

ROAD TO RECOVERY

Consultation Document

Three Year Plan 2024-2027



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

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Introduction

What's this all about?

This consultation document seeks your feedback on whether we've got the mix of priorities and services right for the next three years and how we should pay for them.

This plan would normally be for 10 years. However cyclone-affected councils have been given special, legislative relief to instead focus on three years as we deal with uncertainty and recover following Cyclone Gabrielle.

Together we Thrive!

E ora ngātahi ana!

Proud District

Prosperous District

Connected Citizens

Strong Communities

Smart Growth

Environmentally Responsible

Durable Infrastructure

Have your say

This consultation focuses on the options and trade-offs our community has to set the budget for the next three years.

We've already made a number of tough calls to get to this point. There is also funding uncertainty following Cyclone Gabrielle. We're now seeking your feedback on options to further reduce or increase investment across four areas:

Trade-off areas



You can give feedback on any aspect of this plan or on any of our supporting information until 11.59pm on Sunday 12 May 2024. For further information or for help to make a submission:

- Head to letstalkchb.co.nz to complete an online submission form or visit our website www.chbdc.govt.nz
- Email us threeyearplan@chbdc.govt.nz
- Visit Waipawa Library and Te Huinga Wai – The Knowledge and Learning Hub in Waipukurau
- Visit Council offices in Waipawa
- Phone us on **06 857 8060**
- Write to: Three Year Plan Submission, CHBDC, PO Box 127, Waipawa

Key dates to remember

CONSULTATION OPENS TO THE PUBLIC

10 April 2024

This is when you can have your say.



PUBLIC CONSULTATION CLOSES

12 May 2024

We need to hear from you by 11.59pm on 12 May 2024.



HEARINGS AND DELIBERATIONS

May 2024

Public feedback will be heard and considered by Council to help shape the final Three Year Plan.



ADOPTION OF THREE YEAR PLAN

By 30 June 2024

Council adopts the final Three Year Plan, having considered the public feedback and input.



A message from Mayor Alex and your Council Team



Tamatea – Central Hawke’s Bay is an outstanding district to live, work and play. The long-term future is bright and we will continue to grow and thrive as we secure our place as a strong, community-spirited, innovative, food-producing rural district that is vital to the future of the region and our country. In the short term, amid the challenges of cyclone recovery and tackling big infrastructure and financial challenges, we’ve prioritised our existing and new expenditure on three key urgent priorities: **Land Transport, Critical Three Waters Investment and Recovery.**

Like councils all over New Zealand, we’re developing a Three Year Budget in difficult times, however we are also facing the challenges of Cyclone Gabrielle.

We’ve had to take a ruthless approach to prioritising our existing and new expenditure for the next three years, by focussing on three urgent key priorities being land transport, water and wastewater services and recovery.

We’re in a time where we are recovering from Cyclone Gabrielle, community expectations are high and legislative obligations require more from us than ever before. It’s also costing more than it ever has before.

We’ve already made a number of tough calls to get rates over the next three years to the proposed levels. We’ve also used external funding in the first year to reduce over \$850,000 of rates on the targeted stormwater ratepayer. None of this is enough.

There are still many costs that we don’t fully know how we will pay for either.

We have \$129 million of roading damage yet to fund. Four of our five wastewater treatment sites were flooded and damaged, with the long-term impacts on these sites not yet known.

Our drinking water treatment plants supplying water to our three main townships remain vulnerable. We have a stormwater network that required investment prior to the cyclone and needs further urgent investment.

We also have the Pōrangahau community still in Category 2A, with it being unclear for how our infrastructure may need to respond to any future flooding solution.

Any major community or open spaces projects have been deferred or will be externally funded. Beyond this, we have greatly reduced or deferred most existing spending.

This still hasn’t been enough to offset the rates increases required. Even shutting every library and reducing investment across

every community service still isn’t enough to offset the costs we face.

Our approach has been on balancing our current situation with ensuring we prioritise and keep investing in our infrastructure for the future. As a community we can’t repeat the mistakes of the past and choose not to fund our critical infrastructure for the future.

While we make decisions on behalf of our community, our decisions are ultimately shaped by your voice.

We’ve worked to give you clear options in this Three Year Plan on what we will need to pay if we choose to give other things up or choose to retain some of what we have.

Please have your say to help us make the tough decisions we have ahead of us.

Alex Walker

Mayor of Tamatea, Central Hawke’s Bay

It's not fair. All these increased cost factors have all come together to create a perfect financial strategy 'costing storm'. As Councillors we are acutely aware we need to balance the need for investment, the cost increases to existing assets and services, as well as cyclone recovery costs – with affordable rates increases. It's no secret that the funding system for local government is broken. For us, rates make up well over half of Council's funding and relying so heavily on rates is unsustainable and now at a tipping point.



Gerard Minehan
Councillor Ruataniwha Ward

This plan starts to address the major backlog of our land transport issues, but we have at least a decade of investment ahead of us. We still haven't had our funding confirmed for \$129m of roading recovery repairs. We all want to get on with it, but we simply can't afford to fund it alone.



Kate Taylor
Councillor Aramoana/Ruahine Ward

The potential rate increase is confronting for everyone. For the last few months, we have been asking the same questions ratepayers ask - where can the cuts be made? What can be stopped or delayed? To quote Wellington Regional Councillor, Thomas Nash 'One key driver of failing water and other infrastructure is the long-standing political drive for low council rates'. The reality is this Three Year Plan has no 'nice to haves', those we can deliver on will be relying on external funding. This Three Year Plan is very much the plan that concentrates on roads, water and rubbish.



Pip Burne
Councillor Ruataniwha Ward

The nice-to-haves have already been pushed out and we can't repeat the three waters mistakes of the past. We need to carry on with the investment we've made to date on our infrastructure but acknowledge it doesn't come without significant cost to everyone. It's positive we're making a start on funding the roading backlog - but there is still much more to fund and to complete.



Jerry Greer
Councillor Aramoana/Ruahine Ward

This Three Year Plan will be challenging for everyone, especially our whānau already under pressure. We've explored every opportunity to reduce costs where we can but it's still not enough. Please give us your feedback on the options and choices that you'd be willing to accept.



Exham Wickham
Councillor
Ruataniwha Ward

Council has worked hard over the past year navigating cost increases and recovery, while trying to maintain a organisation that is moving forward, preparing for the future and meeting the needs of our people. We have tested every opportunity available to us to reduce costs. Please have your say to help inform our decisions as we set a plan for the next three years.



Kia pai tō rā
Kelly Annand
Deputy Mayor
Councillor
Ruataniwha Ward

We've got few options available to us, particularly with the changes in Three Waters and existing regulatory pressures on us. We've delayed wastewater, prioritised water activities and closed services and it's still not enough. We need Government to understand how important support for Councils like us affected by Cyclone Gabrielle is. We can't do it alone.



Tim Aitken
Deputy Chair Risk
and Assurance
Committee
Councillor
Aramoana/
Ruahine Ward

We're paying 300% more in borrowing costs than what we were three years ago. We've reduced all other borrowing where we can to our most critical priorities. We've got to prioritise the Hawke's Bay Three Waters Model to get the big driver of three waters costs down for our community.



Brent Mugeridge
Councillor
Aramoana/
Ruahine Ward

What are we up against?

Since the 2021-2031 Long Term Plan, we've had costs increase dramatically. These factors are having a major impact on the rating requirements we have.

Cyclone Gabrielle – roading recovery



While we've had some initial Government funding, we still have \$129 million of roading repairs from the cyclone to fund. We've made an allowance in this Three Year Plan, but if we can't achieve an adequate level of external funding, it will take over a decade to make the critical roading repairs required.

Stormwater recovery



Following Cyclone Gabrielle and our recovery conversations with the community, you told us to move with urgency to address stormwater maintenance. We've listened and this proposed budget nearly doubles the previous investment that was made on stormwater management. We will leverage off external funding to fund this new investment in the first year.

Uncertainty in river reviews



We've had to slow our planned wastewater projects due to the uncertainty and impact of river modelling on major investment projects – such as Waipawa, Waipukurau, Takapau and Pōrangahau Wastewater Plant upgrades.

