

OUR PLACE | OUR PLAN

TŌTĀTOU WĀHI : TĀ TĀTAU MAHERE

THE NEXT 10 YEARS

TE TEKAU TAU E HAERE AKE NEI



ASHBURTON DISTRICT COUNCIL
LONG-TERM PLAN

2021-31

VOLUME 1

MESSAGE FROM THE MAYOR AND CE

KIA ORA KOUTOU

Our place is a great place! We live in a fantastic part of the world, with stunning scenery, great people, strong communities, and a prosperous economy. We want this to continue and keep thriving.

Every three years we develop a 10 year plan which sets out our direction. It lets you know what we will be doing, how much it costs, and how we intend to pay for it.

Our plan for the next 10 years is to:

- focus on completing the projects we've started – deliver on your priorities
- improve our infrastructure – particularly our drinking water supplies and roading network
- increase the resiliency of our district – make sure we're ready for when the next challenge arrives.

We have one of our largest capital works programmes planned for 2021/22. This has in part been caused by works being delayed in 2020/21 due to Covid-19, but is also due to the stimulus funding we received from central government which has brought infrastructure projects forward. In addition, we set out an ambitious 10 year plan in 2018 – a lot of the projects we have discussed with you in the past are now coming to fruition, it's an exciting but busy time!

Like all businesses, we have challenges as we head into the future. For us, this is the need for additional investment to meet higher drinking water standards and improvements in freshwater quality outcomes, increase resilience to climate change and natural hazards, and enhance community well-being. We have developed our plan with these in mind.

As we were finalising this plan, the Canterbury floods of May 2021 had impacted our district significantly. We know for those affected that this will be a lengthy recovery and we are committed to supporting and advocating for our community every step of the way. This ties in well with our commitment to building resilient infrastructure and in turn enabling resilient communities.

We are pleased to present this 10 year plan with an average rate increase of 4.1% over the ten years. The average rate increase for 2021/22 is 6.3%. This increase allows us to continue to deliver the levels of service our community expects across our activities and services. At no time over the period 2021/22 – 2030/31 are we expecting to breach our debt ratio limits. Council will remain in a strong financial position for the life of this ten year plan.

We look forward to continuing the conversations about Our Place with you and working together to help make Ashburton the district of choice for lifestyle and opportunity - Hakatere: te rohe ka whiria mō te āhua noho, me te hapori.

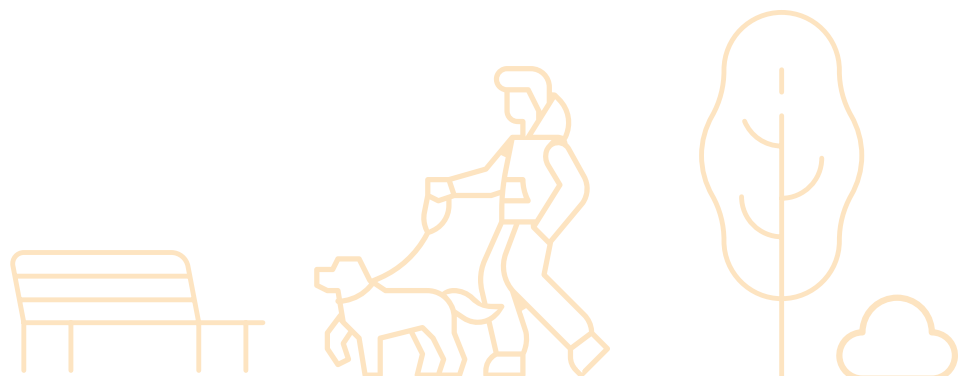
Ngā mihi nui



NEIL BROWN
MAYOR



HAMISH RIACH
CHIEF EXECUTIVE



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PART 1: OVERVIEW



2021-31

VOLUME 1

WHAT IS THE 10 YEAR PLAN?

Every three years we update our 10 year plan (also known as our Long-Term Plan). The plan helps to shape the future of our district, and outlines our intentions for the decade ahead - what we'll do, how we'll do it, how much we'll spend, who will pay, the level of service we'll provide, and how we'll measure the quality and effectiveness of our work.

Every three years we update our plan and discuss any big decisions we have with our community to make sure we're still working on what matters most to you.

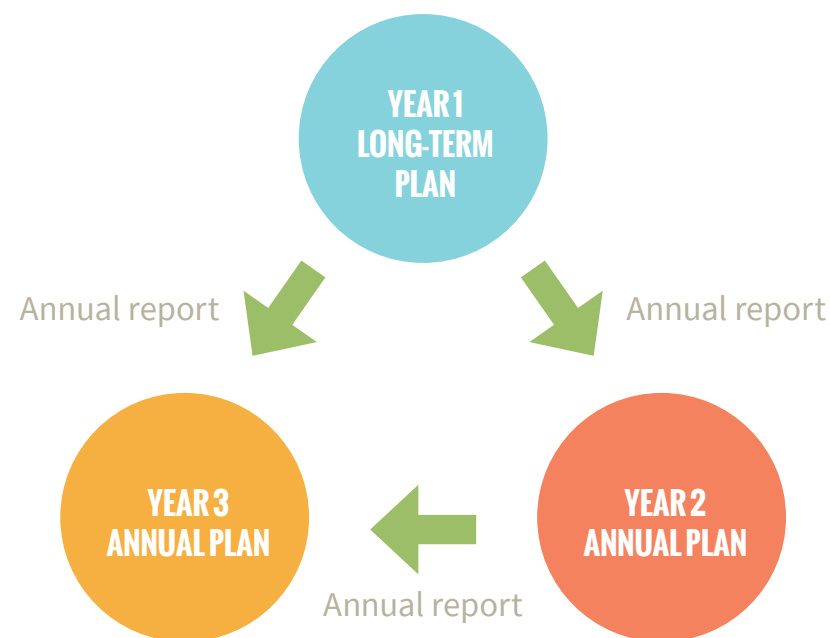
There are also a number of other documents that are related to this plan. Our Infrastructure Strategy sets out the big decisions we need to make over the next 30 years for our water and roading assets. Our Financial Strategy sets out how we will pay for the projects and services we provide. And these all sit underneath our vision, outcomes, and principles which show what we're aiming for and how we'll work towards getting there.

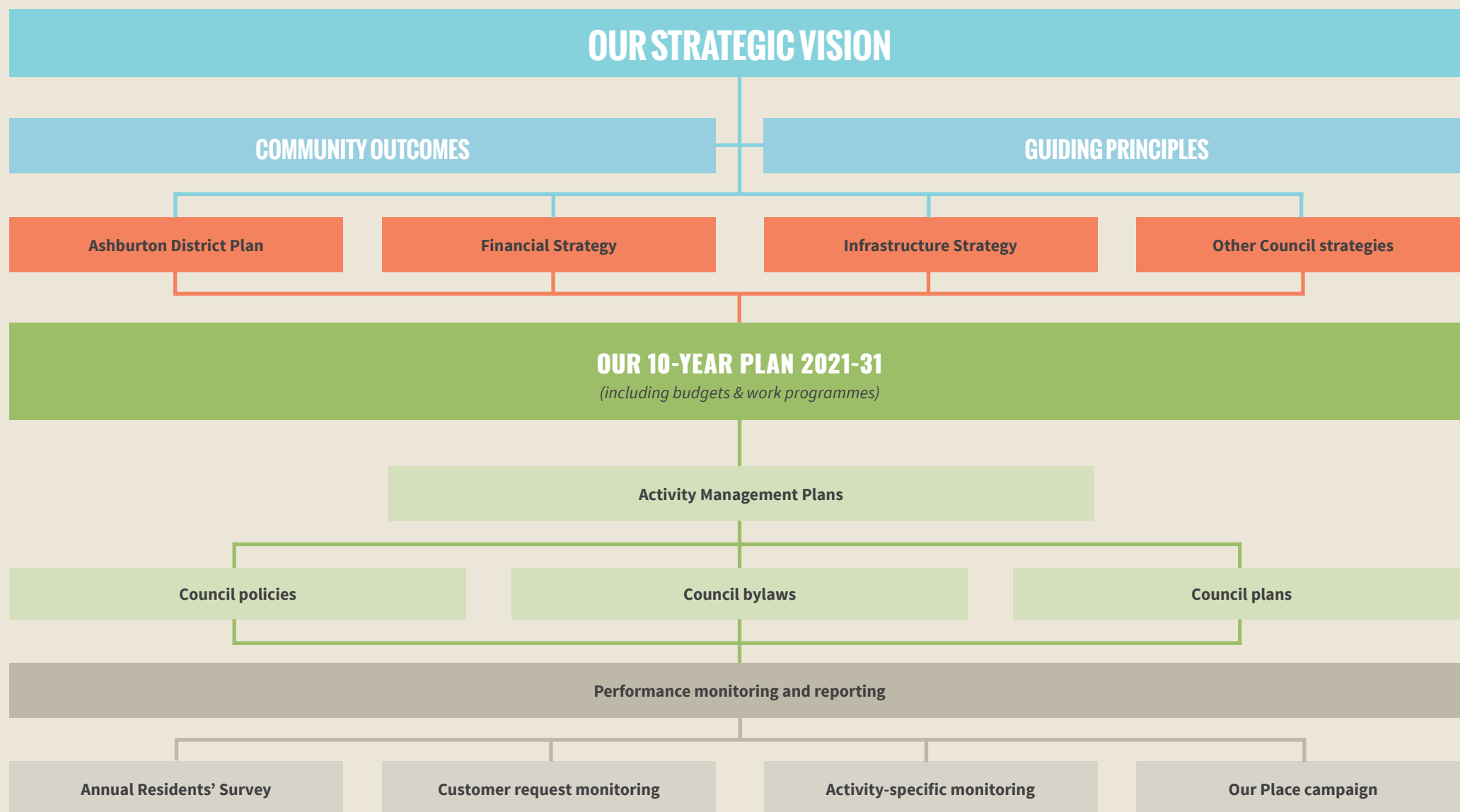
In the years between the updates of our 10 Year Plan, we take a fresh look at our work programme, consider whether any changes are needed, and publish an annual plan setting out any significant changes.

