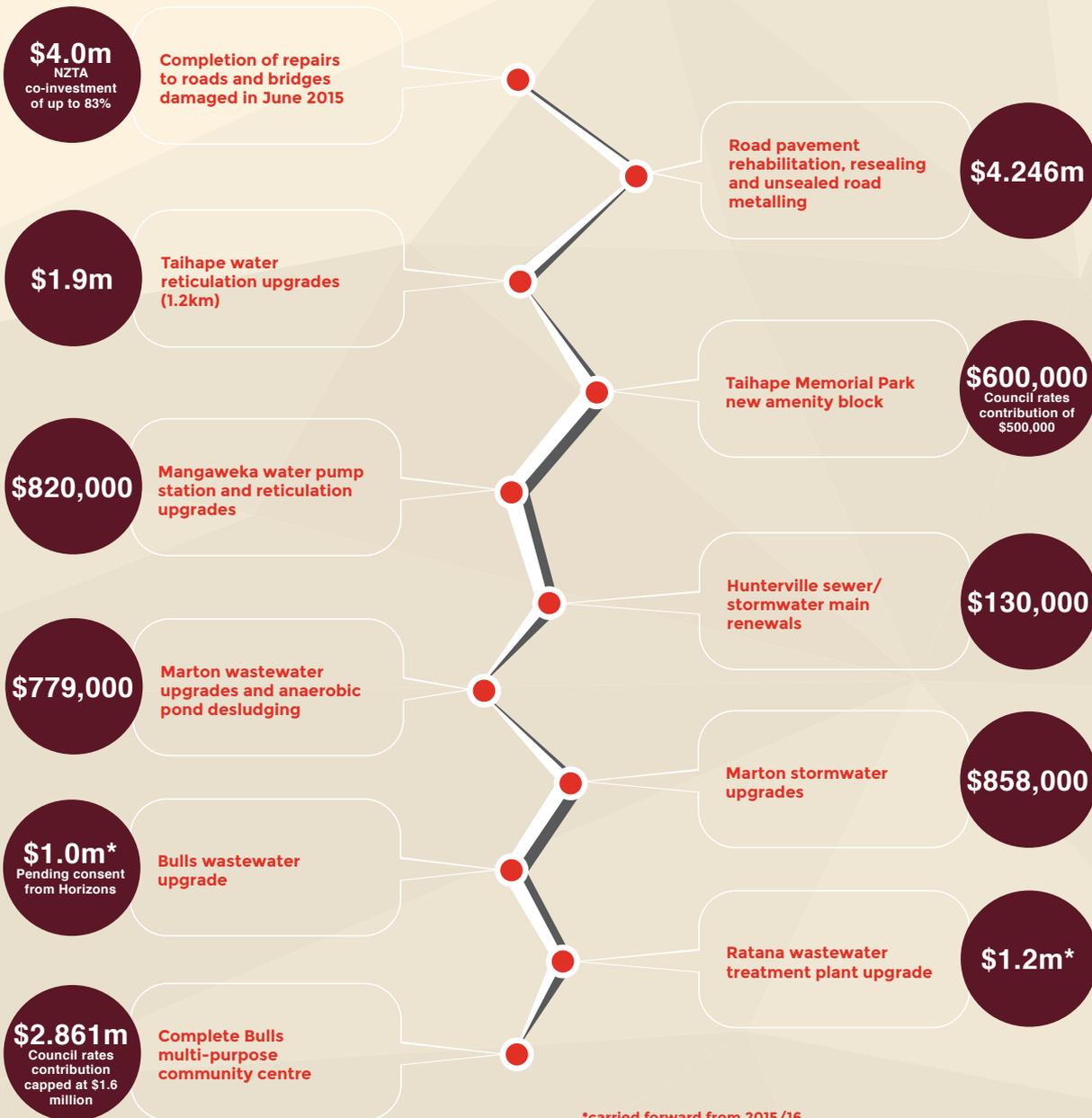
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Major Projects Planned for 2016/17



Key Issues and Choices

What's new?

Future delivery of infrastructure services

During 2015/16 Manawatu and Rangitikei District Councils undertook a review of the shared service arrangement for delivery of infrastructure services to both districts. That arrangement dates from September 2007, when the two councils entered into a Memorandum of Understanding. As a result of that, Manawatu District Council established a business unit to manage roads, water, wastewater, stormwater, solid waste and property and parks across both Districts. All staff are Manawatu District Council employees.

This review concluded that the current arrangement could be improved for the benefit of both councils and led to an investigation of the feasibility of a Council Controlled Organisation (CCO) to provide a more effective basis for these services. It would be different from the present arrangement because a CCO is a separate business entity. This CCO would be owned equally by both Councils who would appoint their own representatives to a Board. The Board would manage the CCO and have contracts with both Councils to enable it to manage each Council's infrastructure (i.e. operating water treatment plants, project delivery and other physical works). Ownership of assets would remain with each council. Some functions currently delivered through the shared services arrangement (asset management and solid waste/recycling) would remain the responsibility of each council, but could continue to be delivered through a shared service arrangement.

The CCO investigation has been influenced by the Government's stated desire to see more formal collaboration between councils. Recently the Minister of Local Government announced the Government's intentions to make amendments to the Local Government Act to facilitate the greater use of CCOs, particularly for water and transport services. Earlier comments imply there could eventually be requirements or incentives to do this.

The investigation by the two councils is not yet complete. Given the potential gains in technical capability, service delivery and ultimately cost efficiencies, both councils wish to continue the work. An agreed approach may require additional funding to implement; if that is the case, Council proposes to fund that additional cost from reserves (so there would be no impact on rates).

If the result of the completed investigatory work is a preference to establish a CCO, the councils will follow the process prescribed in the Local Government Act 2002 for establishing a CCO. This entails formal consultation with the communities in each district through a Statement of Proposal, which would include the projected costs and scope of intended roles.

At this stage the budgets in the draft 2016/17 Annual Plan are based on the current shared services arrangement continuing.



¹In 2011, the Memorandum of Understanding was amended to remove property and parks from the arrangement, with each council managing these functions for themselves.

Funding for youth services

Council has been pursuing productive multi-agency partnerships to address issues within the District which require an inter-agency response. The rationale is to avoid duplication of effort and resources and to provide better value services to ratepayers and taxpayers across the public sector. One of the key focuses for Council has been youth development. Council’s aim with its youth policy is to ensure that all young people in the Rangitikei District have an experience of childhood and adolescence that they will want for their own children. Particularly, Council has worked alongside those agencies that are providing support for the District’s most vulnerable young people and their families. These activities – partnership working in general and a specific focus on youth development – have received strong support from the public in consultations undertaken through the 2012/22 Long Term Plan and the 2015/25 Long Term Plan.