Changes to Three Waters Reform



The change in Government saw the proposed Three Waters Reform Programme repealed. This change in policy means that Three Waters will remain a core Council activity at this time, and the capital programme that began in the 2021 Long Term Plan will continue, albeit rephased due to Cyclone Gabrielle.

Prior to the Three Waters Reform Programme progressing the Hawke's Bay Waters Model was a priority, and Council are prioritising this again to address the major affordability challenges created by the delivery of Three Waters activities.

Cost of delivering services



Services are costing more than ever before to deliver. Bridges are 38% more expensive to build now than three years ago. Roads and water supply infrastructure are 27% more expensive. Sewerage systems are 30% more expensive.

Insurance costs

We are facing annual insurance costs just short of \$1 million per year. In the last 12 months, increases have been over \$200,000 with no appropriate alternatives, such as self-insurance.



Cost of borrowing



Just like at home, it's costing us more to borrow. In 2021 we could borrow funds at 2.1% per annum (pa). New loans today are costing as much as 6.3% pa. That's a 300% increase over just three years.

This means a \$3m pa increase in interest costs since 2021.



Proposed rates increase

We've worked hard to rephase programmes and reduce costs across the organisation, while making allowances for recovery and critical projects. These changes still aren't enough to address the major costs we face.

Just reduce your costs Council!

To achieve a Year 1 rates increase of 10% instead of 20% – for example – would require further organisational savings of \$2.8m.

For context, the entire districtwide budget for mowing, spraying, litter and gardening is \$1.1m, not even a half of the savings required.

External funding to the rescue!

Council initially indicated a 24% rate increase might be required. However, we've been able to reduce this to 20% by using external funding - called "Better Off Funding" - which was received as part of the Three Waters Reforms. We're using this funding to:

- Fund over \$1m worth of important Three Waters projects, saving targeted ratepayers \$260 each on average in Year 1.
- Progress priority recovery and community activation projects, such as the Harker Street reinstatement and town centre activation projects, at no additional cost to the ratepayer.
- Maintain Council services which we would have had to pause, such as the rural recycling trailers service.



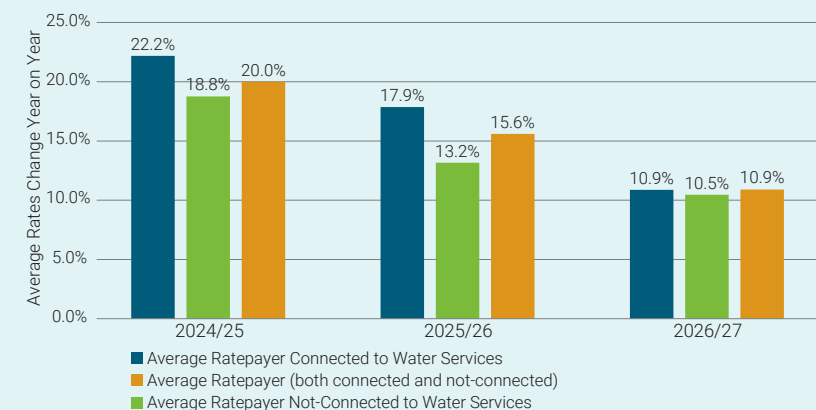
To find out how the proposed rates will affect your property visit chbdc.govt.nz Search for your property and view the table 'Rates for 01/07/2024 - 30/06/2025 rating year'.



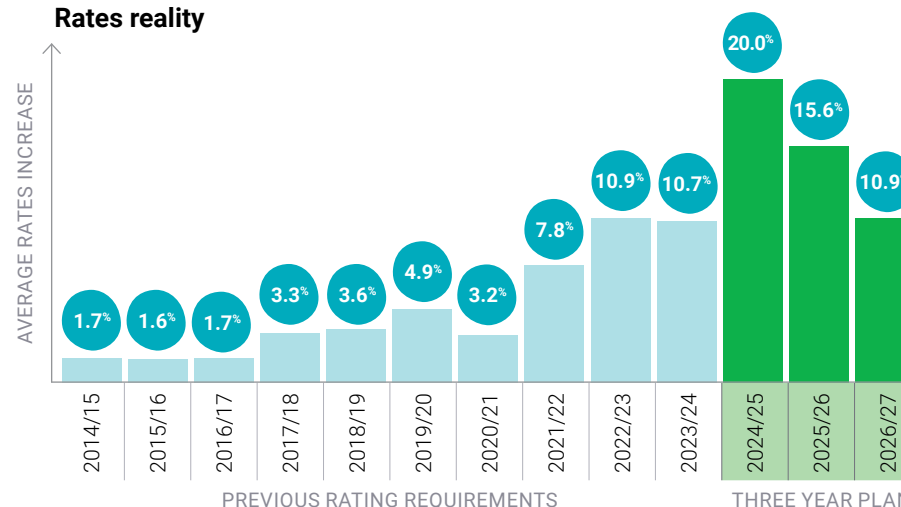
Not all rates impact us the same way

While the average rate increase is 20%, the actual rate increase will differ based on where you live and the services you are connected to or receive. Urban ratepayers that are connected to water services will have a higher rating increase, due to the main drivers of cost increases being Three Waters related. Ratepayers not connected to water services will have a lower rating impact. The graph below shows the difference over the next three years in increases for those connected to water services.

Average Rates Movement Proposed Year on Year



Rates reality



Options and trade-offs

We've done our best to create a preferred budget that addresses the most urgent priorities ahead of us. It's your turn to have your say on the budget options and trade-offs available to us.

The Lower Option

The Lower Option sees activities and services further reduced in the first year, rebuilding this investment back over three years. This option requires services to be further reduced to achieve a cumulative reduction of \$700,000 from the Central Option.

The Lower Option:
Further reductions and closures in services

Average Rates Increases

YEAR 1	YEAR 2	YEAR 3
17.5%	17.4%	11.3%

The Central Option

PREFERRED OPTION

The Central Option is our preferred option. The budget is not a business-as-usual option, already incorporating over \$1.5 million of reductions made across services and the organisation itself through the Three Year Plan budgeting process.

Even at this Central Option of 20.0%, reductions across services will be noticeable.

This includes closing Waipawa and Takapau Transfer Stations and reducing hours at Pōrangahau; some reduced hours at libraries and reductions in other activities.

The Central Option:
Critical three waters and land transport focus, closures and reductions of some services.

Average Rates Increases

YEAR 1	YEAR 2	YEAR 3
20.0%	15.6%	10.9%

The Higher Option

The Higher Option begins to include some services in the Central Option that have already been reduced, such as transfer station hours, and hours in library services. It also includes further investment in land transport (\$500k), critical water investment (\$500k) and additional urban stormwater investment (\$350k).

The Higher Option:
Restoring some services and one-off investment in some activities

Average Rates Increases

YEAR 1	YEAR 2	YEAR 3
25.0%	11.1%	10.9%

Trade-off areas

Across four areas, we describe what the three budget options will mean for key services and activities.



TRADE-OFF #1

Sorting Land Transport

While Cyclone Gabrielle caused major damage to our roads, prior to the cyclone we already had damage from 2022, which was the 'wettest year on record'.

We're proposing increases to the Land Transport activity to address the major backlog of maintenance issues.

We've got options to reduce or speed up that programme.



TRADE-OFF #2

Drinking Water and Wastewater Investment

Water and Wastewater services are a major driver of costs with over \$600 of the total rate increase for urban ratepayers in Year 1 relating to Three Waters.

There are few options to reduce the rating impact of this activity.

In the three budget options, we've proposed options to accelerate more investment in critical three waters repairs or make further operational reductions.



TRADE-OFF #3

Prioritising Stormwater

Prior to Cyclone Gabrielle, we'd already started to increase investment across our stormwater networks, beginning to fund stormwater activities in some locations for the first time in 2021.

We're proposing a major step change in our investment in urban stormwater, offset by external funding in the first year.



TRADE-OFF #4

Service Reductions and Efficiencies

Even in the Central Option we've made significant reductions across services and activities to arrive at a 20.0% budget option.

This includes closing transfer stations, reducing library hours and delaying upgrades in our open spaces. We can reduce the rate impact by further reducing and closing some services.

TRADE-OFF

#1

Sorting Land Transport

Back in 2021 we were planning for Land Transport to be a focus for the 2024 Long Term Plan – but not like this.