We also publish an annual report each year which considers the following:

- Did we do what we said we would do?
- Did we meet our budgets?
- Did we perform as expected?
- Did we contribute to improvements in the overall well-being of our district and its residents?

You can find all of these documents on our website at ashburtondc.govt.nz





OUR ROLES AND RESPONSIBILITIES

The Local Government Act 2002 (LGA) defines our power and responsibility.

This states our purpose is:

- to enable democratic local decision-making and action by, and on behalf of, communities; and
- to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future (we call these the four well-beings).

THE FOUR WELL-BEINGS

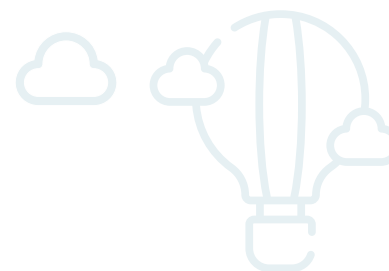
Social well-being	Economic well-being	Environmental well-being	Cultural well-being
Involves individuals, their families, whanau, hapu, iwi, and a range of communities being able to set goals and achieve them, such as education, health, the strength of community networks, financial and personal security, equity of opportunity, and rights and freedoms.	Whether the economy can generate the employment and wealth necessary to provide many of the requirements that make for social well-being, such as health, financial security, and equity of opportunity.	Whether the natural environment can sustainably support the activities that constitute healthy community life, such as air quality, fresh water, uncontaminated land, and control of pollution.	The shared beliefs, values, customs, behaviours and identities reflected through language, stories, visual and performing arts, ceremonies and heritage that make up our communities.

HOW WE WORK

Our council is made up of ten elected representatives – a mayor and nine councillors. It's their job to set the district's overall strategic direction, make strategies, bylaws, policies and plans, and approve budgets aimed at achieving that direction.

Part of their role is to listen and understand the community before making decisions. The mayor and councillors are also supported by the Methven Community Board, which has five elected members, and our youth council, with 13 members who help provide a youth voice.

Council staff, led by a Chief Executive, provide advice to the elected representatives, implement council decisions, and look after the district's day-to-day operations.



OUR STRATEGIC DIRECTION

Our strategic direction includes a vision, community outcomes and guiding principles.

Our vision is the overall, future focussed goal we are working towards.

Community outcomes also look to the future and take a 'whole-of-community' view. They integrate social, cultural, environmental and economic well-being. We aim to contribute to these outcomes in every activity that we deliver, however, we cannot achieve these alone. We will continue working with numerous organisations (e.g. health, business, environmental, community, government departments) who also contribute towards achieving these outcomes through the activities and services they provide.

Our guiding principles set out how we will function and deliver activities and services to our community.

OUR VISION

ASHBURTON : THE DISTRICT OF CHOICE FOR LIFESTYLE AND OPPORTUNITY

HAKATERE: TE ROHE KA WHIRIA
MŌ TE ĀHUA NOHO, ME TE HAPORI



OUR COMMUNITY OUTCOMES



Residents are included and have a voice
Ka whai wāhi, ka whakaputa kōrero kā
kainoho

Our community feels a sense of belonging, inclusion, and social connectedness. We celebrate our identity, heritage and cultural diversity. We are an organisation that collaborates with partners and engages in two-way dialogue with our communities in order for them to have the opportunity to influence local outcomes and decisions, and to gain a sense of ownership of our plans, strategies and decisions.

How success will be measured:

- Residents feel a sense of community with others in their neighbourhood
- Residents feel they have opportunities to have their say on Council business
- Residents believe they can influence council decision-making
- Numbers responding to consultations
- Numbers participating in local elections



A district of great spaces and places
He tiriwā pai, he wāhi pai i tēnei takiwā

Our community feels a sense of pride in living in our district. We have safe, vibrant and thriving communities. We recognise and cater for the range of generations within our community. Our district is well connected, and our social and recreational facilities enable people to enjoy positive healthy lifestyles. Our facilities and infrastructure are planned and developed to meet current and future needs.

How success will be measured:

- Resident satisfaction with available local community facilities
- Resident satisfaction with the general life-style opportunities available in our district



A balanced & sustainable environment
He taiao toitū

We are proud of our natural and built environments. We manage our environment and natural resources to ensure they can be enjoyed now and by future generations and recognise the vital role these play in sustaining our district. We actively support improving the health of our district's rivers, lakes and waterways. Our unique landscapes and indigenous biodiversity are valued. Waste reduction, recycling, energy conservation and efficiency, and water conservation are a part of how we all live.

How success will be measured:

- Resident satisfaction with the state of the district's environment and biodiversity
- Resident satisfaction with Council's activity to care for the districts environment and biodiversity
- Council meets its resource consent conditions for consents held (eg water abstraction, wastewater discharges)



A prosperous economy based on innovation and opportunity
He ōhaka whai rawa i ruka i te aroka hou
me te whai āheika

We are a welcoming, enabling and business friendly district that encourages local economic development. We provide opportunities for people of all ages and at all phases of life to enjoy a quality of living within our district that is economically sustainable and affordable. We recognise and manage the effects of population growth and actively promote the district as a destination of choice. We value the role our district's natural, cultural and social assets play in supporting economic development.

How success will be measured:

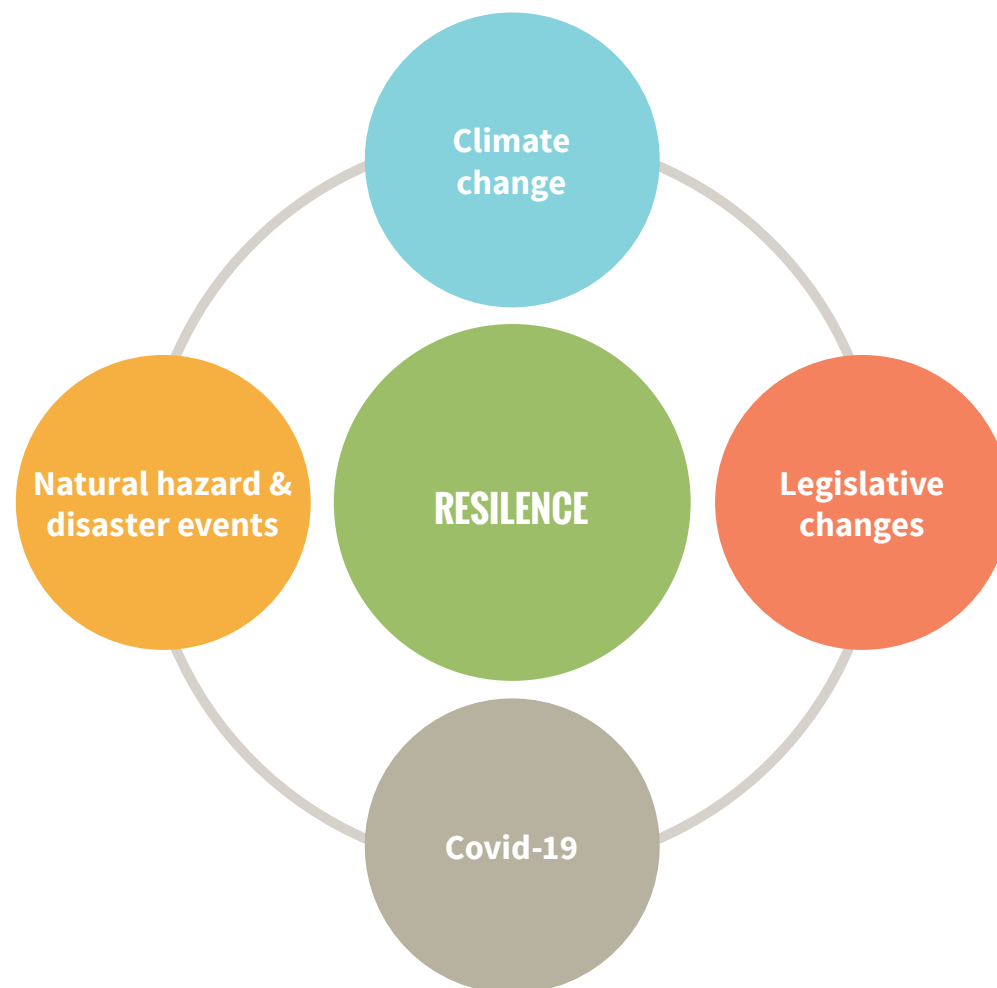
- Housing affordability index trends
- Rental affordability index trends
- District GDP trends
- Unemployment rate trends
- Tourism spend trends

RESILIENCE AND OUR DISTRICT

As guardians of our district we are striving to constantly improve the resilience of our communities. The future is uncertain and the impact of a global pandemic has brought home just how challenging uncertainty is.

Preparing our district to better cope with challenges and shocks by making our infrastructure and communities more resilient is at the heart of this 10-year plan. Over the next ten years, the physical challenges of climatic change, potential seismic activity from the Alpine fault, as well as emerging social and community issues around the local effects of the Covid-19 global pandemic, government legislation, immigration and affordable housing will need to be addressed to continue to build a resilient district. This is as much about strong communities, businesses and services as it is about our natural environments and the ability of infrastructure to support it.