As part of this, Council has been supporting an after-school and school holiday provision in Marton since 2011 and in Taihape since 2014 (as an “interim” measure following the closure of the Taihape Youth Hutt). This service has been co-funded – mainly through the Ministry of Social Development – with Council providing premises free of charge and allocating a small budget (approximately \$9,000 per annum) to “top up” external funding. During 2015/16, the Council has worked with the Ministry and other stakeholders to evaluate current provision and to make recommendations for support for youth development from 2016/17 onwards. No funding has yet been committed to this – by Council or any other funding partner.

The key question is whether Council should continue to invest in youth development and, if so, to what extent. Council is looking for feedback on various options that have been identified by stakeholders, including that from pre-consultation with young people in Marton.

Options

OPTION 1. Preferred option – Council’s proposal: *Develop the Marton Youth Club and the Taihape Youth Hutt into Youth One Stop Shops, managed by one or more salaried youth development positions with a 50% external funding contribution.*

The after-school and school holiday programmes for 8-12 year olds would continue, with activities being extended to include older youth. The premises (in both Marton and Taihape) would also be available as a meeting place for agencies and young people in a youth-friendly space and to provide easy access to a range of health, well-being and lifestyle support services for young people. Such services include day-time services for young parents, career planning/job seeking for young adults not in employment, education or training (NEET) and health information and advice across all age ranges.

Council prefers this option because there is a need identified by existing providers to ensure that services to young people in the Rangitikei are streamlined and coordinated. Such a co-ordinating role would work with external funders on identifying and meeting gaps in provision and would also undertake youth engagement to ensure the voice of young people shapes the provision of their services and activities.

Because it would improve the delivery of existing services by other agencies, this option is more likely to gain external funding than just continuing the present youth clubs. However, there is a risk that this funding will not be forthcoming, in which case the service would not be implemented.

Likely consequences:

On Rates
\$60,000 additional rates requirement which would be funded as part of the Uniform Annual General Charge: 2016/17 \$9.10 per separately used or inhabited rating unit
On Debt
Nil
On Levels of service
Increased levels of service and established on a longer-term basis.

OPTION 2. Develop the Marton Youth Club and the Taihape Youth Hutt into Youth One Stop Shops, managed by one or more salaried youth development positions even if there is no external funding contribution.

The scope of the services would be as outlined in option 1. However, there is an increased cost to ratepayers and, because they do not have a financial stake, external agencies may be less committed to providing their services through the Council's facilities.

If Council adopted this option, it would continue to advocate for funding support from external agencies.

Likely consequences:

On Rates
\$120,000 additional rates requirement which would be fully funded as part of the Uniform Annual General Charge: 2016/17 \$18.20 per separately used or inhabited rating unit
On Debt
Nil
On Levels of service
Increased levels of service but not necessarily on a long-term basis.

OPTION 3. Continue to provide after-school and school holiday programmes in Marton and Taihape.

The current provision is well-used by the 8-12 year age group, but is not particularly well-used by young people aged 12-16+. There is no other similar provision in the District and so it provides a service that meets a need in the community. Despite this, it seems unlikely that Council would be successful in securing long-term funding to cover part of the costs, although ad hoc funding for particular projects and events will probably continue to be available.

Likely consequences:

On Rates
\$70,000 additional rates requirement which would be funded as part of the Uniform Annual General Charge: 2016/17 \$10.61 per separately used or inhabited rating unit
On Debt
Nil
On Levels of service
Unchanged – but established on a longer-term basis.

OPTION 4. Disengage from the delivery of youth services.

This would mean Council withdrawing from financially supporting the two Youth Clubs (which means they would probably close). The current fragmentation of youth services across the District would be likely to continue.

Likely consequences:

On Rates
Nil
On Debt
Nil
On Levels of service
Reduced – in terms of the provision of the current service by the youth clubs, but also in engaging with external agencies.



Amenity block on Taihape Memorial Park

Taihape Memorial Park is the most significant recreational reserve in the northern part of the District. It is Crown-owned, but administered by the Council. It hosts a number of events with national profile, is an important venue for local sports clubs and Taihape Area School and has a large area of bush and exotic trees bounded by the Hautapu River. For some time there have been discussions within Taihape about improved facilities for users of the Taihape Memorial Park. This has been prompted in part by the run-down nature of some facilities (including those within the historic grandstand) as well as by the perceived opportunity to share facilities (as has happened in other places in New Zealand).

During 2015/16, in conjunction with an expert adviser contracted by the Council, the Memorial Park User Group studied this matter closely, including visits to facilities in other districts. As a result, an amenity block containing changing rooms and toilets is proposed – with structural capacity for a future recreational facility as an upper storey. The initial facility would be similar to the Taitoko Pavilion in Playford Park, Levin, shown on the top below. An artist's impression of a second storey addition is shown on the bottom below.



There are several viable locations for this facility (shown as green dots in image) – east of the grandstand, north of the netball courts, the existing public toilets or on the east side of the pool complex. If this proposed development is supported, there will be engagement with the Taihape community to establish the preferred site. Whichever site is selected will influence further developments in the Park.



If the proposed new amenity block finds support during this consultative process, during 2016/17, Council envisages a separate discussion with the Taihape community about the future of the historic grandstand, given its declining use and earthquake-prone status.

The User Group would seek funding of an additional \$100,000 to complement the proposed Council capital expenditure of \$500,000, funded on a District-wide basis. This capital contribution has been included within the budgets for the draft 2016/17 Annual Plan.

The review of the Park's facilities has identified a number of development opportunities, in addition to installing underground irrigation which was agreed to as part of the 2015/25 Long Term Plan:

- creating a network of formed tracks and walkways,
- upgrading (and possibly relocating) the current playground and skateboard facility, and
- providing a towable covered grandstand which could increase the use of Fields 2 and 3 – the historic grandstand is linked to Field 1.

These are matters for further consideration, either in the 2017/18 Annual Plan or the 2018/19 Long Term Plan.

Options

OPTION 1. Preferred option – Council’s proposal Proceed with construction of a new amenity block in Taihape Memorial Park, including structural capacity for an upper storey which would provide a further recreational facility, conditional on \$100,000 being obtained from external agencies.

The proposed amenity block represents the consensus achieved during the past year between the various groups using Memorial Park. It is endorsed by the Taihape Community Board. It fulfils a need, without detracting from other facilities in the Park. Making provision for a second storey (at an estimated cost of \$10,000) provides an assurance to the community that development of a recreational facility is viable. Council envisages that this further development would be funded externally.

Likely consequences:

On Rates
Council’s capital contribution of \$500,000 would be loan funded through the Uniform Annual General Charge. The initial rates impact is in 2017/18 - \$6.31 per separately used or inhabited rating unit.
On Debt
As a new proposal, it will add to Council’s total debt as projected in the 2015/25 Long Term Plan.
On Levels of service
Increased.