For more than a decade, our roads have operated well as 'dry' networks. However, following \$50 million of damage from the 'wettest year on record' in 2022 and with \$129 million remaining of unfunded damage from Cyclone Gabrielle in 2023, we've got major work ahead of us. Funding for recovery has still not yet been confirmed.

Community frustration is high. Our buying ability has been eroded by record inflation – with bridges 38% and roads 27% more expensive to build than three years ago.

This Three Year Plan prioritises new investment on the basics, however also proposes reductions to some land transport activities. Overall considerable increases are required over 12 years to address the major backlog of maintenance across the district's roading network.

Save \$2 in rates to lose \$3 in external funding

For every \$500,000 of costs reduced in Land Transport activities, only a \$205,000 reduction in rates is achieved. This is due to us receiving a 59% funding assistance rate (FAR) from NZTA for roading maintenance.

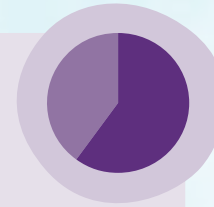
- 59% grant. NZTA (Grant Funded) Land Transport
- 41% grant. Rates Funded Land Transport

Why isn't my road fixed yet?

We haven't yet received confirmation of what the Government co-contribution to Land Transport recovery funding will be. This extends to roads damaged in 2022 prior to Cyclone Gabrielle.

This Three Year Plan assumes that we will receive an enhanced 95% funding contribution from the New Zealand Transport Agency (NZTA) or equivalent funding from Government for roading recovery – requiring us to fund \$2m each year for recovery.

If this is not achieved, Council will only be able to deliver \$10 million of roading recovery works each year, taking over a decade to complete the roading recovery repairs.



Challenges for Land Transport



There is over \$11m in outstanding structural maintenance and renewals for assets such as retaining walls.



We need to triple the volume of metal being applied to rural roads.



The road surface maintenance backlog (potholes, flushing) has tripled since 2021.



The drainage maintenance backlog has doubled since 2021.



Due to cost escalation, we've only achieved 4% of our sealing programme, rather than the 7% average.



Lower Option

One-off reduction in Land Transport maintenance

This option proposes a one-off \$500k reduction in funding for Land Transport (\$205,000 in rates) in Year 1, returning to normal levels in Year 2 and 3 of the plan. This reduction would be achieved by:

- Reducing the road metalling budget by 20% across rural roads as a one-off. This will see a Year 1 reduction of around 8.3 kilometres of roads not being metalled. This reduction will further increase the backlog of metalling required across the district's roads and will further reduce the level of maintenance across rural roads.
- Reducing the resealing budget by 20% as a one-off to reduce the rate, means 6 kilometres of planned sealing will not be completed. The risk of doing this is that potholes may further increase as the sealed road surface deteriorates and the backlog of resealing work increases.

PREFERRED OPTION

Central Option

A planned approach to Land Transport

This option provides for ongoing increases in the Land Transport activity over the Three Year Plan and beyond, to begin to address the growing backlog of historic maintenance, including:

- 21% increases to base budgets to keep up with major inflation that reduces our buying power.
- Increases in drainage maintenance across rural roads.
- Incremental increases to gravel road metalling.
- Increasing resealing budget to achieve at least 7% of the network being sealed.
- An assumption that Council will only need to provide a 5% contribution to roading recovery costs (\$2m pa).
- Creation of a new budget to proactively replace retaining walls and other structures over three years.

While an increase overall, this option still requires reductions in a number of Land Transport activities in the short term, including:

- Halving the low-cost low-risk safety programme by \$500k in the first year and reinstating this over three years.
- No new footpaths or seal extensions for dust.

The preferred Central Option will require over 3 years:

Operating expenditure \$33.5m

Capital expenditure \$26.7m

Cyclone recovery \$77.4m *

Lower Option will save \$0.5m in operating expenditure

Higher Option will add \$0.5m in operating expenditure

*Assumes 95% co-funding is achieved

Higher Option

One-off boost to Land Transport

This option proposes a \$500k increase in funding (\$205,000 in rates) to deliver what is proposed in the Central Option but also includes the following:

- Address the lack of metalling by increasing the amount across rural roads by 20% as a one-off, achieving around 8.3 kilometres of additional metalling.
- A one-off increase to the amount of resealing across roads by 20%, catching up on around 6 kilometres of road sealing. This will help us to achieve more than 4% of our network being sealed each year (should be achieving 7-10%).



TRADE-OFF

#2

Drinking Water and Wastewater Investment



In 2021 you told us you wanted us to prioritise investment in our ageing waters infrastructure and we've made this a major focus as part of #thebigwaterstory and #thebigwastewaterstory.

Since then, we have worked on essential upgrades and renewals across the district to deliver on that critical investment.

We've also had a new regulator, Taumata Arowai introduce new standards that we must meet.

We've continued to prioritise the most critical water and wastewater projects in this Three Year Plan.

Hawke's Bay waters model for the future

The status quo model for the delivery of water services for the future is not an option.

Since 2019, Hawke's Bay councils have been working on an option to work together to combine water services that is expected to reduce the cost of three waters services in the long term .

This must remain a priority in order to address the major drivers of three waters costs that residents are experiencing in this Three Year Plan.

What's been achieved to date?



5.9km of wastewater pipe installed or replaced since 2021.



1,640 properties and 21km of pipe investigated for Wastewater leaks and defects since 2021.



2023 – Following flooding, rebuilt the Waipawa/Otāne drinking water plant after Cyclone Gabrielle.



2022 – Otāne Wastewater discharge removed from the Papanui Catchment.



2023 – Opened a new water treatment plant at Kairakau.



2021/2022 – Desludged the Waipawa and Waipukurau Wastewater Treatment Ponds.



2022 – New Dissolved Air Floatation (DAF) installed for improved Waipawa Wastewater Treatment Plant compliance.



Replaced 10.2km kilometres of water pipeline.



Lower Option

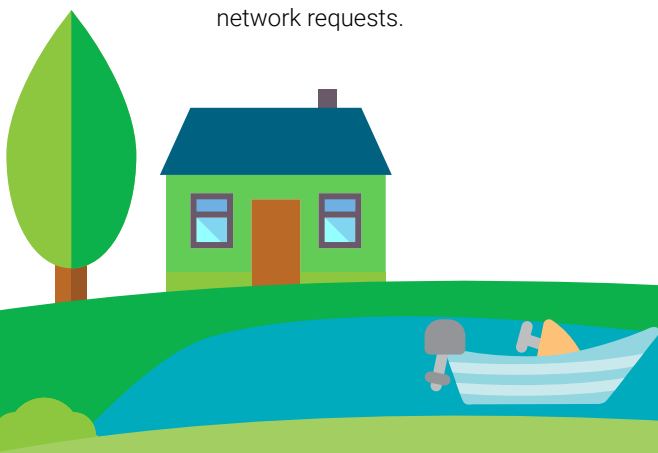
Reducing operational activities

The only way to reduce water and wastewater costs in the first year of the plan is by reducing the operational work we do. To reduce costs in Years 2 and 3, we must reduce the proposed projects in Year 1 contained in the Central Option.

We have already focussed on the most critical resilience projects and further extended the time to deliver major projects.

A \$150,000 reduction (around \$35 per connected household) is proposed by:

- Further extending response times to address network leaks.
- Further reducing grounds maintenance at water and wastewater sites.
- Further reducing our responsiveness to respond to complaints and network requests.



PREFERRED OPTION

Central Option

Deliver on critical water projects

The Central Option features critical investment in our drinking water services continuing, and already includes our wastewater programme being deferred until reviews of Cyclone Gabrielle's impact are complete. We have already reduced this budget by over \$1m to get to this option.

- The Waipukurau Second Supply project will continue to be prioritised over four years, to provide water source resilience and a 3 million litre increase in drinking water storage capacity.
- The two, over 100-year-old, drinking water reservoirs in Waipawa will be replaced.
- Renewals across our drinking and wastewater programmes will continue as planned without reductions. This reduces losses and leaks across the network.
- Work on the Takapau, Waipawa and Pōrangahau/Te Paerahi wastewater plants will pause for three years, until reviews of Cyclone Gabrielle's impact are complete.
- A new DAF (Dissolved Air Flootation) plant will be installed at the Waipukurau Wastewater Treatment plant to manage growth and reduce non-compliance issues in the shorter term.
- A replacement swing bridge to carry wastewater to a future plant in Waipawa is still retained in the plan, however not until Year 3 once we better understand the outcomes of river reviews.