Resilience doesn't just mean being strong in the face of an adverse event. It isn't just about maintaining critical functions and bouncing back into shape after something occurs. It includes the ability to recover in the long-term and if necessary to adapt to a new environment, thriving in the face of adversity and the capacity to co-create a new future. As a district, we are interdependent on each other as neighbours, as communities of interest and identity, as well as geography. How well we respond and set off on the pathway to recovery cannot just depend on how badly we are hit, but how well we work together.



WHAT CHALLENGES ARE WE FACING?

LEGISLATIVE CHANGES

Market / central government response	How is / could our community (be) affected?	How are we building resiliency to cope with the change?
<ul style="list-style-type: none"> Water reforms Freshwater NPS Resource Management Act reform Future for Local Government Review Indigenous Biodiversity NPS & Te Mana o Te Taiao Increased waste levy 	<ul style="list-style-type: none"> Additional compliance costs Changes will need to be made to current practices More attention required by Council to biodiversity across the district Higher waste charges to send material to landfill 	<ul style="list-style-type: none"> Fixed-term Agriculture Portfolio Advisor to identify and understand future opportunities Biodiversity Officer to assist Council to meet new requirements

WATER REFORMS

Over the past three years, central and local government have been looking for ways to overcome the challenges facing our water services – that is, drinking water, wastewater and stormwater – known as ‘three waters’.

Both acknowledge that there are broader challenges facing local government and the communities that fund and rely on these services. In some parts of the country there has been underinvestment in three waters infrastructure and persistent affordability issues. Alongside this is the need for additional investment to meet improvements in freshwater quality outcomes, increase resilience to climate change and natural hazards, and enhance community well-being. The Government’s view is that current service delivery arrangements are no longer fit for purpose and that reform is required.

In response to this, in 2018, the Drinking-Water Standards for New Zealand (DWSNZ) were updated. We have been working towards compliance over the last couple of years but there is still more to do. Some of our schemes require costly capital upgrades which we have budgeted for over the next few years.

Overshadowing the DWSNZ, the Water Services Regulator Act 2020 established a new Crown entity, Taumata Arowai. The new entity will be responsible for administering and enforcing a new drinking water regulatory system.

This is likely the greatest change in local government service delivery for many years. The

government has stated it is their intention that our drinking water, wastewater and quite possibly stormwater assets and operations will pass to a new regional or multi-regional organisation that will be responsible for managing these water supplies and services. Put simply, we as Council, may no longer be delivering these activities on your behalf.

The reforms are currently (at the time of writing this plan) voluntary, and all our assumptions and comments reflect that. It is at least possible that Central Government could alter the voluntary nature of the reforms and make them compulsory to ensure full compliance.

We’ve signed a Memorandum of Understanding which committed us to working with the Government and other parties to look at the future delivery of our water services. This includes considering the following design features:

- Water service delivery entities that are of significant scale (most likely multi-regional).
- publicly owned entities, with a preference for collective council ownership and protections against privatisation.
- mechanisms for enabling communities to provide input in relation to the new entities.

There is a timetable of approximately three years for the reform programme, running through to July 2023, comprising three main phases:

- Late 2020: Councils sign up to a memorandum of understanding (MoU) agreeing to work together in good faith to consider multi-region groupings. We, along with every other eligible council in New Zealand, agreed to this phase; but this has not committed us to anything further.

- Late 2021: Councils choose to either stay in the reform programme, or opt-out and continue to provide three waters services into the future. If we stay in the reform programme, planning for transition to the new entities begins.
- Early 2022: The new entities form and establish themselves, beginning operation somewhere in late 2023.

Each phase may be accompanied by funding. We received \$7.9 million of funding in the first phase, which we put towards the Ashburton Relief Sewer project which commenced in December 2020.

We expect Government to make policy decisions relating to the reforms in mid-2021, to enable legislation to be introduced later in the year. This will include decisions on the main design features, number, and boundaries of the new water entities. Our Council will be included in one of the entities but we will have the opportunity to 'opt out'.

While we understand the general shape of the reforms, the specifics are uncertain. The effects are likely to be felt in the areas of governance and funding, and consequently in investment prioritisation.

We have not committed to joining any new entity. However, our community will need three waters services whether or not we deliver them. Therefore, our current planning, budgets and timing of projects in this 10 Year Plan is based on 'business as usual' – albeit with the certainty that water quality standards will increase. We will come back to discuss any potential changes with you, once we have the full details.

NATIONAL POLICY STATEMENT (NPS) FRESHWATER MANAGEMENT

The National Policy Statement for Freshwater Management 2020 provides local authorities with updated direction on how they should manage freshwater under the Resource Management Act 1991. It came into force on 3 September 2020.

This NPS will significantly affect the way our district is farmed. There will be a flow on effect to our urban sector if the forecasted reduced profits are realised. We have used funding from the Provincial Growth Fund to employ an Agricultural Portfolio Advisor to look into the impact of this NPS and how we can minimise any adverse effects on our agriculture-based economy.

RESOURCE MANAGEMENT ACT (RMA) REFORM

Central government have recently announced that by the end of 2021 new legislation will be introduced to replace the Resource Management Act (RMA). It is expected the reform will have

significant impacts for local government.

The RMA will be replaced with a new Natural and Built Environments Act (NBA) and a Strategic Planning Act (SPA), in line with the recommendations of a review commissioned in 2019. The review also recommended a new Climate Change Adaptation Act (CCA) be passed to deal with legal complexities surrounding managed retreat from coastlines and other areas exposed to the impacts of climate change.

FUTURE FOR LOCAL GOVERNMENT REVIEW

On 24 April 2021 the Minister of Local Government announced that she had established a Ministerial Inquiry into the Future for Local Government. The overall purpose of the review is to identify how our system of local democracy needs to evolve over the next 30 years, to improve the well-being of New Zealand communities and the environment, and actively embody the treaty partnership.

The review includes, but is not limited to, the following:

- roles, functions, and partnerships
- representation and governance and
- funding and financing.

The following are the key steps in the review:

- April 2021: Inquiry begins
- 30 September 2021: Interim report presented to the Minister signalling the probable direction of the review and key next steps
- 30 September 2022: Draft report and recommendations to be issued for public consultation
- 30 April 2023: Review presents final report to the Minister and Local Government New Zealand.

While the review could recommend significant change to what local government is and does, there is no information available on the likely direction for the review at this time.

Council considers it unlikely that any recommendations could take effect before 1 July 2024 – particularly for changes to roles or functions. Any changes that are made will be incorporated in the 2024-34 long-term plan. We have prepared the plan on the assumption its existing role and functions will continue for the life of the plan.

OUR CHANGING CLIMATE

Market / central government response	How is / could our community (be) affected?	How are we building resiliency to cope with the change?
<ul style="list-style-type: none"> Climate Change Response (Emissions Trading Reform) Amendment Act Climate emergency declared Zero Carbon Act National Emissions Reductions Plan National Risk Assessment National Adaptation Plan 	<ul style="list-style-type: none"> New opportunities for growing different food sources and subsequent new businesses Increased risk of flooding and storm damage Increased risk of fire and drought Risk to infrastructure from damage – transportation links cut off Increased costs if agriculture joins the Emissions Trading Scheme (ETS) in 2025 	<ul style="list-style-type: none"> A member of the Canterbury Climate Change working group looking to procure an assessment of our own emissions and energy consumption Focussed on resilient infrastructure – designing infrastructure that will cope with the demands of future climate conditions and have reduced demands on the environment

We adopted our Climate Change Policy in 2019 which contains district-specific assumptions¹. The greatest of these are those related to the increased severity and frequency of extreme weather events. Extreme weather events represent a threat to people and property, including both public and private infrastructure.

OUR CHALLENGES

- Economic and social impact on the farming community, and in turn the wider community, could be substantial.
- Hotter summers may cause increased damage of transport infrastructure.
- Increases in pests, diseases and weeds through higher survival rates during winter will affect both the agricultural sector and be a threat to native species.
- An increase in drought and increased plant water use due to higher temperatures will increase agriculture reliance on irrigation. However, reduced snowmelt and rainfall will result in reduced supply.

OUR OPPORTUNITIES

- Agricultural businesses in our district could be leaders in adaption and mitigation technologies as they have been in the past. These could provide an opportunity to showcase and celebrate our ability in this space with the wider community.
- Warmer temperatures, a longer growing season and fewer frosts could provide opportunities to grow new crops.
- Increased migration, especially for climate refugees, could lead to our district being a more diverse district.
- Conserving and enhancing intact ecosystems, such as wetlands, could help lessen the impact of extreme weather events as well as providing ecological value.

We are a member of the Canterbury Climate Change working group looking to procure an assessment of our own emissions and energy consumption. We are also focussed on ensuring our infrastructure is resilient and will cope with changes to our climate.

¹ Based on the Intergovernmental Panel on Climate Change warming scenario RCP 8.5 – a high baseline emission scenario

COVID-19

Market / central government response	How is / could our community (be) affected?	How are we building resiliency to cope with the change?
<ul style="list-style-type: none"> • Wage subsidy • Shovel-ready funds • Elimination strategy • Border control • QR codes & Covid-19 tracer app • Vaccine roll-out 	<ul style="list-style-type: none"> • Negative effects on income for some, especially during lockdown periods • Less spending within the district • Hospitality and tourism sectors in Methven and retail in Ashburton hit hard • Reduced ability to employ seasonal contractors in the agriculture and manufacturing sector and the resulting impact this will have on industry • Increased anxiety and well-being issues 	<ul style="list-style-type: none"> • Covid-19 Economic Recovery Advisory Group • Caring for Communities Welfare Recovery Group • Increased local procurement • Encouraging the community to shop local, through tools like the <i>'Mid Canterbury Open for Business'</i> directory

In 2020 we saw the national economy take a hit as a consequence of Covid-19 and the lockdowns. We formed Covid-19 response groups to put in place measures to support the economic and welfare recovery of our district. Where possible, we are buying local, and also encouraging others to do the same through our *'Mid Canterbury Open for Business'* directory.