OPTION 2. Do not proceed with the proposed amenity block but give further consideration to refurbishing the facilities in the grandstand.

This option sets aside the consensus reached by the Taihape Memorial Park User Group and endorsement by the Taihape Community Board. Upgrading of the facilities in the historic grandstand would probably be more expensive than the proposed new amenity block (because current building compliance requirements would need to be addressed) and may not achieve that standard. This option could not proceed until there had been consultation with the Taihape community about the future of the grandstand.

Likely consequences:

On Rates
Council’s capital contribution of \$500,000 would be removed from the final budget for the 2016/17 Annual Plan. This has no impact on 2016/17 rates as the initial charge would have been in 2017/18.
On Debt
Nil
On Levels of service
Unchanged.



Multi-sports artificial turf facilities in Marton

Rangitikei College and Nga Tawa Diocesan School are collaborating to develop an artificial turf facility available for the wider community. The artificial turf at Centennial Park was damaged during the June 2015 rainfall event and Council’s insurers have confirmed that the insurance pay-out does not necessarily have to be used to reinstate that particular facility but may be used for a similar facility elsewhere in the District.

The collaboration between the two schools is based around the development of two complementary facilities:

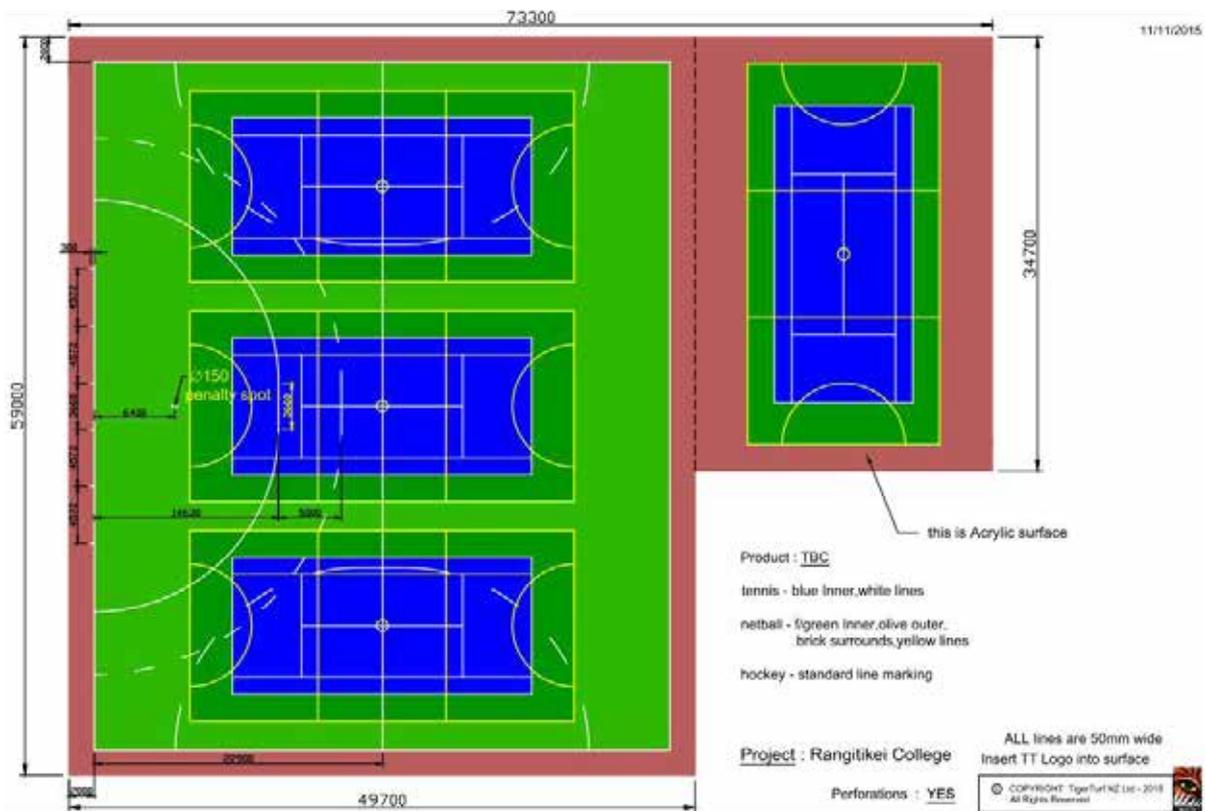
1. A general purpose (multi-sport) turf facility at Rangitikei College that will be available for general community use; and,
2. A national standard hockey water turf available for local schools and all Rangitikei hockey teams, plus twilight hockey/soccer.

There is strong support from Sport Whanganui, Rangitikei Hockey and schools throughout the District for this combined development.

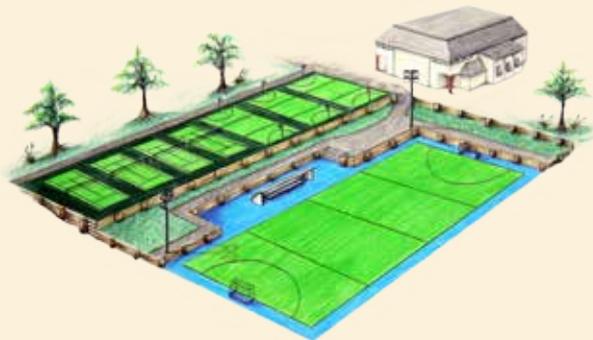
Through the proposed Rangitikei College facility, local schools and the general community will have free 24/7 access to a multi-sport facility. This facility will enable all local schools to provide their pupils with access to a standard of facility not currently available locally. The proposed layout of the facility is shown below.

The estimated cost of this proposed multi-sport turf is \$450,000 for which the College has secured the majority of the funding, along with significant contributions from the community.

Nga Tawa Diocesan School’s proposed water turf will provide a specialised facility that schools with hockey programmes (or similar sporting



programmes) can access for their students, and well as a providing a quality local venue for Rangitikei hockey teams. Currently, local hockey teams have to travel outside of the District for games. The specialised turf proposed at Nga Tawa School is shown below. The estimated cost of the proposed development is \$1.6 million of which the School has already raised \$100,000.



This integrated turf concept is based around the opportunity for all local schools to be able to provide their students with access to good quality general multi-sport facility (through Rangitikei College) and then to a specialised turf (at Nga Tawa Diocesan School) as they progress through to a structured hockey programme or other sports requiring a dedicated turf.

The former artificial tennis turf at Centennial Park (Marton) was extensively damaged in the floods of June 2015, and requires reinstatement rather than repairs. Council had the turf insured and a pay-out of \$100,000 for reinstatement has been approved. The pay-out is based on a condition that a new turf is established, but that does not need to be at Centennial Park.