The preferred Central Option will require over 3 years:

Operating expenditure \$32.7m

Capital expenditure \$54.9m

Lower Option will save \$0.1m in operating expenditure

Higher Option will add \$0.5m in operating expenditure and \$0.1m in capital expenditure

Higher Option

Make a one-off additional investment in waters

This option delivers what is proposed in the Central Option but also includes a one-off \$500k increase in funding for water and waste operational activities to:

- Begin to address the backlog of water leak roading reinstatements across the district that have not been fully repaired due to funding constraints.
- Begin to remediate the grounds at the Waipawa Wastewater Treatment Plant following Cyclone Gabrielle.



TRADE-OFF

#3

Prioritising Stormwater

Since 2021 we had been taking a planned, long-term approach to addressing the significant investment required in our stormwater networks.

Stormwater networks are the urban drainage networks that service our townships, and do not include rural roadside drainage.

Through our recovery community conversations following Cyclone Gabrielle, we clearly heard the need to urgently boost investment in stormwater, rather than taking a longer-term incremental approach.

This Three Year Plan proposes to nearly double our investment in Stormwater.

You told us that better urban stormwater maintenance was needed – so we've prioritised that investment. Do you agree?



Using external funding

In the Central Option we have already applied \$850,000 of 'Better Off Funding' from the Government's Three Waters Reform programme to reduce the rating impact in Year 1 for stormwater. This requires an increase in rating in the second year of the Three Year Plan, when this funding is exhausted.



Replaced/relined stormwater pipelines in Francis Drake Street and Jellicoe Street to Tavistock Road in Waipukurau.



Developed a stormwater model to understand network improvements.



Completed the Nelson Street stormwater upgrade in Waipukurau.

Since Cyclone Gabrielle we've already completed:

What's been achieved to date?



2km of pipe (5% of the stormwater network) flushed to assess condition and remove blockages.



4km of stormwater bed excavated (25% of the network)



5km of vegetation cleared (31% of the network).



Lower Option

Not feasible

There are no practical options to reduce the cost of stormwater services and activities.

The only way to reduce costs would be to provide an even lower level of maintenance than is currently provided.

This was discounted as an option, with critical investment outlined in the Central Option required.

Targeted rate: stormwater rates are targeted to only those residents that benefit from the service.

PREFERRED OPTION

Central Option

Provide for programmed regular maintenance

The Central Option proposes \$857,000 of new stormwater investment in urban areas in the first year and ongoing years of the Three Year Plan.

We have clearly heard from community the need to ensure there are clear expectations on the stormwater level of service they can expect. This budget increase will introduce a much higher level of service than currently provided.

This option uses external Better Off Funding to reduce the major increase in this rate in Year 1 of the Three Year Plan, with a further increase required in rating requirements in Year 2.

This new investment across the district will achieve:

- 2-yearly vegetation clearance on major open drain channels.
- 5-yearly bed excavation to remove vegetation overgrowth and sedimentation.
- 10% of the piped stormwater network flushed or inspected each year.
- Development of an overarching strategy for how the Stormwater activity is managed in the future.
- Development of a hydraulic model for Takapau and updates to Waipukurau, Waipawa and Otāne models.

The preferred Central Option will require over 3 years:

Operating expenditure \$5.5m

Capital expenditure \$4.7m

Lower Option and the preferred Central Option are the same

Higher Option will add \$0.35m in operating expenditure

Higher Option

Make a one-off additional investment in stormwater

This option delivers the investment in the Central Option but also proposes a one-off \$350k increase in stormwater maintenance.

This would see the prioritisation of additional stormwater investment following Cyclone Gabrielle including:

- Up to an additional 5.2 kilometres of stormwater drain vegetation clearance.



TRADE-OFF

#4

Service Reductions and Efficiencies

To get to the Central Option we have already made several tough decisions to reduce or close services across the district to reduce cost.

We have explored every aspect of the organisation and looked at all the options to increase revenue, but also reduce the cost.

Inside the organisation, reductions across the business were made in 2022 and these have again been a focus for the Three Year Plan.

Outside of three waters and land transport, the only remaining options that are available to community to make further reductions in the rating requirement is to further reduce, stop or close services.



A growing community

In the last 10 years our community has grown by over 20%. This means we need to collect more rubbish, register more dogs, make more water and respond to more expectation from our community than ever before.



Reducing staff costs

We've already deferred a number of new planned staff roles in this budget and made reductions in a number of areas. This budget also does not address the challenges we face filling a number of roles critical to the organisation such as engineering or planning.

More to do than ever

The volume and value of work we deliver has in some cases more than tripled since 2015. While we've removed proposed new staff and reduced staffing costs in areas for this budget, we need to ensure we still have the organisational capacity to deliver the programmes of work.

	2015	2023
Capital Programme	\$12.9m	\$32.7m
External Funding	\$8.3m	\$27.3m



Focus on critical infrastructure

Due to the impacts of Cyclone Gabrielle, this Three Year Plan proposes to defer any major open space or community facilities work that impacts rates for at least the next three years. It also requires us to make several short-term reductions across every other activity of Council. These reductions still are not enough to reduce the significant rating impacts we face.

Any 'nice to have' activities will be funded through external funding.

Resolving the long-term solution for Waipukurau Library, earthquake strengthening of buildings such as the Central Hawke's Bay Municipal Theatre and how we invested in the vibrancy of our town centres for the future have all been deferred.



Lower Option

Reduce services further

This option requires further reductions of \$360k to be made across services.

The only other way to make additional reductions is to further reduce or close services. This option proposes the following reductions:

- Close the Waipawa Library in Year 1 and further reduce hours elsewhere, returning to normal opening hours by 2027.
- Stop catcher mowing across the district's cemeteries and high-profile parks and open spaces.
- Fire mow in some locations only, such as Don Allan and High Street Reserves.
- Reduce berm mowing frequency districtwide by 30%.
- Reduce mowing and spraying frequencies across all the district's reserves.
- Reduce the frequency of toilet cleaning and litter collection districtwide.

PREFERRED OPTION

Central Option

Focussed services with reductions

This option includes over \$1.5 million of reductions made across the entire organisation, including:

- The permanent closure of the Waipawa and Takapau Transfer Stations.
- Reduction in hours at the Pōrangahau Transfer Station.
- A reduction in opening hours and programmes at the Waipawa and Waipukurau libraries.
- Removing planned new rates funded roles for the next 24 months.
- Further reductions in organisational wide costs including staffing costs.
- Funding the Rural Recycling Trailer through Better Off Funding in Year 1.
- Reducing and deferring open space and community facilities renewal projects for three years.
- Operational recovery support is funded externally, not through rates.
- Deferring new projects and capital projects across Open Spaces and Community Facilities in the first three years.
- Delaying decisions on the future of the former Waipukurau Library and other community facilities.
- Minor reductions across Economic Development, Governance, and all other activities.