With a rurally dominated community it is expected that our agriculture sector will be a source of strength for our local economy as we move through the Covid-19 recession. While the local

economy is looking to remain reasonably stable, the increasing difficulty to import goods and skilled labourers into New Zealand may impact the delivery of services and therefore our economy. We have assumed business as usual and have considered rates affordability when preparing our budget forecasts.

NATURAL HAZARD & DISASTER EVENTS

Market / central government response	How is / could our community (be) affected?	How are we building resiliency to cope with the change?
<ul style="list-style-type: none"> • Earthquake strengthening building code • Communication / warning tools • Be ready, be prepared campaigns 	<ul style="list-style-type: none"> • Increased costs for business owners to undertake earthquake strengthening • Potential for widespread public and community infrastructure damage in the case of AF8 rupture 	<ul style="list-style-type: none"> • Civil defence / emergency management community response plans • LAPP • Infrastructure designed to withstand AF8

Like many places in New Zealand, our district is geographically diverse, reaching from the mountain ranges to the ocean. Because of this, our district is susceptible to a number of possible natural hazard events such as earthquakes, floods, and storms, which potentially damage property and threaten human life.

The Alpine Fault has a 30% chance of rupturing in the next 50 years. If it does, it will have a significant effect throughout the South Island. To support our preparedness, we are strengthening our infrastructure to withstand the predicted strength of this earthquake.

The stopbanks that protect Ashburton and Tinwald from river flooding are designed to contain a 200 year flood. During heavy rain events river levels and stopbanks will be monitored by Environment Canterbury and close communications maintained with Ashburton District Civil Defence Emergency Management.

We are in the process of updating our emergency response plans for all our communities so they are prepared should a range of disaster events – flood, pandemic, wind storm, earthquake etc occur.

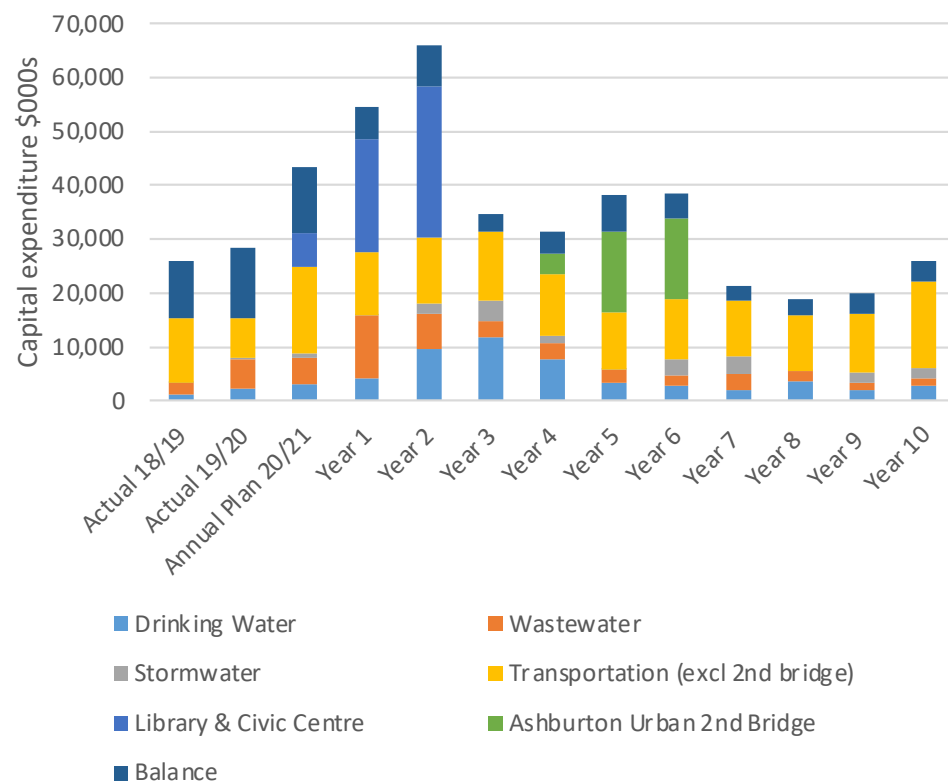
OUR WORK PROGRAMME

We have one of our largest ever capital works programmes planned for the next 10 years. The peaks in the first couple of years have been caused by works being delayed in 2020/21 due to Covid-19, and also the stimulus funding we received from central government which has brought infrastructure projects forward. In addition, we set out an ambitious 10 year plan in 2018. In short, we have a lot of work to get through!

Most of the capital projects are required to be done now and they can't be delayed or the level of services for you as our residents will be impacted. For example there could be more leaks or additional maintenance required on our water and wastewater networks if we don't complete the capital programme as planned. A significant project in Years 1 and 2 of the plan is the Ashburton Library and Civic Centre which we consulted with the community on in 2019 and that we received strong submitter support to progress. The \$20 million Covid-19 Response and Recovery funding we received last year for this project is a significant saving for our community.

To try and alleviate this build-up of work, we have looked at the timing of major projects, and if possible moved some to later years. This also helps to manage the impact on rates affordability. However, where there is an immediate need, or a regulatory deadline, this has not been possible. The strain on resources required judicious decision-making and we will be having an increased focus on ensuring we deliver. We have employed extra resources into our project management team. Staff will also be reporting to the elected members through six-weekly activity briefings to provide governance level oversight of these projects. We feel we have got the balance right with this plan.

Our capital programme



OUR RATES

Balancing the affordability of rates against the need to undertake some costly projects is a difficult task we face. There are some actions we can take to increase the affordability today, such as: increasing debt to spread the cost across a longer period of time, using reserves (savings), or not fully funding depreciation (which reduces the amount needed from the general rate).



ENGAGING WITH OUR COMMUNITY

EARLY FEEDBACK

In 2017 we ran a campaign called ‘Our Place’ to identify your priorities for our district over the next ten years. Three years later, in August 2020, we asked you if these were still your priorities for our district. We received 1,121 responses.

The following eight topics are ranked in order of most importance to you. The main change from three years prior is the second bridge development moving from fifth place to third.

1. Roding
2. Community safety
3. Second bridge development in Ashburton
4. Environment
5. Business development
6. Town centre development
7. EA Networks Centre development
8. Recreation and entertainment

We also received feedback that you would like us to focus more on **roading** and **second bridge development in Ashburton**. Feedback was split on whether to do more or the same in the areas of **community safety**, **environment** and **business development**. On the whole, our community was happy with our work in **town centre development** and **EA Networks Centre development**.

This feedback and all the written comments that were provided helped us prioritise the key work areas while developing our draft 10 Year Plan.



10 YEAR PLAN CONSULTATION FEEDBACK

Using the feedback we received from early engagement, we put together a draft plan for the next 10 years. Between 19 March and 19 April 2021, we asked you what you thought of this – and also got your specific feedback on two questions:

- Should we install drinking water meters on all properties on our drinking water schemes?
- Should we aim to get our Elderly Persons Housing to be self-funding through incremental rent increases?

OUR LTP ENGAGEMENT

8 COMMUNITY MEETINGS	COMMUNITY STALLS	RADIO ADS	PRINT	DIGITAL REACH
Attendance: <ul style="list-style-type: none"> • Ashburton 25 • Mayfield 7 • Rakaia 9 • Methven 45 • Mt Somers 25 • Hinds 6 • Hakatere 14 • Webinar 35 live + 400 views later 	<ul style="list-style-type: none"> • Ashburton Public Library • Ashburton Farmers Market • Neighbour's Day at Trott's Garden 	<ul style="list-style-type: none"> • 4 week campaign • 250+ ads played • Digital ads reached over 20 k people 	<ul style="list-style-type: none"> • 23 newspaper adverts • Over 16,000 consultation documents posted out 	<ul style="list-style-type: none"> • 17 k reach from 19 Facebook posts • 22.5 k views of the 4 LTP videos

THE RESPONSE

We received 431 submissions, from 380 individuals, 15 interest groups, 14 businesses, 14 not-for-profit organisations, 11 lobby groups submitting on behalf of their members, and 2 Government organisations.

The submissions can all be viewed on our LTP website, as well as a summary, at itsourplace.com

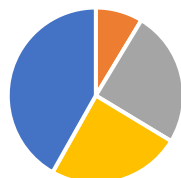
Submitter location

Based on postal address



- Ashburton (45%)
- Methven (29%)
- Rakaia (1%)
- Rural Delivery (17%)
- Other (4%)
- Did not provide address (5%)

Age of submitters



- 0-14 years (0%)
- 15-39 years (9%)
- 40-64 years (25%)
- 65 years and over (25%)
- Did not say (42%)

Ethnicity

Note, counts to more than 100% as submitters can identify with more than 1 ethnicity. 264 (64%) did not provide ethnicity information.



- New Zealander / European (91%)
- Maori (7%)
- Other (2%)

ELDERLY PERSONS HOUSING

We asked our community how they wanted to fund our Elderly Persons Housing portfolio. The three options given were self-sustaining in two-years, self-sustaining in seven years, or status quo – rent increases consistent with inflation with the general rate used to fund any additional required funds. The first two options used rental increases to reach self-sustaining - where the general rate is no longer required to fund the activity.