So, there are two issues:

(A) How should this insurance pay-out be used?

OPTION 1. Preferred option - Council's proposal Support the proposed development of turf facilities in Marton by assigning the \$100,000 insurance pay-out to Rangitikei College.

Council prefers this option because it provides the community with a more extensive turf facility than reinstating the turf at Centennial Park would provide; that area would be developed for other recreational purposes. The projected

timeline for the College turf is one which will be acceptable to the Council's insurers, whereas Nga Tawa's development is still one or two years away. The College is agreeable to entering into a Memorandum of Understanding so that there is clarity over the community's rights of access to the College facility. Council would not make any payment until construction had begun.

Likely consequences:

On Rates
Nil
On Debt
Nil
On Levels of service
While Council will no longer own an artificial turf, the development of these facilities will represent an increased level of service for the community.

OPTION 2. Reinstatate the turf at Centennial Park

This option has no dependency on either school or their fund-raising efforts and guarantees the provision of an artificial turf in Marton. But by not supporting either or both the proposals at Rangitikei College and Nga Tawa, there is the potential loss of a much enhanced facility for the community. And if either proposal went ahead despite the lack of Council support, the Centennial Park facility would have reduced use and probably seen as a wasted opportunity to do something better for the community. The likely cost of reinstatement of the turf will be \$105,000, slightly more than the insurance pay-out of \$100,000. This difference would be funded through the Uniform Annual General Charge

Likely consequences:

On Rates
\$0.75 per separately used or inhabited rating unit.
On Debt
Nil
On Levels of service
Unchanged.

(B) To what extent should Council make a rate-funded contribution to these turf developments?

The cost of developing the proposed turf facilities is significant, and both schools will require funding beyond their respective resources. Rangitikei College is hoping to have its multi-sport turf completed in 2016, while Nga Tawa Diocesan School is working on a two-year development programme. Council has been asked to contribute up to \$100,000 to the development of each of these facilities (\$200,000 in total) in addition to the insurance pay-out. Any such contribution will require additional funding from ratepayers – in 2016/17 for the Rangitikei College proposal, and in 2017/18 for the Nga Tawa proposal.

When Council considered the funding of a multi-sports turf in the 2009/19 Long Term Council Community Plan, it decided that while there was a potential benefit to the whole community in having such a facility, the allocation of cost should have some regard for the proximity of the facility and likely use. The allocation then was: Marton town 40%; Marton Ward: 30%; Bulls Ward: 15%; District-wide: 15%. However, since then Council has adopted a District-wide approach to rates, and a new rates type would be necessary if it was decided to adopt the 2009 approach for funding these turf developments.

There are a number of options. Council has not formed a view about contributing rate-payer funding and is looking for guidance from this consultation.

a	A rate-funded contribution of \$100,000 to Rangitikei College and \$100,000 to Nga Tawa Diocesan School
b	A rate-funded contribution of \$100,000 to Rangitikei College only
c	A rate-funded contribution of \$100,000 to Nga Tawa Diocesan School only
d	A rate-funded contribution of \$50,000 to Rangitikei College and \$50,000 to Nga Tawa Diocesan School
e	A rate-funded contribution of \$50,000 to Rangitikei College only
f	A rate-funded contribution of \$50,000 to Nga Tawa Diocesan School only
g	Other
h	No rate-funded contribution to either school

On a District-wide the rates impact for a \$100,000 rate-funded contribution would be (for each separately used or inhabited part of a rating unit) \$15.16.



What has changed for 2016/17 from the Long Term Plan?

The following sections outline the main changes in activities and projects from what was stated in the Long Term Plan to happen in 2016/17. The full Annual Plan outlines the programmes and projects for each group of activities.

Securing a robust roading network

The overall cost of repairing the District's roads following the extreme rainfall over 20-21 June 2015 is \$12.7 million. This scale of work cannot be done within 2015/16, there was also significant damage in neighbouring districts and on the state highway network, requiring work from a limited pool of engineers and contractors. About one third (estimated at \$4 million) will be done during 2016/17 with a projected enhanced Funding Assistance Rate (FAR) payment of \$3.59 million.¹ The difference ("the local share") is funded from the flood-damage roading reserve. However, while this sum is included in the draft budgets, there is uncertainty about this projection, because the enhanced FAR (i.e. 83% or an additional 20%) would not normally apply for the first \$1 million of damage in each financial year.

This event means that as at 30 June 2016 the flood-damage roading reserve is projected to be \$1.030 million – smaller than the \$1.2 million at the start of the financial year, despite the transfer in of \$550,000 as envisaged in the 2015/25 Long Term Plan. If the New Zealand Transport Agency (NZTA) decides not to apply the enhanced FAR until after the first \$1 million of expenditure in 2016/17, completing the programmed work in 2016/17 would see the flood damage roading reserve drop to \$718,000 (or \$918,000 following the budgeted transfer of funds into the reserve). If there were a significant event in 2016/17, it could be necessary to fund part of the local share through a loan.

An alternative to relying solely on reserve funds is to seek insurance for these situations. Some councils have begun to do this already, targeting bridges. The 2015/25 Long Term Plan forecasted there would be a transfer of \$200,000 in 2016/17 into the flood-damage roading reserve. This extent of funding remains budgeted for, but Council will consider whether a portion of this should be used for insuring bridges (particularly boundary bridges



– i.e. those shared with a neighbouring local authority). The 2015/25 Long Term Plan envisaged a roading reserve of \$3.5 million by 2025, but that may be reviewed if insurance is obtained as a partial buffer for the additional costs in repairing flood-damaged roads.

The 2015/25 Long Term Plan noted uncertainty about the effect of the One Network Roding Classification (ONRC) on the level of service of the District's roads. The main risk comes from the link between the FAR and the defined level of service for particular roads. If the current level of service is too high, the FAR will not support its continuation. The consequence of that is that either a higher proportion of the maintenance will come from rates or the level of service would reduce – at its most extreme some sealed roads would gradually reduce to being unsealed.

That uncertainty is expected to be resolved by December 2016. However, any financial implications from applying the ONRC would not take effect until 2018/19 – i.e. the first year of the next Long Term Plan (i.e. for 2018/28).

¹This is the reason for the difference in operating revenue in the financial information on page 19.

Options

OPTION 1. Council's preferred option

Retain \$200,000 as the planned transfer into the roading reserve (with some possible reduction to provide insurance as an alternative buffer).

Council considers this is the most financially prudent option while other funding options are explored. The June 2015 event showed that NZTA was willing to negotiate on its funding for repairing roads after emergencies. With Council's minimal debt level, loan funding can be secured on favourable terms should that be needed to cover costs to repair roads if a major flood event occurred during 2016/17.