The preferred Central Option will require over 3 years:

Lower Option will save \$0.36m in operating expenditure

Higher Option will add \$0.1m in operating expenditure (some of which is externally funded)

Higher Option

Reinstating some services

Additional investment of \$80k will provide for:

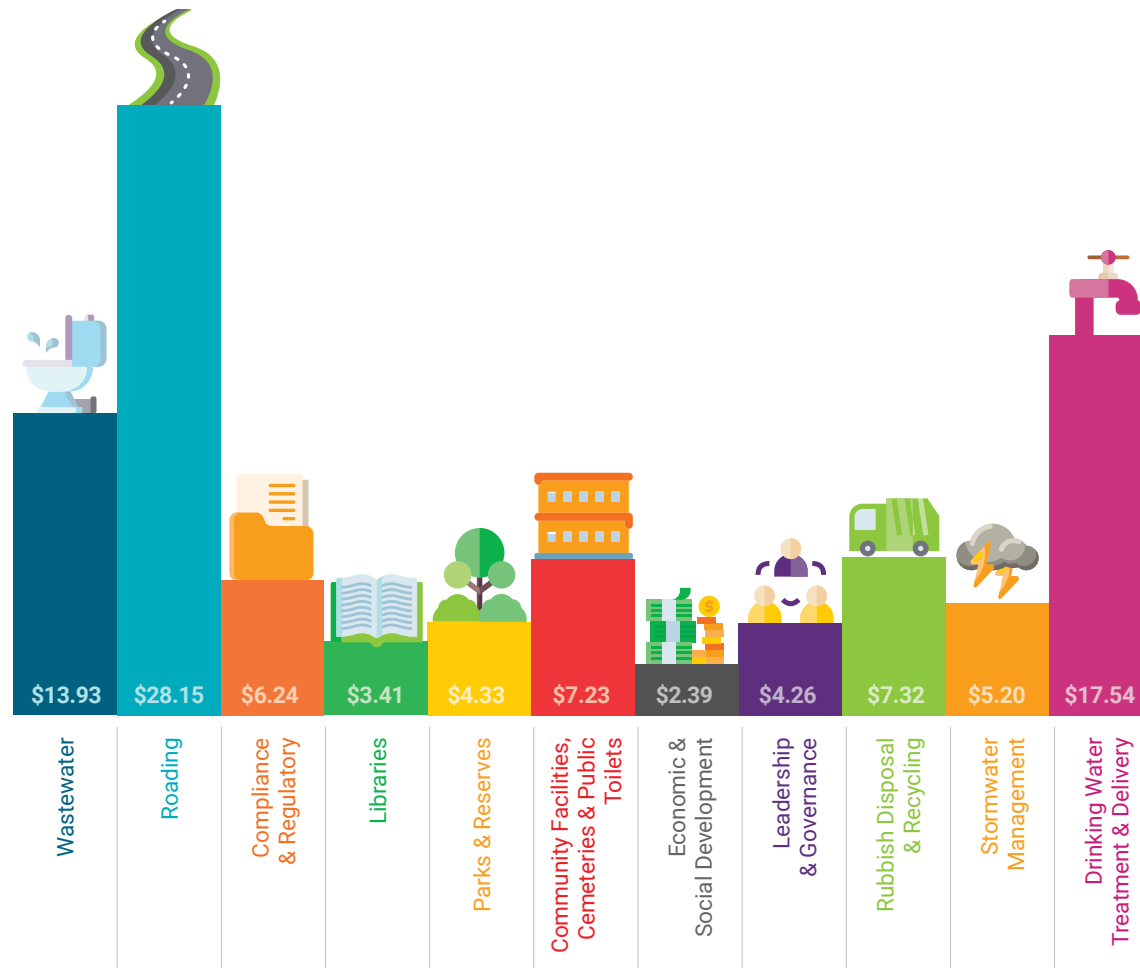
- No reduction in opening hours at Waipawa and Waipukurau Libraries.
- \$50k of additional funding in Year 1 to fund the backlog of maintenance in rural halls in Year 1.



Proposed rates

How rates will be spent over the next three years.

Where, on average, every \$100 of rates will be spent over the Three Year Plan 2024–2027



Proposed rates 2024–2027

We have used a sample of district ratepayers to demonstrate the impact of these proposals, based on the assumption that the Central Option is confirmed for 2024/25. The sample rates are shown in the table on the right.

You can find out how the proposed rates will affect your property for year 1 by visiting chbdc.govt.nz, searching your property and viewing the table 'Rates for 01/07/2024 - 30/06/2025 rating year'.



We have used a sample of district ratepayers to demonstrate the impact of these changes (based on the assumption that the four preferred options are ratified by the consultation) on rates for 2024/25. The sample rates are shown in the table on the right.





Sample of district ratepayers

	Coastal Residential		Rural								Urban Residential											
	Te Paerahi		Lifestyle residential		Aramoana		Ruahine		Ruataniwha		Ongaonga		Otāne		Pōrangahau		Takapau		Waipawa		Waipukurau	
Based on: Capital Value	\$810,000		\$1,000,000		\$6,070,000		\$3,820,000		\$7,420,000		\$610,000		\$630,000		\$365,000		\$610,000		\$680,000		\$770,000	
Land value	\$500,000		\$425,000		\$5,300,000		\$3,020,000		\$6,300,000		\$180,000		\$300,000		\$125,000		\$225,000		\$195,000		\$280,000	
	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop	Act	Prop
General Rate District	747	935	923	1,154	5,600	7,005	3,524	4,408	6,845	8,563	563	704	581	727	337	421	563	704	627	785	710	889
District Land Transport Rural	756	875	643	744	8,016	9,277	4,568	5,286	9,529	11,028	272	315	454	525	189	219	340	394	295	341	424	490
Refuse Collection Service Available	35	54	-	-	-	-	-	-	-	-	35	54	35	54	35	54	35	54	35	54	35	54
Sewerage Operations Rate Service Available	1,026	1,304	-	-	-	-	-	-	-	-	-	-	1,026	1,304	1,026	1,304	-	-	1,026	1,304	1,026	1,304
Stormwater Operations Catchment	-	-	-	-	-	-	-	-	-	-	-	-	155	206	-	-	112	150	348	348	394	394
Water Supply Operations Service Available	1,012	1,311	-	-	-	-	-	-	-	-	-	-	1,012	1,311	1,012	1,311	1,012	1,311	1,012	1,311	1,012	1,311
Recycling Collection Rate Service Available	-	-	-	-	-	-	-	-	-	-	139	134	139	134	-	-	139	134	139	134	139	134
District UAC UAC	432	442	432	442	432	442	432	442	432	442	432	442	432	442	432	442	432	442	432	442	432	442
TOTAL	4,008	4,921	1,997	2,340	14,048	16,724	8,523	10,137	16,805	20,033	1,441	1,649	3,833	4,703	3,030	3,751	2,633	3,189	3,913	4,719	4,171	5,018
Total \$ Change		913		343		2,677		1,613		3,227		208		871		721		556		806		847
Total % Increase		22.8%		17.2%		19.1%		18.9%		19.2%		14.5%		22.7%		23.8%		21.1%		20.6%		20.3%

Other consultation matters

As part of this Three Year Plan, there are other consultation matters we'd like your feedback on:

Revenue and Financing Policy – Proposal to introduce new Pool Inspection Rate

In early 2024, we reviewed our Revenue and Financing Policy and rating system to determine how Council's costs will be divided across the community between rates and user pays (fees and charges).

This resulted in a proposal to move the cost of swimming pool inspections for those that have a fixed pool from a fee and charge to a targeted rate payable by pool owners averaged over three years. There will still be an option to pay a fee and charge for temporary pools.

We want to confirm that we have got this approach right. Please head to our Supporting Information to read the Policy in full.

Development Contributions Policy

We've made changes to our Development Contributions Policy, the mechanism whereby we recover from developers the cost of infrastructure upgrades caused by district growth.

This policy also forms part of the Three Year Plan consultation. We are proposing amendments to the growth projects and subsequent contributions, including changes for smaller dwellings. You'll note smaller changes to some development contributions, more notable changes for Otāne and Takapau and we have recalculated future growth projects and growth projections. Head to our Supporting Information to see the full proposed Development Contributions Policy.

See the proposed Development Contributions Fees for consultation over the page.

Also head to our supporting information to see the full Development Contributions Policy.