Those that indicated their preference for either self-sustaining in seven years, or the status quo of inflationary rental increases, generally had concerns for the affordability of rent increases. However, with a clear majority preferring that self-sustaining is reached within two years, and the feedback we received from the tenants in the houses that the rental increases were acceptable, we chose to continue with our preferred option: 2 years to self-sustaining.

DRINKING WATER METERS

We asked our community whether they wanted universal drinking water meters installed across the district over one year, three years, or not at all.

The feedback we received on this topic was mixed. Those that supported the installation of the meters were concerned about the estimated water loss. Those that were against their installation were concerned that Council would begin charging for water use, many did not believe the estimated water loss value, or had alternative suggestions for identifying water losses.

After consideration of the feedback, we decided to take a measured approach to the installation of drinking water meters. Water meters will be installed in Year 1 in the Methven township. Analysis of water loss data will be undertaken in Year 2 to identify whether there is a significant amount of water lost from the system – as per our estimates, and what proportion of leaks are on private versus public property.

We will then consult with the community through the 2024-34 Long-Term Plan to install water meters in Ashburton and Rakaia if the Methven trial shows it would be worthwhile.

METHVEN RATES

The consultation document proposed a rate increase in Methven township of 14.86% in Year 1 and 6.80% in Year 2. Following feedback on the unaffordability of this rate increase, the following strategies were used to reduce the rate:

- \$30,000 of funding for the Methven iHub was moved from the Methven targeted rate to the District Promotion activity – which is funded 50% through the general rate and 50% through a targeted rate on commercial properties.
- Methven Community Pool grant of \$15,000 moved to the general rate for Year 1. Year 2 onwards this grant will return to being a targeted rate on the Methven township.
- \$10,000 of additional grant income (from the Provincial Growth Fund) was added into the Mt Hutt Memorial Hall budget, which reduces their need for funding by the equivalent amount.
- \$14,000 of targeted rate was removed from the Mt Hutt Memorial Hall funding, resulting in the hall going into deficit. This deficit will be made up over the following three years.
- \$25,000 of overhead costs on the Methven Community Board have been funded in Year 1 by the general rate rather than the Methven township targeted rate.

These changes resulted in the Methven township rate increase reducing to 10.79% (for a \$350,000 residential property) and the commercial rate to 7.89% in Year 1 of this 10 Year Plan.

ASHBURTON - TINWALD SECOND URBAN BRIDGE

A number of submissions were received disagreeing with Chalmers Avenue as the location of the second urban bridge. We have noted these responses, and will take this feedback into consideration when the Detailed Business Case is complete later in 2021.

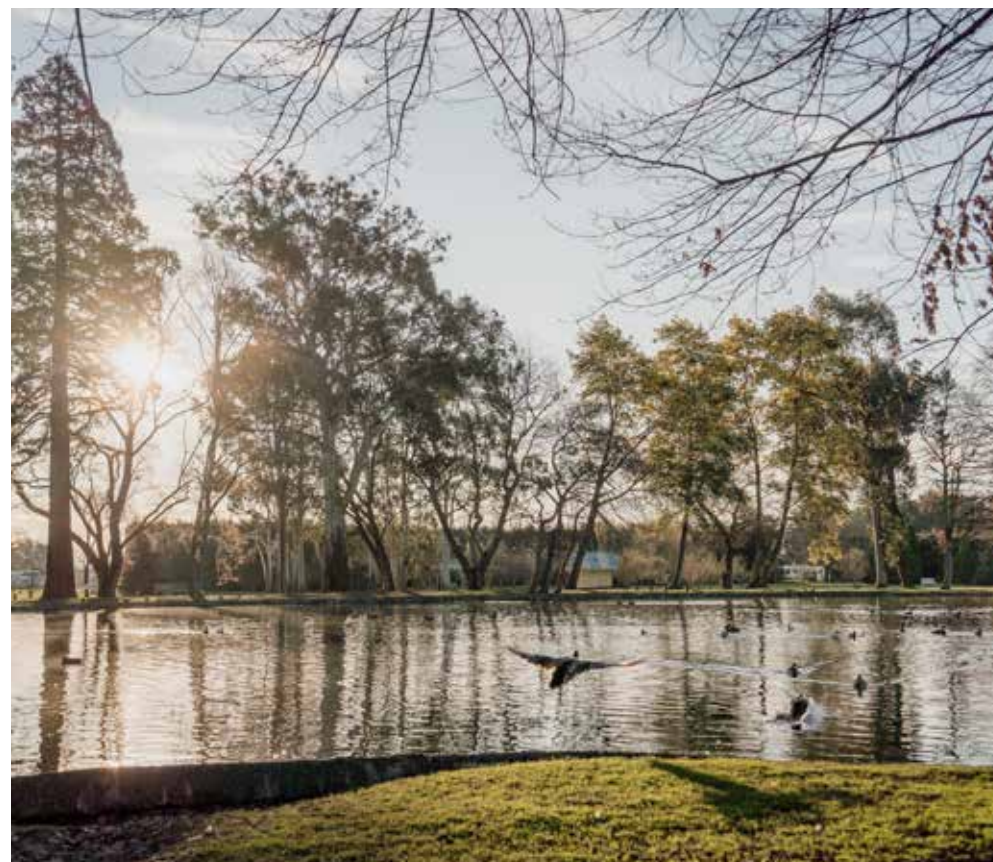
CANTERBURY FLOOD

The Canterbury Flood in May 2021 had a significant impact on the district. At time of writing this plan, we are aware that some key essential assets (e.g. bridges, roads, water supply intakes) were damaged.

We are still in the process of assessing the damage and costs associated with repairs. Quantifying the impact will take some time. As this information is not yet available, any impact on budgets is not reflected in this 10 year plan. Once more information is known, it will be determined whether an amendment to the plan is required or whether updates are incorporated into the 2022/23 Annual Plan.

OTHER CHANGES

- Research will be undertaken into the development of a strategy or policy on how older people's views can be better incorporated into Council decision-making.
- A ban will be implemented on the use of air brakes in Ashburton township between 10pm and 7am.
- Research will be undertaken into the development of an Arts, Culture and Heritage Strategy given the notable investment Council makes in this area in the LTP.
- An investigation will be undertaken into making Mt Somers a Dark Sky township.
- Inclusion of campervan car parks will be considered during the development of the Parking Strategy.
- \$10,000 per year has been included in the budgets - to be used for projects/maintenance on the Ashburton Hakatere River Trail.
- \$20,000 included for a dog park in Rakaia – funded through the Rakaia amenity rate.
- Upgrade of the Balmoral Hall was bought forward to Year 2 (rather than Years 3, 4 and 5).



DEVELOPING MĀORI CAPACITY TO CONTRIBUTE TO DECISION-MAKING

Ngāi Tahu has a unique relationship with Council as partners through Te Tiriti o Waitangi (the Treaty of Waitangi) and supporting legislation. Council is committed to meeting our obligations under Te Tiriti and other legislation, and ensuring that engagement is meaningful and leads to positive outcomes for Māori.

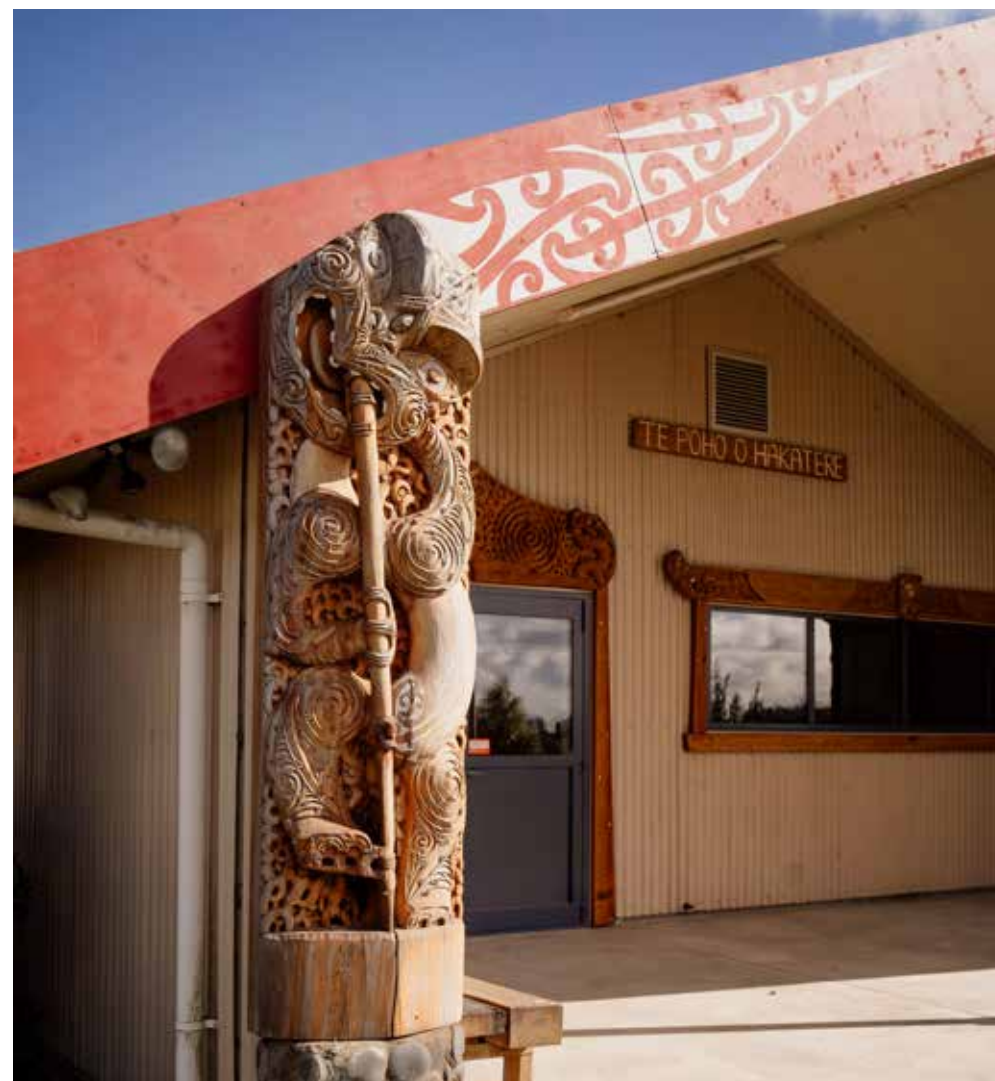
The Local Government Act 2002 provides principles and requirements for local authorities that intends to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi, and to maintain and improve opportunities for Māori to participate in decision-making processes. While the LGA relates to all Māori, it is recognized that within the Canterbury region, Ngāi Tahu are the tangata whenua. Ashburton District falls within the rohe of Ngāi Tahu papatipu rūnanga – Te Rūnanga o Arowhenua, Te Ngāi Tūāhuriri Rūnanga and Te Taumutu Rūnanga.