Likely consequences:

On Rates
Nil
On Debt
Nil
On Levels of service
Unchanged.

OPTION 2. Increase the planned transfer into the roading reserve to \$400,000 (with some possible reduction to provide insurance as an alternative buffer).

This alternative would give greater flexibility in funding repairs to the roading network if there were a major flood event in 2016/17, and would assist in ensuring the target reserve of \$3.5 million would be achieved. However, there is a rates impact.

Likely consequences:

On Rates
In 2016/17, a property valued at \$150,000 would pay an additional \$14.76. In 2016/17, a property valued at \$500,000 would pay an additional \$49.24.
On Debt
Nil – but may reduce the need to borrow should there be an adverse event causing substantial damage to the roading network.
On Levels of service
Unchanged.

Wastewater upgrades

The consent for the discharge of treated wastewater from Bulls into the Rangitikei River expired in 2010. There has been discussion with Horizons for several years, because of that Council's preference that the current discharges from Bulls, Sanson, Ohakea and Riverlands were consolidated. However, that has proved impracticable, and the focus of the past twelve months is identifying an operational system for Bulls which would satisfy Horizons. Part of that has entailed discussion with local Iwi and identifying a filtering of the discharge into the river as well as a land-based component when the ground could safely absorb it. Horizons has the consent application under consideration but consent approval timing, and conditions (and cost implications from that) are not yet known. The 2015/25 Long Term Plan envisaged that this project would be completed during 2015/16.

The consent for discharges from the Marton wastewater plant into the Tutaenui Stream expires in 2019. A major difficulty for this plant has been the historically low flows in the Tutaenui Stream over summer months resulting in the wastewater

discharge being occasionally non-compliant. Dealing with leachate from the Bonny Glen landfill has exacerbated this non-compliance. Council has decided that it will not accept untreated leachate after 30 June 2016. Currently the landfill operator is looking at options to treat leachate on site or send the leachate elsewhere. Council has convened a community reference group to discuss options for the upgraded plant.

The Wanganui Road sewer main renewal has been brought forward to 2015/16 to align with the roading programme for resealing that section of road. As a consequence, the renewal of the sewer main in Broadway, Marton – initially programmed for 2015/16 – has been re-scheduled for 2016/17. This decision is not expected to have any impact on service levels.

Consultation will continue with the Koitiata community about its long-term needs for wastewater disposal. Currently there are tests being conducted on ground water in the settlement to determine the extent of any environmental and public health impacts of septic tanks.

More resilient stormwater systems

The focus for stormwater in the 2015/25 Long Term Plan was improving the information held about stormwater assets in the District to clarify ownership (and responsibility) by Horizons, the District Council and private property owners. Also signalled was upgrading or expanding networks including areas currently under-serviced and improvements at key locations in the Marton stormwater network.

The extreme rainfall event in June 2015 showed up a number of locations in Marton where upgrade work in the stormwater system is necessary to mitigate

future flooding. Issues were also experienced in Bulls and further investigation will be undertaken during the year to determine what work should be done.

The work is estimated as costing \$500,000. This does not require additional rates as it is being funded from reserves.

It is not yet clear whether (and, if so, when) Horizons will require consents for stormwater run-off from Marton or other towns. Accordingly, there is no projected rates impact in 2016/17.

Earlier identification of a site for the Marton civic centre development

Note: Refer to supporting documents on this issue.

During 2014/15, Council undertook a facilitated consultation on town centre plans for Bulls, Marton, Hunterville and Taihape. These were adopted in the 2015/25 Long Term Plan. For Marton, the development of a new Civic Centre on Broadway, between High Street and Follett Street, was seen as a catalyst for the revitalisation of the main street as well as improving the delivery of Council services. The Council's administration building and the Marton Library are certain to need strengthening once the Government's Buildings (Earthquake-prone buildings) Amendment Bill is passed during 2016 – conceivably this work will be required within five-ten years. That strengthening work is estimated to cost at least \$1 million. The Long Term Plan did not identify a specific site for the new Civic Centre, but suggested that the best location was on the corners of Broadway and High Street or Broadway and Follett Street. The Civic Centre will not include a hall facility. This will remain at the Memorial Hall.

The 2015/25 Long Term Plan envisaged this project would start in 2018/19 and be completed the following year. However, as a result of altered circumstances in the CBD Broadway block between High Street and Follett Street, Council has negotiated a right to purchase for \$170,000 (GST excl.) the three properties on the corner of Broadway and High Street – i.e. Cobbler, Davenport and Abrahams & Williams – as the site for a new Civic Centre. Exercising that right of purchase is conditional on demonstrable community support being evident through the Annual Plan consultation process.

If Council proceeds with this purchase, the High Street sites currently occupied by the Administration building and the Library will not be needed. They would both be sold, with the proceeds being put towards the cost of the new Civic Centre. The Parks team currently have their operational base in the King Street depot alongside the Marton Waste Transfer Station and it is envisaged that the Utilities team would also be based there.

The timing of the build would not necessarily begin sooner than envisaged in the 2015/25 Long Term Plan. In part, this is because these buildings are all in the Category 2 list maintained by Heritage New Zealand and a resource consent will be required to demolish them. In addition, while the buildings post-date 1900, there was earlier activity on these sites, and it is likely that Heritage New Zealand will pursue its statutory ability to investigate that. Whatever its timing, this project will address the long-term provision of public toilets in the Marton CBD.

There would be no impact on rates in 2016/17 if this project was brought forward to 2017/18. The purchase price for the land and buildings is part of the capital cost of the new Civic Centre and would be loan funded, with an initial rates impact in 2017/18. If Council's purchase of the three properties is confirmed, a design for the new Civic Centre would be developed in 2016/17.

The Long Term Plan projected Council's rate-funded capital contribution to a new Marton Civic Centre as \$1.64 million.

Options

OPTION 1. Council's preferred option
Proceed with the purchase of the Cobbler/Davenport/Abrahams & Williams buildings on 310-318 Broadway/4-10 High Street, Marton, as the site for Council's administration and library services.

Council considers this is the preferable site for a new Civic Centre for Marton as it opens onto the Civic Square diagonally opposite. Taking this decision now sends a strong signal to businesses operating in the CBD and means that the need to strengthen the administration and Library buildings will be avoided. Council's heritage protection strategy and the proposed changes to heritage buildings in the District Plan are both likely to help find a historically sympathetic and functional Civic Centre.

Likely consequences:

On Rates
2016/17 Nil [but 2017/18 will be the first year when there is a rates impact rather than from 2018/19].
On Debt
The level of debt is unchanged from that projected in the 2015/25 Long Term Plan [but the debt will start a year earlier].
On Levels of service
Increased level of service.