GROWTH GEOGRAPHIC AREA	ACTIVITY	TOTAL DC GROWTH CAPEX	2024 DC	2021 DC
Districtwide	Community Infrastructure	\$1,691,834	\$1,243	\$1,410
			\$1,243	\$1,410
Otāne	Wastewater	\$349,971	\$3,379	\$10,838
	Water	\$706,243	\$6,819	\$9,818
	Stormwater	\$146,121	\$1,411	\$2,736
	Reserves	\$309,135	\$2,985	-
	Districtwide		\$1,243	\$1,410
			\$15,837	\$24,802
Waipawa	Wastewater	\$921,514	\$4,958	\$10,838
	Water	\$2,849,746	\$15,333	\$9,818
	Stormwater	\$331,648	\$1,914	\$2,736
	Reserves	\$185,661	\$1,106	-
	Districtwide		\$1,243	\$1,410
			\$24,555	\$24,802
Waipukurau	Wastewater	\$2,000,228	\$4,328	\$10,838
	Water	\$5,362,282	\$11,603	\$9,818
	Stormwater	\$698,366	\$1,882	\$2,736
	Reserves	\$1,272,914	\$3,832	-
	Roading	\$1,230,000	\$2,662	-
	Districtwide		\$1,243	\$1,410
		\$25,550	\$24,802	
Takapau	Wastewater	\$1,118,264	\$17,395	\$3,205
	Water	\$296,119	\$4,606	\$1,407
	Stormwater	\$92,447	\$1,438	\$1,523
	Districtwide		\$1,243	\$1,410
		\$24,683	\$7,545	
Pōrangahau	Wastewater	\$569,271	\$26,566	\$16,036
	Water	\$74,030	\$3,455	\$1,735
	Stormwater	-	-	\$1,045
	Districtwide		\$1,243	\$1,410
		\$31,264	\$20,226	



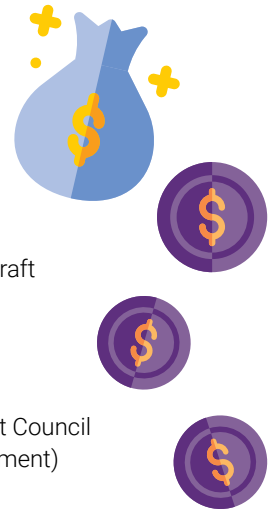
Financial implications

To understand all the financial implications together, we develop a Financial Strategy.

The Financial Strategy is the foundation of the Council's Three Year Plan, with its goal being to fund the required investment required in Council's assets. To achieve this, the focus of the strategy is to achieve operating surpluses, sufficient to reinvest into our assets and infrastructure, to ensure they are sustainably managed and comply with legislative requirements.

A key aspect of our Financial Strategy is to try and reach a prudent balance between loan and rate funding for the purchase of new and maintenance of old assets.

To reduce the need to borrow, we intend to progressively pay for more asset renewals from rates, with loans being used to fund new assets required for increases in levels of service and growth.



We are signalling significantly higher than normal rates increases in the draft 2024-2027 Three Year Plan to achieve the financial goals of:

- funding cyclone recovery
- funding inflation-driven cost escalations
- funding renewals through rates (rather than debt funding, which is what Council is proposing to do in the short term to catch up on historic underinvestment)
- finding alternative sources of income to fund growth projects
- balancing the operating budget.

You can view the full Financial Strategy and our prospective accounts in our supporting information.

Funding historical underinvestment

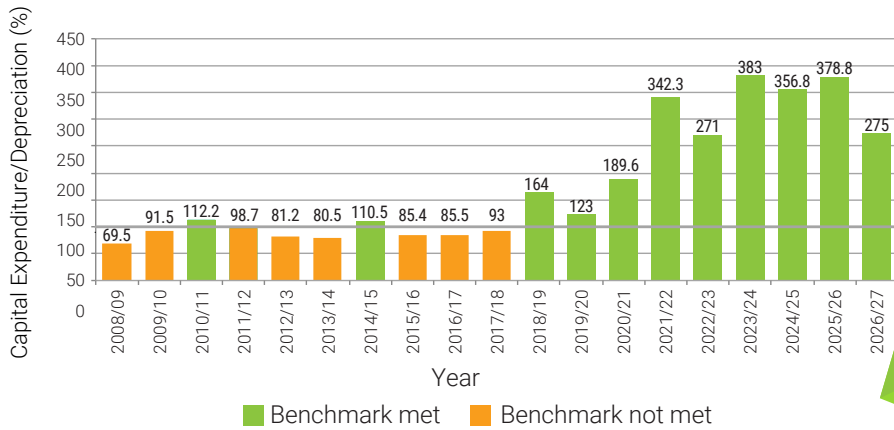
One of Council's operating costs is depreciation. This is the accounting method used for spreading the replacement costs of assets over their useful life. For example, a wastewater treatment plant that costs \$30 million and is expected to last for 30 years will have a depreciation charge of \$1 million per year.

In an ideal world, Council would rate to fund depreciation so that when the asset needs replacing, we are holding cash reserves (from years of rating for depreciation) equal to the cost of the replacement asset. However, in practice, because the money is not needed until later years, the easiest way for councils to keep rates artificially low is to not fully rate for asset replacements. As most Council infrastructure assets have a life expectancy of 30 to 100 years, the cash shortfall does not become apparent for many years. Unfortunately, this is the case we find ourselves in, historically, rates increases have been artificially held below the cost of inflation (see graph on page 22).

Not fully funding depreciation, changes in water treatment and wastewater discharge compliance regulations, and a growing population mean that many of our assets are at the end of their useful life and are no longer fit for purpose.

Council plans to address this issue by continuing a significant capital programme of asset replacements. Initially, Council plans to fund this using debt and then switch back to rate funding these in the next Long Term Plan in 2027. This will see a significant step change in rates at this point; however, this alone will not be sufficient to fully fund depreciation going forward but will significantly close the gap.

Essential services benchmark – capital spend vs depreciation



What does this graph mean?

The graph shows how much Council is spending per year on essential acquiring assets (roading, drinking water, wastewater and stormwater) per year versus how much it is recording as depreciation.

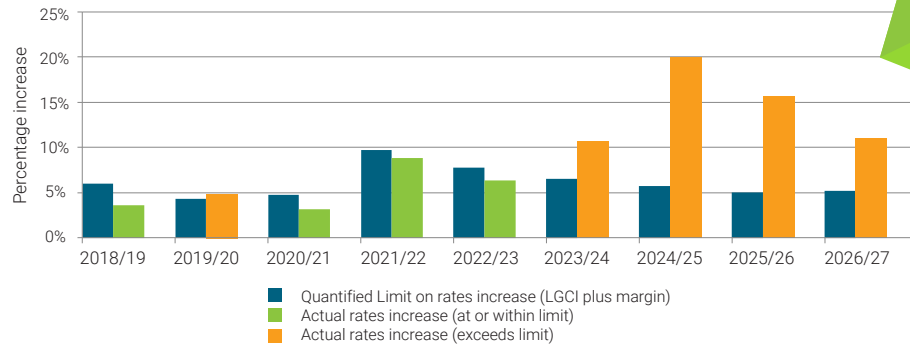
What this highlights is that prior to 2017 Council has historically underinvested in asset renewals. This, coupled with aged assets and increasing compliance regulations, means that Council has to invest significantly in replacing and upgrading its assets over the next three years.

The green bars over the life of the Three Year Plan show that replacement of our assets will occur quicker than they will wear out, making the average age of our assets younger and less likely to be taken to the point of failure.

Rates affordability

Central government sets a number of legislative standards that Council must report on as part of preparing a Three Year Plan. One of these standards is the affordability of rates, which must be within a set limit that each council decides upon in the development of its Financial Strategy. Council has set this limit as a policy decision, recognising the aspiration of elected members and the community's desire to keep rates at an affordable level. However, in reality, the policy cannot be achieved as the requirement to raise rates above this policy limit is out of necessity.

Rates (increases) affordability benchmark



What does this graph mean?

The graph shows that to catch up on the historic underinvestment in our infrastructure, recover from the cyclone and deal with cost escalations, Council is temporarily willing to exceed its own rate increase limits that it has set as part of its Financial Strategy. The quantified limits, as shown in the graph, represent local government inflation forecasts plus 3%. The years when the proposed rates increases exceed this limit are shown in orange.

Rate increases will need to continue at levels above inflation until such time as it meets the balanced budget benchmark, at which point it would fully fund depreciation.

Due to rates affordability constraints, this won't be achieved in this Three Year Plan.