In addition to the Local Government Act obligations, the Ngāi Tahu Claims Settlement Act 1998 includes confirmation of the ability for Ngāi Tahu to express its traditional kaitiaki relationship with the environment.

The Resource Management Act 1991 (RMA) recognises Ngāi Tahu interests in ancestral lands, water sites, wāhi tapu, flora and fauna, and other taonga as matters of national importance. The RMA also requires the Council to have particular regard to kaitiakitanga and iwi environmental management plans and to take into account the principles of Te Tiriti. The RMA further recognises Māori interests in natural and physical resources, and contains specific requirements for consulting and working with tangata whenua.

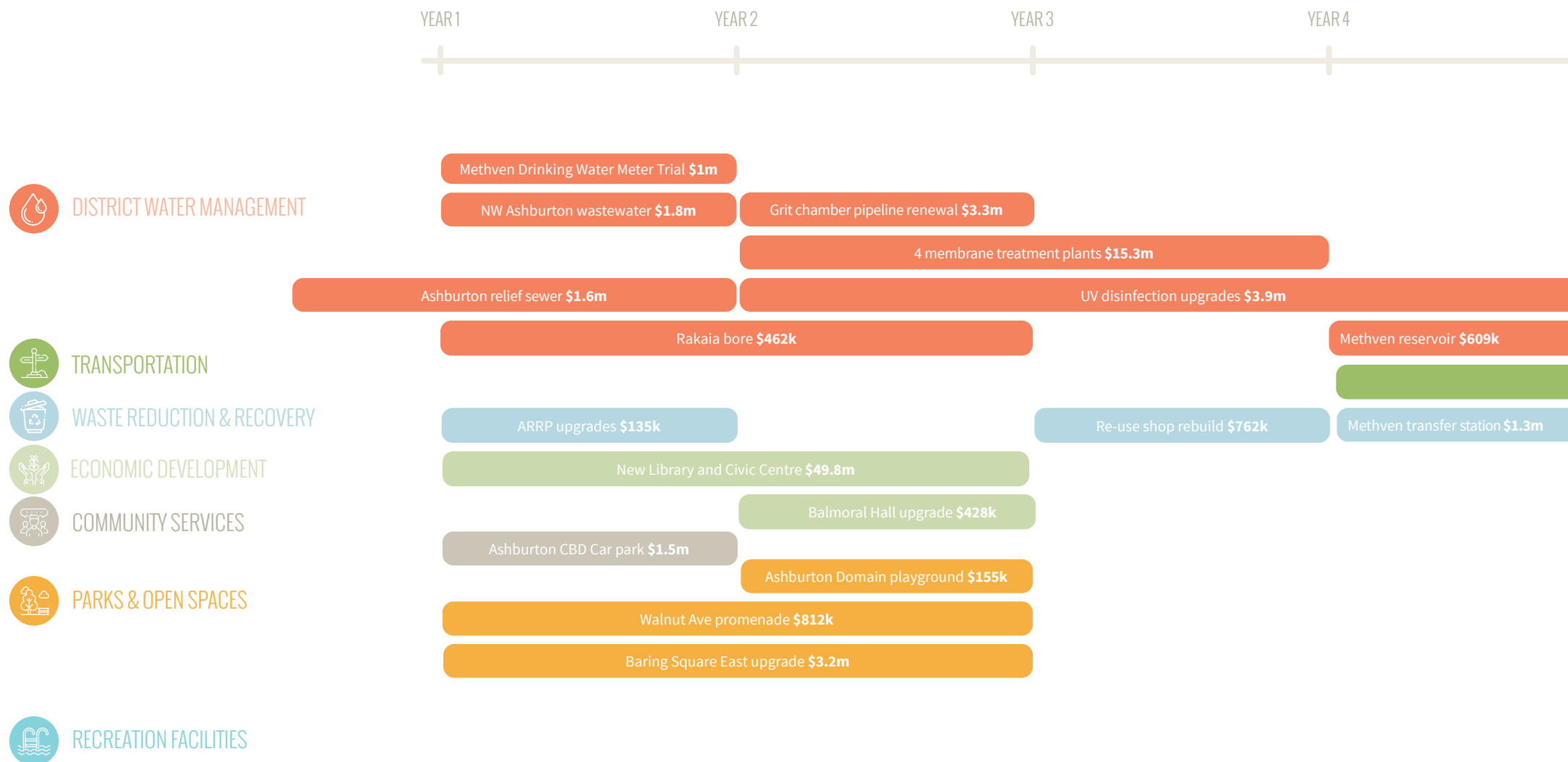
Council recognises Aoraki Environmental Consultancy (AEC) as the assigned organisation for Arowhenua Rūnanga, for matters relating to the natural environment. Council will engage with AEC in the first instance.

Council is committed to having a successful and enduring partnership with Mana Whenua as we know that it is important to seek the expertise and wisdom of those with inherited kaitiaki responsibilities and mātauranga.

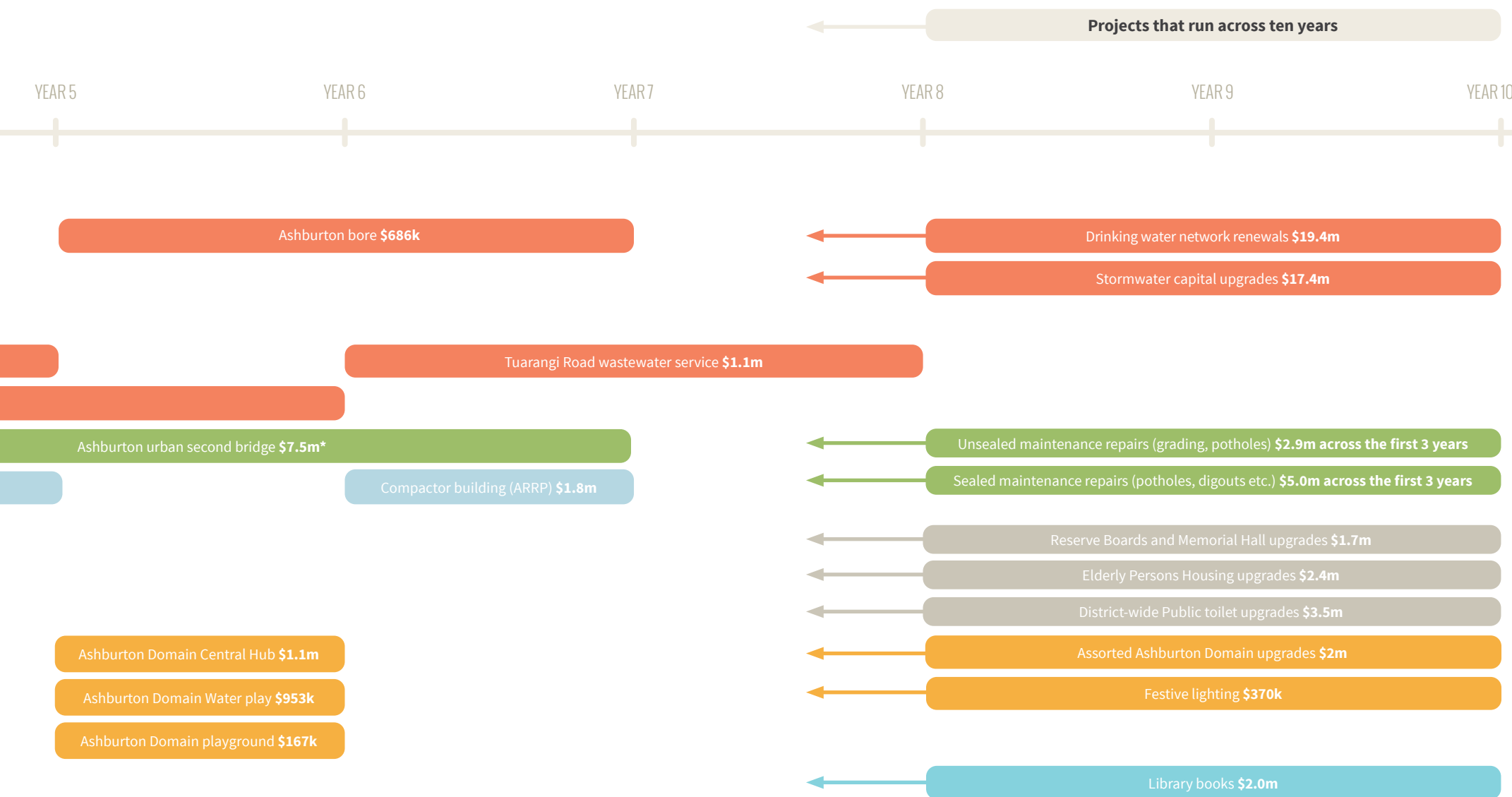


KEY PROJECTS

What are we planning in the next 10 years?