OPTION 2. Do not proceed with the purchase of the Cobbler/Davenport/Abrahams & Williams buildings on 310-318 Broadway/4-10 High Street, Marton, as the site for Council's administration and library services.

This option means that Council will not exercise its right to purchase and it will be over to the owners to find interest in these three buildings from others. There is a risk that these buildings will remain unoccupied, and thus detract from the CBD precinct; more significantly, the opportunity to take a prime site for a new Civic Centre is lost and Council will come under pressure to strengthen the current Administration and Library buildings rather than invest in a new Civic Centre.

Likely consequences:

On Rates
2016/17 Nil [but 2017/18 will be the first year when there is a rates impact rather than from 2018/19].
On Debt
The level of debt is unchanged from that projected in the 2015/25 Long Term Plan [but the debt will start a year earlier].
On Levels of service
Unchanged.

Bulls multi-purpose community centre

Final designs for this facility are expected to be finished by end of June 2016, by which time Council expects to know the outcome of its application for funding from the Lotteries Community Facilities Fund and Powerco Trust. Council needs to be confident of the level of external funding before exercising its right to purchase part of the Criterion Hotel site, calling tenders for the construction of the new facility, and starting arrangements to dispose of sites which will not be needed once the new facility is open.

The 2015/25 Long Term Plan envisaged completion of this facility by June 2017. The more likely date is December 2017.

Refer to pages 68 and 112 in the Council's Long Term Plan 2015-25.



Partnering for community housing

The Long Term Plan notes that Council will continue to seek partnership with a social landlord (e.g. a community trust) to manage its community housing units with the aim that they will become self-financing in the medium to long-term. In November 2015, expressions of interest were sought.

Council has sought clarification from each of these potential providers on the processes and timelines each envisages becoming registered with the Community Housing Regulatory Authority or being formally associated with a registered

social housing provider. Once that information is obtained, a formal evaluation of these expressions of interest will be undertaken and reported to Council. The outcome of that may be agreement to negotiate with one or more potential providers or a direction to invite further tenders.

No budgetary changes are anticipated in continuing this process. Council committed \$100,000 in each of 2015/16, 2016/17 and 2017/18 for upgrades to the current units.

Emergency management – changes and opportunities

(A) Finding viable options for flood-prone communities

The communities at Whangaehu and Kauangaroa have experienced substantial flooding on four occasions in little over a decade. A number of options have been considered before, including raising stop banks, lifting houses and relocating the residents in these communities. However, the financial support for such measures has been problematical, looking for Council to contribute one third of the cost. Recently the Ministry of Civil Defence and Emergency Management has made explicit that there is scope to make a case for special assistance in such circumstances. Council proposes to do this, in conjunction with Horizons, relevant Government agencies and in consultation with residents in these communities.

(B) Integrated fire service

In November 2015, the Minister of Internal Affairs announced, following a review of the delivery and funding of urban and rural fire services, that an integrated service would be implemented by mid 2017. This will mean the end of the separate rural fire services currently supported by Council. It is not yet clear what the budgetary implications of this change will be, but it will impact on the District's Civil Defence capability as the volunteer firefighting crews have been an integral part of responding to Civil Defence emergencies and the District's Principal Rural Fire Officer undertakes these duties in conjunction with his Civil Defence role.

Economic development

A key choice in the 2015/25 Long Term Plan was the extent to which Council would invest in economic development. Council committed to continue developing the detail of the Rangitikei Growth Strategy, including the District Promotion Strategy and the Events Strategy – in consultation and collaboration with the Regional Growth Strategy (“Accelerate25”) and the stakeholders who are members of the Council’s theme groups. This programme will continue in 2016/17.

In addition, there are two important initiatives concerning increased agricultural productivity which Council has been promoting during 2015/16 and which require further work in 2016/17.

The first initiative is securing co-funding from the Ministry for Primary Industries for the investigation

of the feasibility of a new rural water supply in the Tutaenui area, which is associated with reshaping the way the Hunterville Rural Water Supply Scheme operates so that it has long-term viability. While the Ministry of Health has approved a subsidy for providing Hunterville town with an alternative water source to the Hunterville rural scheme, it is not yet clear how the additional water which would be released could be used by farms serviced by the rural scheme.

The second initiative is finding a mechanism (and funding) for useful access into the blocks in the north of the District of Maori-owned land which is land-locked by other properties. At present this land (approximately 43,000 ha) is largely unproductive and has all rates remitted.

Proposed addition to Council’s rates remission policy

Council proposes the following addition to its rates remission policy:

Remission of rates on the grounds of financial hardship, disproportionate rates compared to the value of the property or other extenuating circumstances.

Council may, on application of a ratepayer, remit all or part of a rates assessment for one or more years if satisfied there are sufficient grounds of financial hardship by the ratepayer, or where the size of the annual rates assessment compared

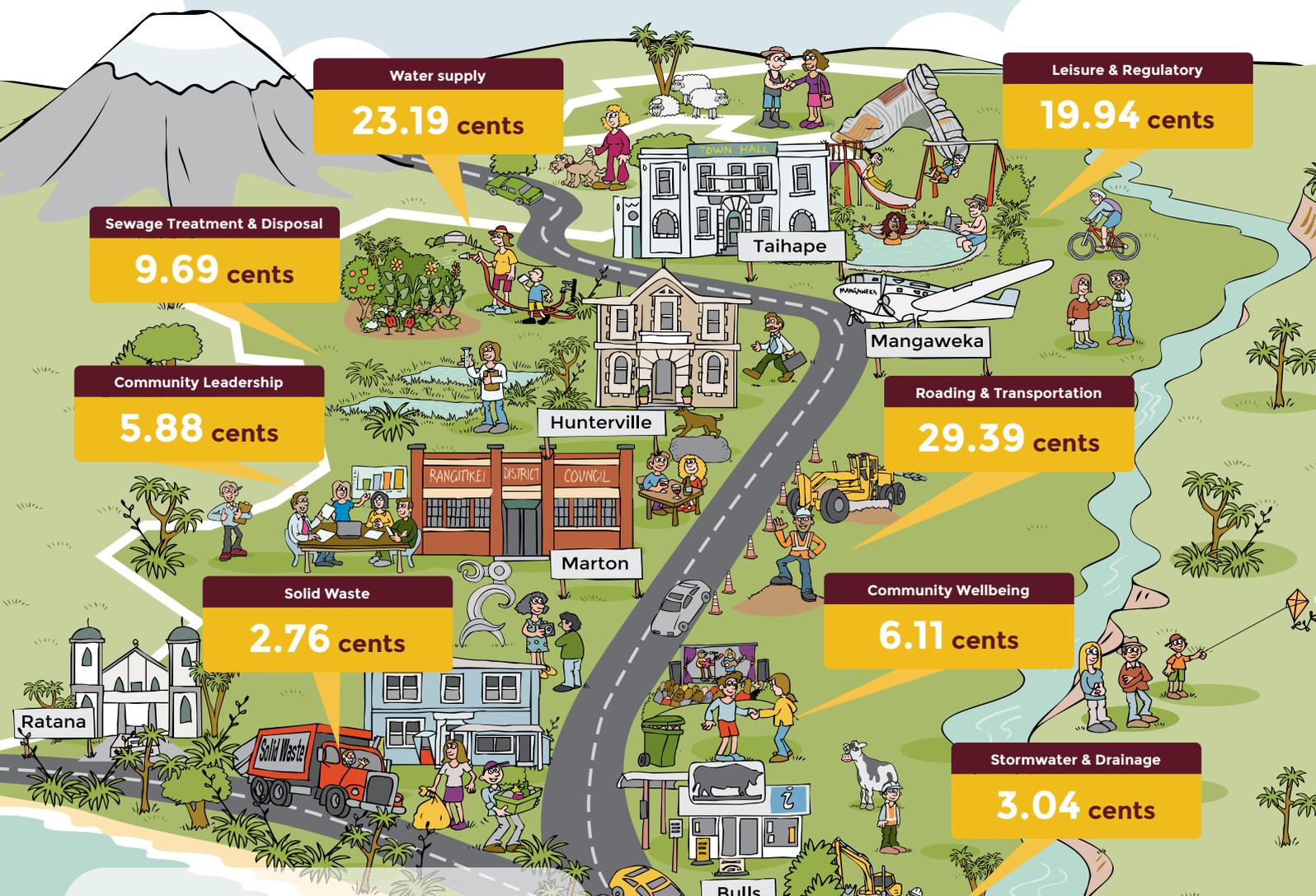
with the rateable value of the property is deemed disproportionately high, or where there are other extenuating circumstances to do so.