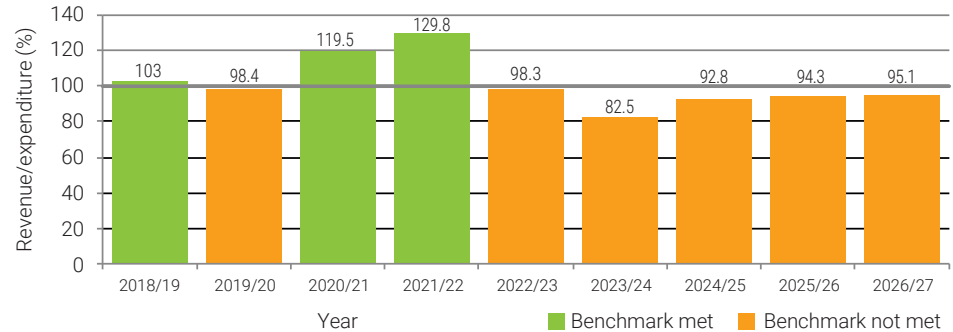
Balancing the budget

Balancing the budget shows that operating revenue is sufficient to cover operating costs, including depreciation. Council’s operating costs have significantly increased due to inflation, cost of construction, insurance and increases in financing costs. Council rates need to increase significantly to deliver what they have always delivered. To catch up on previous historical underinvestment, Council is going to utilise debt to fund its renewals in the short term (rather than rates).

While Council won’t make accounting surpluses (after depreciation), it will still generate cash surpluses. These will be used to partly fund the cost of replacement assets; however, debt funding will be required to cover the shortfall in the short term. We believe that this is financially prudent; however, it cannot continue in the longer term. That is why we are proposing stepped rate increases throughout this Three Year Plan.

Despite the step change in rates indicated in the Three Year Plan, Council will still be running a 5–7% shortfall. Council doesn’t forecast to be fully balanced until Year 5, which is beyond the end of this plan. To fully close this gap and fully fund depreciation, rate increases would have to be a further 5–7% from those signalled in Council’s Long Term Plan 2021 – 2031. Currently, due to rates affordability constraints, this won’t be achieved during this Three Year Plan.

Balanced Operating Budget Benchmark



Big district, small population

One of the other challenges facing Central Hawke’s Bay is that it has a small population base dispersed across a wide geographic location. All councils must comply with the same drinking and wastewater standards, regardless of their size and population. For example, Napier City Council has 27,100 connected rating units to fund a single but larger wastewater treatment plant and associated resource consents, while Central Hawke’s Bay District Council only has 4,221 rating units to fund six wastewater treatment plants due to our population spread.

Napier vs Central Hawke’s Bay



Napier City Council has 27,100 rating units to fund one wastewater treatment plant



Central Hawke’s Bay District Council has 4,211 connected rating units to fund six wastewater treatment plants

Debt limits

Council has moderate debt and further debt headroom but is now facing higher interest costs than during the Covid period. This means we need to take a dual-prong approach of using a combination of both debt and rate increases to fund the upgrade of assets. Debt allows Council to spread the costs over the lifetime of the assets.

The graph on this page shows the projected Council debt position over the next ten years.

While interest rates are expected to fall over the next three years, the cost of servicing this debt and the increased cost of running the new, bigger treatment plants will also lead to an increase in rates over time as shown in the rates (increases) affordability benchmark on page 22.

New Zealand councils borrow through the Local Government Funding Agency (LGFA), and they operate a multi-tier lending limit system: Tier 3 councils can only borrow up to \$20 million; Tier 2 councils can borrow up to 175% of their annual operating income (the purple line on the graph on to the right); and Tier 1 councils can borrow up to 250% of their operating revenue (the red line on the graph to the right).

Central Hawke's Bay District Council is currently a Tier 2 council, allowing it to borrow up to LGFA's 175% limit although Council's own Treasury Policy only allows it to borrow to a 150% limit (the green line on the graph on the right).

Council, as part of this consultation, is proposing that in the future, should it obtain an external credit rating, that it will move to a Tier 1 council and lift its Treasury Policy to be a 200% limit.

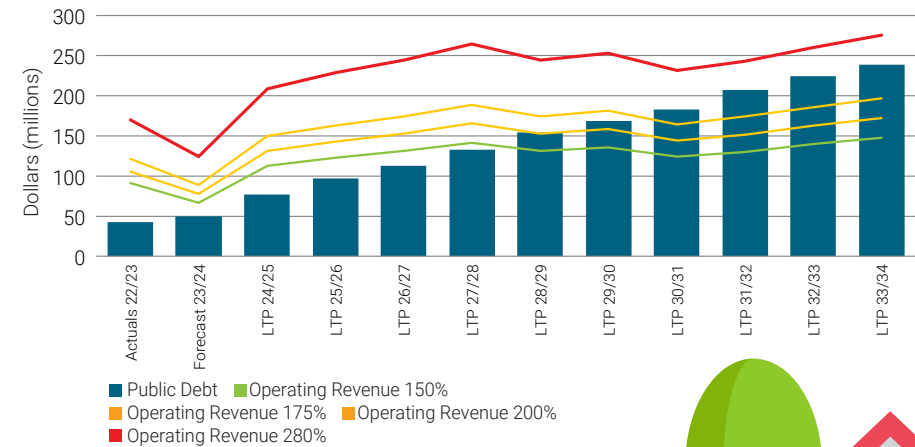
This will allow us to deliver the first four years of our capital programme; however, at Year 5 we will again run out of debt headroom. It will also allow Council to have sufficient debt capacity throughout the life of the plan to respond to unforeseen events (such as floods, pandemics and earthquakes).



What about if interest rates change?

We've assumed a 5.5% interest rate initially, falling to 4.5% by Year 3 of the Three Year Plan. We have made this assumption based on Council's economic forecasts. There is a risk that borrowing rates could rise before the required funds are drawn, meaning the costs of borrowing could be higher than we have forecast. Council's Treasury Policy sets minimum levels of fixed rate interest instruments to ensure that it isn't fully exposed to rising interest rates.

Central Hawke's Bay District Council Debt vs Debt Limit – Three Year Plan 2024 -2027



Infrastructure focus areas

This section outlines the proposed infrastructure priorities for investment in this Three Year Plan, contained in our Infrastructure Strategy.

An Infrastructure Strategy provides long-term thinking to significant decisions around investment in three waters, land transport, landfill and solid waste, and places and open spaces. It demonstrates how we are managing our assets sustainably and prudently through future periods of growth and other pressures. This strategy only covers a 10-year period, with specific legislative relief being granted to cyclone-affected Councils, as opposed to a 30-year Infrastructure Strategy which would normally be required under the Local Government Act as part of a Long Term Plan.

This strategy recognises the significant damage to infrastructure caused by weather events in 2022 and 2023 and places a special focus on both recovery and resilience. This way we plan for future adverse events while continuing to provide service to residents. It also acknowledges the current uncertainty around the future ownership and management of waters assets across New Zealand.

See our [Supporting Information Pack](#) for a full copy of the [Infrastructure Strategy](#)

Principles

These principles guide our strategic and operational decisions:



Principle 1
Dig Once



Principle 2
No Band Aids



Principle 3
Enabling Smart Growth



Principle 4
Community and Environmental Bottom Lines



Principle 5
Fiscal Responsibility



Principle 6
Innovation and Technology

Significant infrastructure focus areas

To meet the challenges identified with managing our infrastructure and achieve Project Thrive's community outcomes, we have prioritised these areas for infrastructure planning and investment:

Planning for resilience and recovery

We have identified where we need to invest to repair damaged infrastructure and to improve the resilience of our infrastructure during and beyond the ten-year term of this strategy.

Renewing ageing, broken and non-compliant infrastructure

We need to plan for replacing assets that cannot continue to perform their intended function reliably.

Meeting existing and new compliance standards

We need to continually invest to ensure that our assets meet today's standards and the forecast increased compliance standards.

Responding to growth opportunities

Central Hawke's Bay experienced rapid population growth from 2021 to 2024, and much infrastructure work and planning has responded to this and future growth.

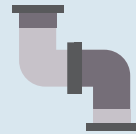
Delivering levels of service

Levels of service are an agreement between Council and the users of its services about what can reasonably be expected, based on investment decisions across Council's work.

Our key infrastructure at a glance



217.8kms
of drinking water pipes



134.5kms
of wastewater pipes



50.6 years
average age of our drinking water pipes



52 years
average age of our wastewater pipes



6
wastewater treatment plants



1265kms
of road total



261 structures
170 bridges and
91 major culverts



400km
unsealed road



25
public toilets



15
cemeteries



48
retirement flats



228ha
of reserves



26
community facilities

Significant enhancements through the life of the Infrastructure Strategy

The step change required in our asset management planning approach (especially for three waters assets) has resulted in a marked increase in capital works and investment.