Note: ARRP (Ashburton Resource Recovery Park site upgrades)



THE FUTURE OF OUR INFRASTRUCTURE

We have a number of decisions that will need to be made over the coming years to ensure our infrastructure will still be providing the levels of service our community expect and need beyond 2031.

The main factors that we have taken into account when drafting our plan are: compliance with regulations; sufficient infrastructure to meet the demand and growth of our district; infrastructure that is resilient and can withstand and recover quickly from disruptions; and that our spending is affordable for our community.

Our main focus in the short-term is undertaking a trial of water meters in Methven to identify public and private water loss and upgrading the Methven, Mt Somers, Methven-Springfield and Montalto drinking water schemes to comply with the new drinking water standards. We're also continuing to progress our plans for the second urban bridge across the Ashburton River.

In the 2030s, our wastewater resource consents come up for renewal, and we're likely to see higher standards and expectations for nutrient loadings. To pre-empt this, we have made strategic land purchases near existing facilities and we're looking at different ways to deal with wastewater disposal at our treatment plants, including subsurface irrigation.

We know our assets pretty well, but there is also a lot we don't know. Some of our assets were built a hundred years ago, and it's not always easy to understand the condition they're in or to predict exactly when they'll fail.

In the last five to ten years a lot of work has gone into improving our knowledge and understanding of our assets. In particular, we have implemented a new asset database for the three waters and have thoroughly checked and corrected the information we hold on all of our assets, both water and transportation.

Roads, bridges, footpaths and other transportation assets are inspected regularly for defects and condition to inform the upcoming renewal programme.

We carry out a closed-circuit television (CCTV) survey of a selection of our wastewater pipes each year to assess their condition and refine our renewals programme. We have not carried out formal condition assessment for our non-reticulated three water assets however. Instead we use incidental inspections (such as looking at assets and listening to motors) to warn us when assets may be close to failure.

We accept that there are risks with this approach and that it could result in disrupted levels of service, unplanned renewals costs and potentially increased maintenance costs.

Our renewal strategy for three waters infrastructure is based on age (when assets like underground pipes reach the end of their useful life), material and criticality with modifications made based on analysis of maintenance records and customer complaints. This means we are generally funding our renewals in line with depreciation. We will need to keep monitoring our rates of failure to ensure that our renewal programme remains responsive to our infrastructure needs.

We're also looking ahead at where new developments are happening and where we may need to extend our drinking water infrastructure.

See our Infrastructure Strategy in Volume 2, page 166.

OUR FINANCIAL APPROACH

We look after about \$935 million worth of infrastructure, assets and facilities - that includes roads, pipes, buildings and land, right down to the bins at the domains.

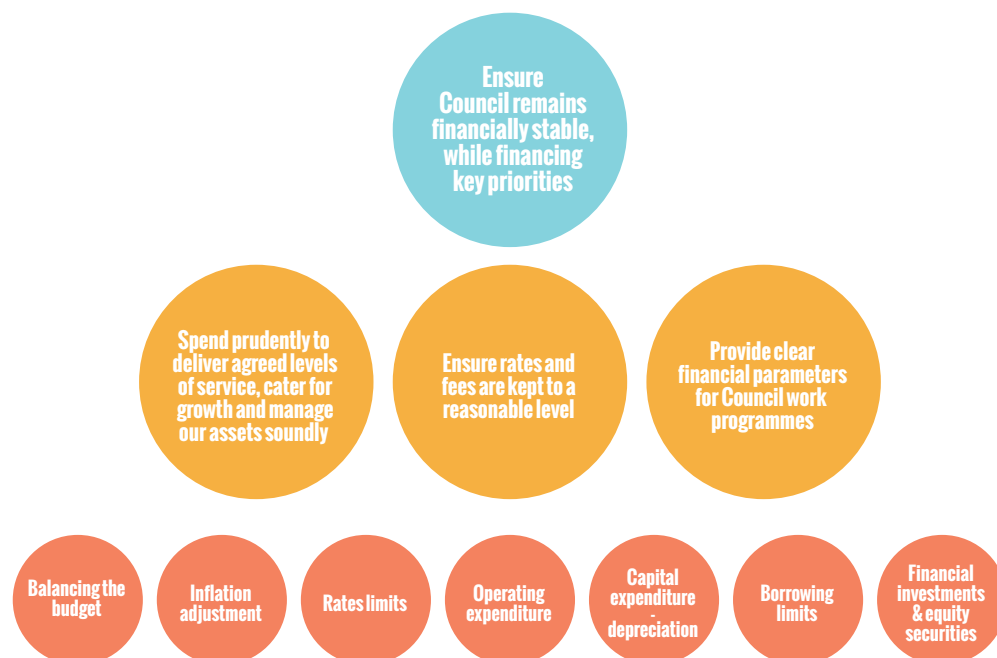
We also undertake the large task of running, regulating and monitoring all the goings-on that contribute to where and how we live, work and play in our district.

We estimate it will cost us a total of around \$576 million over the next 10 years to look after what we have and provide all of our services (our operating costs).

It will cost another \$349 million to upgrade our assets and build new ones (our capital costs).

The aim of our Financial Strategy is to ensure Council remains financially stable, while financing key priorities. The following graphic shows our financial goals along with the strategies we will use to achieve these goals over the next ten years.

OUR FINANCIAL FUTURE



Our projections for the next ten years show the following picture for 2031:

- Total assets are forecast to be \$1,320 million (2020/21: \$876 million).
- Total equity is forecast to be \$1,148 million (2020/21: \$801 million).
- Liabilities are forecast to be \$172 million (2020/21: \$76 million) and to be 13.0% of total assets (2020/21: 8.6%).
- Cash and cash equivalents are budgeted to be \$41.7 million, (2020/21: \$7.8 million)
- Rates revenue is budgeted to contribute 55% of total income (2020/21: 53%).
- At no time over the period 2021/22 – 2030/31 are we expecting to breach our debt ratio limits.
- We will remain in a strong financial position.

OUR STRATEGY

LIMIT ON RATES INCREASES

- Total rates in any one year are to be no greater than 1% of the total capital value of our district.
- Total rates increase for 2021/22 to 2024/25 to be no greater than 5%, exclusive of LGCI each year.
- Total rates increase for the years 2026/27 – 2030/31 to be no greater than 3%, exclusive of LGCI each year.

See our Financial Strategy in Volume 2, page 208 for more details

% RATES INCREASE FOR PAST 3 YEARS AND NEXT 10 YEARS



* Based on figures from the LTP 2018-28, Annual Plans 2019/20 and 2020/21

LIMIT ON BORROWING

Using loans allows us to spread the cost of a project across the generations who get to use it. It would neither be affordable nor fair to charge the ratepayers the full cost the year a project was built – we call this concept inter-generational equity.

Our ten year plan has been prepared based on the following limits on external debt:

- Net interest payments to service external debt must be less than 20% of our total revenue (excluding vested assets, infrastructure revaluations and other gains).
- Net interest payments to service external debt must be less than 25% of total rates for the year.
- Net debt shall not exceed 250% of total revenue.
- Access to liquidity of no less than 110% of projected core debt.

We expect our debt to peak in 2026/27 at \$166 million.

KEEPING OUR RATES DOWN

Balancing the affordability of rates against the need to undertake some costly projects is a difficult task we face. There are some actions we can take to increase the affordability today; we have chosen to use the following strategies.

- Use \$300,000 in Years 1 and 2 and \$500,000 in Year 3 from our Forestry reserve.
- Not to fund depreciation for the new Library and Civic Centre building in Year 3. This reduces the rate requirement by \$1 million.
- Increase and introduce some new fees and charges to better cover our costs, such as a travel charge for building inspections and a charge for swimming pool fence inspections.

HOW WILL THIS AFFECT ME?

Over the next 10 years we are proposing rates increase by an average of 4.1% each year. This revenue will cover our costs in the budget, pay back debt, and store some away for future renewals (depreciation).

It doesn't mean everyone's rates will increase by this amount though. How much you pay depends on a number of things, such as:

- Changes to the value of your property – including improvements or changes you've made
- The type of property you have
- The services your property is rated for (such as whether you get drinking water supplied or kerb-side rubbish collection).