Council’s threshold for ‘disproportionately high’ is where the annual rates assessment exceeds 10% of the rateable value of the property.

Council is able to reduce or waive rates only in those circumstances which it has identified in policies. This addition allows Council to consider individual circumstances, but it does not compel Council to reduce or waive rates.

Council Activities in the Rangitikei District

All the facilities and services we enjoy in the Rangitikei District are provided for by the rates and charges that you pay.



Making a Dollar Go Round

Water supply
23.19 cents

Leisure & Regulatory
19.94 cents

Sewage Treatment & Disposal
9.69 cents

Community Leadership
5.88 cents



Solid Waste
2.76 cents

Rooding & Transportation
29.39 cents

Community Wellbeing
6.11 cents

Stormwater & Drainage
3.04 cents

Leisure & Regulatory includes:
Cemeteries, Community Housing, Domains, Forestry Investments, Halls, Libraries, Public Toilets, Real Estate, Swim Centres, Building Consents and Dog Control

Community Leadership includes:
Council, Council Committees, Elections, Ratana Community Board, Taihape Community Board

Community Wellbeing includes:
Civil Defence, Community Awards, District Promotions, Information Centres, Rural Fire

- Every dollar you provide in rates and charges is divided over the cost of the services and facilities that Council provides. Specific targeted rates and user charges are divided in a way that makes our rating system as equitable as possible.

- In Rangitikei District urban ratepayers provide about 50.5% of the rates money used for district's services and facilities and rural ratepayers provide about 49.5%. This means that urban and rural ratepayers share the costs of the district's facilities and services almost equally.

The financials

Examples of Impacts of Rating Proposals in 2016/17

A more detailed schedule is included in the full draft of the 2016/17 Annual Plan.

Location	Land Value	Capital Value	Proposed 2016/17	Actual 2015/16	Difference \$	Percentage
KOITIATA						
Koitiata	60,000	130,000	1,275	1,255	20	1.57%
TAIHAPE						
Taihape (Commercial)	160,000	265,000	2,850	2,823	27	0.96%
Taihape Non-commercial)	55,000	155,000	4,548	4,476	72	1.60%
HUNTERVILLE						
Hunterville Commercial)	43,000	245,000	2,083	2,155	(72)	-3.35%
Hunterville (Non-commercial)	95,000	270,000	2,149	2,221	(72)	-3.24%
MARTON						
Marton (Commercial)	63,000	280,000	4,795	4,691	105	2.23%
Marton (Commercial)	85,000	160,000	2,542	2,523	19	0.77%
Marton (Industrial)	148,000	680,000	4,300	4,344	(44)	-1.02%
Marton (Non-commercial)	82,000	385,000	3,140	3,120	20	0.65%
Marton (Non-commercial)	18,000	65,000	2,290	2,271	19	0.83%
BULLS						
Bulls (Commercial)	160,000	280,000	4,476	4,345	131	3.01%
Bulls (Non-commercial)	82,000	240,000	2,755	2,735	20	0.72%
Bulls (Non-commercial)	54,000	76,000	2,319	2,300	19	0.82%
RATANA						
Ratana	12,000	72,000	2,486	2,463	22	0.91%
RURAL NORTH						
Erehon	8,075,000	9,500,000	28,999	28,875	124	0.43%
Te Kapua	900,000	1,220,000	4,201	4,169	32	0.76%
Awarua	200,000	400,000	2,021	1,993	28	1.42%
Ohingaiti	6,500	62,000	1,123	1,096	27	2.44%
MANGAWEKA						
Mangaweka	14,000	82,000	2,363	2,337	26	1.13%
RURAL SOUTH						
Rangatira	9,700,000	13,350,000	40,134	39,983	151	0.38%
Porewa	230,000	600,000	2,524	2,503	22	0.87%
Pukepapa	108,000	375,000	2,612	2,499	113	4.50%
Scotts Ferry	50,000	155,000	1,342	1,322	20	1.50%
Whangaehu (Large dairy/pastoral)	1,200,000	1,230,000	3,270	3,265	5	0.15%
Rangitoto (Industrial)	270,000	2,600,000	7,841	7,811	30	0.38%

Summary changes in financial projections

More detailed financial information is contained in the draft 2016/17 Annual Plan

	Long Term Plan 2015/16 (\$'000)	Long Term Plan 2016/17 (\$'000)	Draft Annual Plan 2016/17 (\$'000)	Difference from Long Term Plan 2016/17 (\$'000)
Total operating revenue	30,416	31,780	35,317	3,537
Total operating expenditure	29,704	30,629	30,687	58
Capital expenditure	20,339	18,011	24,309	6,298

Financials

The increase in operating revenue is due to increased co-investment from NZTA to fund the cost of repairing flood-damaged roads.

The increase in planned capital expenditure is due to the work on flood damaged roads (\$4 million) and the carry-forward of budget provision for upgrades to the wastewater plants in Ratana, Bulls and Marton.