In 2021, rates revaluations will be completed for all properties in our district. These valuations take into account the trends in market value for properties and provide us with the land and capital values that we calculate your rates on. These revaluations will come into effect in Year 2 of our plan. The 2018 valuations will be used in Year 1.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Average LGCI adjustment (%)	3.6	2.9	2.5	2.5	2.5	2.5	2.6	2.7	2.7	2.6
Rate increase before LGCI adjustment (%)	2.7	4.9	3.0	2.2	0.3	0.4	0.9	-0.8	1.0	-0.5
Overall rate increase (%)	6.3	7.8	5.5	4.7	2.8	2.9	3.5	1.9	3.7	2.1



RATES BY COMMUNITY

RATING AREA	2018 VALUATION	RATES 2021/22	CHANGE FROM 2020/21
Ashburton residential	\$350,000	\$2,343	5.04%
Ashburton commercial	\$1,149,000	\$4,037	4.99%
Ashburton commercial (Inner CBD)	\$1,149,000	\$4,823	7.36%
Methven residential	\$350,000	\$2,359	10.79%
Methven commercial	\$861,750	\$3,397	7.89%
Rakaia residential (wastewater contribution paid)	\$295,000	\$2,235	7.72%
Rakaia residential (wastewater contribution not paid)	\$295,000	\$2,385	6.07%
Rakaia commercial (wastewater contribution paid)	\$861,750	\$3,479	9.72%
Rakaia commercial (wastewater contribution not paid)	\$861,750	\$3,629	8.51%
Chertsey residential	\$232,800	\$1,493	4.40%
Dromore	\$9,044,000	\$8,767	4.96%
Fairton residential	\$267,720	\$1,523	4.41%
Hakaterere residential	\$174,600	\$1,219	5.94%
Hinds residential	\$232,800	\$1,563	8.19%
Lake Hood residential	\$640,200	\$2,839	5.33%
Mayfield residential	\$232,800	\$1,493	4.40%
Mt Somers residential	\$232,800	\$1,493	4.40%
Rural	\$9,044,000	\$8,336	5.03%

Note: The above rates do not include some specific rural water scheme rates or stockwater rates.

ASHBURTON RESIDENTIAL

5.04% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$350,000
Current rates 2020/21	\$2,230
2021/22	\$2,343
2022/23	\$2,515
2023/24	\$2,640

ASHBURTON COMMERCIAL - INNER CBD

7.36% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$1,149,000
Current rates 2020/21	\$4,492
2021/22	\$4,823
2022/23	\$5,091
2023/24	\$5,307

ASHBURTON COMMERCIAL

4.99% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$1,149,000
Current rates 2020/21	\$3,845
2021/22	\$4,037
2022/23	\$4,321
2023/24	\$4,562

RAKAIA COMMERCIAL
- WASTEWATER CONTRIBUTION PAID

7.72% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$295,000
Current rates 2020/21	\$2,075
2021/22	\$2,235
2022/23	\$2,351
2023/24	\$2,401

RAKAIA RESIDENTIAL
- WASTEWATER CONTRIBUTION NOT PAID

6.07% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$295,000
Current rates 2020/21	\$2,248
2021/22	\$2,385
2022/23	\$2,497
2023/24	\$2,544

RAKAIA COMMERCIAL
- WASTEWATER CONTRIBUTION PAID

9.72% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$861,750
Current rates 2020/21	\$3,171
2021/22	\$3,479
2022/23	\$3,580
2023/24	\$3,587

RAKAIA COMMERCIAL
- WASTEWATER CONTRIBUTION NOT PAID

8.51% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$861,750
Current rates 2020/21	\$3,344
2021/22	\$3,629
2022/23	\$3,726
2023/24	\$3,730

MAYFIELD

4.40% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$232,800
Current rates 2020/21	\$1,430
2021/22	\$1,493
2022/23	\$1,616
2023/24	\$1,687

METHVEN RESIDENTIAL

10.79% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$350,000
Current rates 2020/21	\$2,129
2021/22	\$2,359
2022/23	\$2,598
2023/24	\$2,680

METHVEN COMMERCIAL

7.89% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$861,750
Current rates 2020/21	\$3,148
2021/22	\$3,397
2022/23	\$3,723
2023/24	\$3,815

CHERTSEY

4.40% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$232,800
Current rates 2020/21	\$1,430
2021/22	\$1,493
2022/23	\$1,61
2023/24	\$1,687

HINDS

8.19% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$232,800
Current rates 2020/21	\$1,445
2021/22	\$1,563
2022/23	\$1,687
2023/24	\$1,760

MTSOMERS

4.40% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$232,800
Current rates 2020/21	\$1,430
2021/22	\$1,493
2022/23	\$1,616
2023/24	\$1,687

DROMORE

4.96% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$9,044,000
Current rates 2020/21	\$8,353
2021/22	\$8,767
2022/23	\$9,385
2023/24	\$9,857

FAIRTON

4.41% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$267,720
Current rates 2020/21	\$1,459
2021/22	\$1,523
2022/23	\$1,648
2023/24	\$1,721

LAKE HOOD RESIDENTIAL

5.33% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$640,200
Current rates 2020/21	\$2,695
2021/22	\$2,839
2022/23	\$3,045
2023/24	\$3,209

HAKATERE

5.94% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$174,600
Current rates 2020/21	\$1,151
2021/22	\$1,219
2022/23	\$1,332
2023/24	\$1,387

RURAL

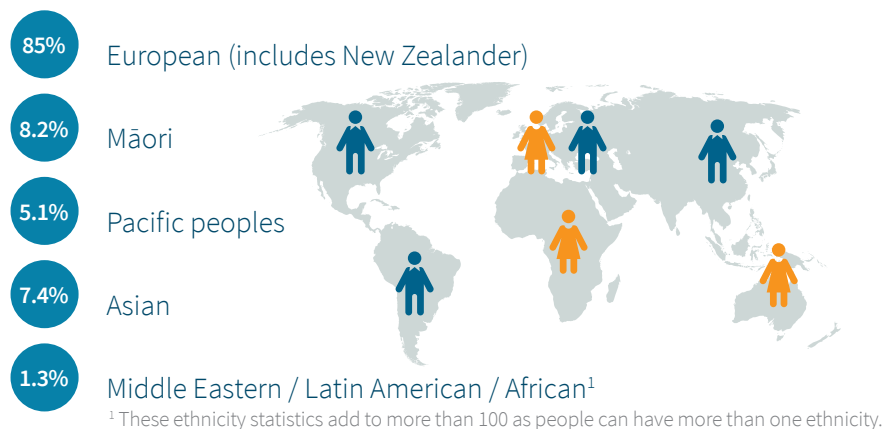
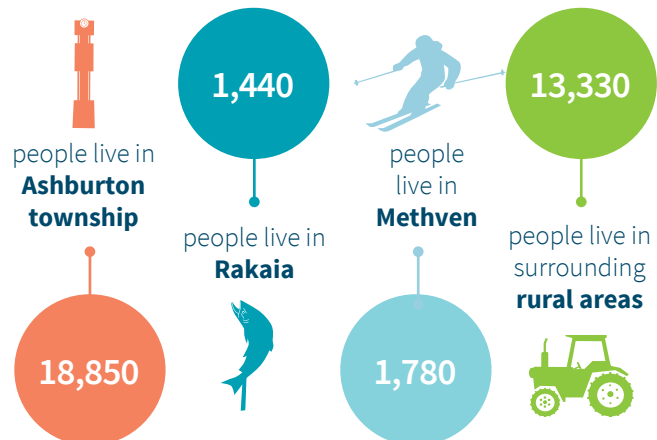
5.03% AVERAGE INCREASE IN YEAR 1	
2018 valuation	\$9,044,000
Current rates 2020/21	\$7,938
2021/22	\$8,336
2022/23	\$8,893
2023/24	\$9,350

OUR PLACE, OUR DISTRICT

OUR DISTRICT'S POPULATION IS ESTIMATED TO BE 35,400

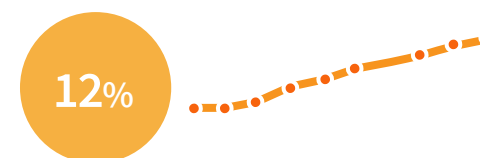


The **median age** in our district is



- Mean household income is \$90,079 (nationally \$114,062)
- Average weekly rent is \$337 (nationally \$465)
- 59% own their own home

Between 2013 and 2019, our **population grew** by



Sources: Statistics New Zealand, 2018 Census Infometrics Ashburton District Economic Profile 2021, Ashburton District Community Profile 2020.

WHAT'S CHANGING?

Population statistics and forecasts are important tools we use for preparing our plans, policies and strategies. They provide insights into what the future of our district will look like, and what projects or areas we may need to focus on.

POPULATION GROWTH

Our district has been growing since the 1990s and we expect this to continue. Our current estimated population of 35,400 is expected to reach 38,600 over the next ten years.

HOUSEHOLD CHANGE

As a consequence of our increasing population, the number of households will also grow. The district currently has 15,190 households (2021) and this is projected to grow to 16,520 by 2031. The size of households is also changing, with the average household size projected to fall from 2.50 to 2.47 by 2031. This is an important change as we need to ensure that our services can continue to be delivered efficiently throughout the district. Our existing infrastructure is being managed to address growth factors, and any additional infrastructure necessary due to growth is funded by development contributions.

DEMOGRAPHIC CHANGES

AGE

Our population is ageing. In both our historical and forecasted population growth, the biggest growth is seen in the 65+ age group. Currently, 18.4% of our district are over 65 years and this is projected to increase to 20.7%. Our median age is currently 38.8 years, slightly older than the national median of 37.4 years. An important consideration as we plan for the future is ensuring our facilities, services and infrastructure are appropriate to serve an ageing population.

DIVERSITY

Our district is more ethnically diverse now than in any time in its past – and its diversity is continuing to increase. Between 2013 and 2018 our Maori population has increased by 24%, our Pasifika population by 69%, and our Asian population by 109%. Europeans are still the largest ethnic group within our district, but this percentage is falling.

In 2019 the Ministry of Business, Innovation and Employment announced that we would receive refugees every year from 2021. This will further contribute to our increased diversity going forward.

There has also been an increase in the number of people attending citizenship ceremonies, from 45 people in 2010 to 201 in 2019. As an established 'Welcoming Community' it is important that we acknowledge and incorporate our diversifying community into our planning in order to ensure we provide appropriate facilities and services for our communities.