Separately Used or Inhabited Part of a Property (SUIP)

Council is proposing additional wording to the definition of separately used or inhabited parts of a rating unit (SUIPs) in order to clarify what is a SUIP. For more information on the change see the Funding Impact Statement in the draft 2016/17 Annual Plan.

How to have your say...

You can provide us with feedback on any matter in this document or anything else you want to raise by:

- Completing a written submission form, provided at the end of this document - send your submission to Freepost 172050 or email it to annualplan@rangitikei.govt.nz
- Completing an Online submission form – found at www.rangitikei.govt.nz/annualplan16-17
- In person – public meetings are being held across the District (see below):

Key dates:

4 April

Consultation period opens. Four week consultation period to 6 May.

6 April – 3 May

Public meetings held across the District (see below).

6 May

Consultation period closes at midday.

16 May

Hearing of verbal submissions (in Marton and via Skype, if required).

30 June

Council adopts final Annual Plan 2016/17.

Public meetings:

The Council will be holding public meetings across the district:

6 April – 5.30pm

As part of the Taihape Community Board meeting – Taihape Town Hall

7 April – 7.30pm

As part of the Turakina Community Committee meeting – Ben Nevis Hotel

10 April – 1.00pm

Kauangaroa - Kauangaroa Marae (venue TBC)

12 April – 5.30pm

As part of the Bulls Community Committee meeting, Bulls Town Hall Supper Room

13 April – 7.00pm

As part of the Marton Community Committee meeting, Youth Club, Humphrey Street, Marton

14 April – 6.30pm

Scotts Ferry – ReturnInn - 1946 Parewanui Road

18 April – 6.30pm

As part of the Hunterville Community Committee meeting, Former Library, Hunterville Town Hall

19 April – 6.30pm

As part of the Ratana Community Board meeting, Ture Tangata Office, Ratana Paa

20 April – 6.30pm

Mangaweka – Mangaweka Hall, Koraenui Street, Mangaweka

26 April – 6.30pm

Koitiata – Koitiata Hall, 58 Wainui Road, Koitiata

27 April – 6.30pm

Papanui – Papanui Junction School, 5642 Turakina Valley Road, Ruanui

3 May – 6.30pm

Tutaenui – Tutaenui Hall, 6 Griffins Road, Marton

Submission Form

Submitter details (please print clearly):

Your name:

Email address:

Preferred contact phone number:

Your postal address:

Town:

How would you prefer to receive correspondence relating to your submission and the hearings?:

- Email Letter

Would you like to speak to your submission at the hearings being held on 16 May? If yes, do you wish to (please tick):

- present in person in Marton at the Council Chamber
- dial in via skype from the Taihape Council Chamber
- dial in via skype from another location (please provide skype details)

Are you writing this submission as:

- an individual, or
- on behalf of an organisation

If on behalf of an organisation, please provide details:

Organisation:

Position:

- yes I would like to subscribe to Council's e-newsletter

Should Council continue to invest in youth development, and if so, to what extent? (please tick)

- Option 1** – Yes I support Council's proposal of developing the Marton Youth Club and Taihape Youth Club into Youth One Stop Shops – with a 50% external funding contribution
- Option 2** – I support developing the Marton Youth Club and Taihape Youth Club into Youth One Stop Shops – even if there was no external funding contribution
- Option 3** – I prefer Council continue to provide the current after-school and school holiday programmes in Marton and Taihape, while acknowledging Council may not secure long-term funding to cover part of the costs.
- Option 4** – No I don't support Council delivering youth services.

Do you have an alternative option?

Should Council construct a new amenity block in Taihape Memorial Park? (please tick)

- Option 1** – Yes I support Council's proposal of constructing a new amenity block in Memorial Park, conditional on \$100,000 being funded from external agencies.
- Option 2** – I do not support Council's proposal but do support further consideration of refurbishing facilities in the grandstand.

Providing a replacement multi-sport artificial turf facility in Marton using the insurance pay-out. (please tick)

- Option 1** – Yes I support Council’s proposal to develop turf facilities in Marton by assigning the \$100,000 insurance pay-out to Rangitikei College.
- Option 2** – I support the option of reinstating the Council’s hockey turf at Centennial Park.

Do you have an alternative option?

Should a ratepayer contribution be used to help fund the artificial turf? (please circle preferred option)

Options – I support the following option as the ratepayer contribution towards the turf development:

- a. A rate-funded contribution of \$100,000 to Rangitikei College and \$100,000 to Nga Tawa Diocesan School
- b. A rate-funded contribution of \$100,000 to Rangitikei College only
- c. A rate-funded contribution of \$100,000 to Nga Tawa Diocesan School only
- d. A rate-funded contribution of \$50,000 to Rangitikei College and \$50,000 to Nga Tawa Diocesan School
- e. A rate-funded contribution of \$50,000 to Rangitikei College only
- f. A rate-funded contribution of \$50,000 to Nga Tawa Diocesan School only
- g. Other: _____

- h. No rate-funded contribution to either school

Should Council increase the sum transferred into the roading reserve

- Option 1** – I agree with Council’s proposal to retain the \$200,000 transfer to the roading reserve
- Option 2** – I think Council should increase the sum transferred to the roading reserve to \$400,000

Should Council proceed with the purchase of the Cobbler/Davenport/Abraham & Williams properties on Broadway/High Street Marton as the site for Council’s administration and library services?

- Option 1 – Yes** – I think this is appropriate given these sites were one of the two preferred locations in the Town centre Plan for Marton’s civic centre.
- Option 2 – No** – I don’t think Council should take this opportunity and should concentrate on strengthening and upgrading its existing administration and library buildings

Do you agree with the proposed addition to Council’s rates remission policy?

- Yes No

What other issues would you like Council to consider as part of its planning for 2016/17? (use extra pages if necessary)

Privacy Act 1993

Please note that submissions are public information. The content on this form including your personal information and submission will be made available to the media and public as part of the decision making process. Your submission will only be used for the purpose of the annual plan process. The information will be held by the Rangitikei District Council, 46 High Street, Marton. You have the right to access and correct any personal information included in any reports, information or submissions.

Submissions close at midday on Friday, 6 May 2016.

Who we are...

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Taihape

TAIHAPE WARD

Mangaweka

Hunterville

HUNTERVILLE WARD

Marton

MARTON WARD

TURAKINA WARD

Ratana

Bulls

BULLS WARD

Cath Ash
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References

To find out more information, and view supporting documents on some issues contained in this Consultation Document, go to www.rangitikei.govt.nz/annualplan16-17, these include:

- The adopted 2015-25 Long Term Plan
- The full draft 2016/17 Annual Plan document
- The position paper on Youth Development
- The Marton Town Centre Plan
- Taihape Memorial Park – Future Development (summary)



Rangitikei
DISTRICT COUNCIL