Over the life of our Infrastructure Strategy, we can have confidence that:

- investment in infrastructure is driven by information, science and risk.
- special focus has been given to repairing and restoring damaged assets from severe weather events, and that future resilience is being prioritised across a range of assets and services.
- assets are replaced when they are worn out in a manner that does not create a risk burden for future councils or ratepayers.
- long-term solutions are implemented rather than quick fixes.
- compliance with legislation is mandatory but considered, in most cases, to be a minimum standard when evaluating project benefits.

Further, through the life of the strategy the Council will see:

- damaged assets replaced or repaired to return 'pre-damaged' levels of service.
- catch-up on replacing assets that are already beyond the end of their useful life.
- six wastewater treatment plants and discharge schemes fundamentally improved, upgraded or rebuilt.
- a focussed investment in community facilities, halls, pools and open spaces.
- investment in water infrastructure to enable and accommodate continued high rates of growth in the district.
- improved water resilience through network upgrades and the replacement of key high-risk assets.
- increased investment to maintain the condition of our urban and rural roads.

Capital deliverability

This Three Year Plan sees a major increase in capital expenditure over the three years, particularly in our three waters and roading activities. These increases are significant and above the level of capital funding this Council has delivered historically.

The Council has been gearing up for this step change by:

- setting up a dedicated internal project management team with specialist project management software.
- procuring long-standing professional services arrangements with key advisers.
- setting up panel contracts with key contracting partners to deliver physical works.
- early completion of engineering design work for some of our wastewater projects.

Responding to climate change

The impacts of climate on infrastructure were evident through the period of the previous strategy and plan, with significant damage caused to roading and waters assets in 2022 and 2023, culminated by the devastating impacts of Cyclone Gabrielle.

As the climate changes, it is predicted that these types of weather events will become more common and more severe. It is important that as a district, we plan as best we can to meet these challenges. This Three Year Plan is influenced in many areas by climate change, with the most significant influences being on our road assets as well as our water, wastewater and stormwater networks.

Further information specific to how climate change is impacting investment in infrastructure can be found in the Infrastructure Strategy.

Asset condition summary

Understanding the condition of assets through targeted condition assessment programmes is a core part of what Council and its contracting partners do.

Our Infrastructure Strategy includes tables and figures that show the average age of our assets. On average, our assets are at, or near, the midpoint of their standard useful lives, condition or degradation cycle. In other words, about half of Council's assets are currently 'okay' in terms of condition. But looking at our assets through this lens alone tells only half the story. The reality is that there are a number of critically important infrastructure assets that are at the end of their useful life and at high risk of failure.

This Three Year Plan places significant focus on our piped infrastructure, which is failing in many areas due to age and condition. The charts shown to the right provide a snapshot of the likelihood of failure of our two most critical and largest sets of pipe assets (water and wastewater).

The charts show that between 20% and 40% of these assets have a likelihood of failure score of 3 or above. This indicates the risk of failure is increasing and intervention should be considered or planned for. It is these assets, and particularly those graded a likelihood of failure score of 5, that are driving our investment in pipes.

Read the full Infrastructure Strategy for more information.

Key infrastructure projects over the next three years

The table provides an overview of the projects and programmes that have significant investment (>\$250k) within the period of the Three Year Plan 2024 – 2027.

Project / programme	Financial category	Activity	Resilience component	Investment in Three Year Plan period
Water				
Waipawa-Waipukurau Second Supply (drinking water)	Levels of Service	Drinking Water	Yes	\$18,671,942
Reticulation renewal including pipes & other reticulation (loan fund)	Renewals	Drinking Water	Yes	\$8,242,430
Waipawa Reservoir replacement	Renewals	Drinking Water	Yes	\$3,693,800
Great North Rd - High St main replacement	Renewals	Drinking Water	Yes	\$2,575,000
Pukeora Reservoir replacement	Renewals	Drinking Water	Yes	\$1,506,478
Waipukurau water mains	Levels of Service	Drinking Water	Yes	\$1,237,750
Installation of testable boundary backflow preventers	Levels of Service	Drinking Water		\$1,125,680
SH2 Replacement Asbestos Cement (AC) Main (Risk)	Renewals	Drinking Water	Yes	\$1,054,864
Waipukurau firefighting improvements	Renewals	Drinking Water	Yes	\$893,821
Waipawa firefighting improvements	Renewals	Drinking Water	Yes	\$650,592
Waipawa water mains	Levels of Service	Drinking Water	Yes	\$465,250
Wastewater				
Waipukurau Waipawa Otāne wastewater treatment and discharge upgrade	Renewals	Wastewater	Yes	\$6,919,812
Reticulation renewal including pipes and other reticulation	Renewals	Wastewater	Yes	\$5,254,530
Districts Inflow & Infiltration Project	Renewals	Wastewater	Yes	\$927,270
Te Paerahi / Pōranghau wastewater treatment and discharge upgrade	Levels of Service	Wastewater	Yes	\$300,000
Takapau wastewater treatment and discharge upgrade	Levels of Service	Wastewater	Yes	\$300,000
Solid Waste				
District landfill new cell for landfill extension	Levels of Service	Solid Waste	Yes	\$2,755,600

Project / programme	Financial category	Activity	Resilience component	Investment in Three Year Plan period
Land Transport				
Land Transport - sealed road resurfacing	Renewals	Land Transport	Yes	\$5,895,356
Land Transport - sealed road rehab	Renewals	Land Transport	Yes	\$4,981,167
Land Transport - structures component renewal	Renewals	Land Transport		\$2,920,142
Land Transport - drainage renewal	Renewals	Land Transport	Yes	\$2,640,555
Land Transport - minor capital improvements	Levels of Service	Land Transport		\$1,950,000
Land Transport - minor events	Renewals	Land Transport		\$1,461,467
Land Transport - traffic services renewal	Renewals	Land Transport		\$1,273,679
Land Transport - bridge and structural renewals	Renewals	Land Transport	Yes	\$900,000
Land Transport - footpath renewals	Renewals	Land Transport		\$884,960
Stormwater				
McGreevy Street drain treatment devices	Levels of Service	Stormwater		\$772,725
Reticulation renewal including pipes & other reticulation (loan fund)	Renewals	Stormwater	Yes	\$618,180
Waipukurau shortfalls in existing assets (loan fund)	Renewals	Stormwater	Yes	\$540,908
Works programme from Catchment Management Plan (CMP) (rate funded)	Levels of Service	Stormwater		\$530,450
Proactive open drain performance improvements (loan funded)	Renewals	Stormwater	Yes	\$463,635
Waipukurau CBD flooding upgrade	Demand	Stormwater	Yes	\$350,000
Developer-led projects	Demand	Stormwater		\$309,090
Recreation & Community Facilities				
District parks & reserves districtwide renewals	Renewals	Recreation & Community Facilities		\$265,372

Have your say!

We want to hear your views and feedback on the proposals and relevant strategies outlined in this document.

While Councillors make decisions on behalf of our community, their decisions are ultimately shaped by your voice. Please have your say to help make the tough decisions we have ahead of us.

Remember submissions close on Sunday 12 May 2024 at 11.59pm.

Need to know more?

If you're not sure about anything or would like more information, please contact us.

P: 06 857 8060

E: threeyearplan@chbdc.govt.nz



Supporting Information

Supporting Information includes the financial and infrastructure strategies, financial statements, policies, activity statements and other information, such as our key assumptions and draft development contributions policy, in a pack we've called 'Supporting Information'.

This information can be found on our website or at one of our drop-off locations.

How to share your feedback



Online

Go to letstalkchb.co.nz or www.chbdc.govt.nz/threeyearplan to complete the survey or make a submission.

Submission form

You can find a hard copy of the submission form online, at our drop-off locations and printed in the CHB Mail on 18 and 25 April.

Email

Write us an email and send to threeyearplan@chbdc.govt.nz

By post

Write to:
Three Year Plan Submission
Central Hawke's Bay District Council
PO Box 127
Waipawa 4240

Drop-off

Drop your feedback into a Council Office or library in person:

Te Huinga Wai – Knowledge and Learning Hub

Bogle Brothers Esplanade
Waipukurau

Waipawa Library

High Street
Waipawa

Council Office

28-32 Ruataniwha Street
Waipawa

In person

You'll have an opportunity to speak at the council hearings on 22 May 2024.

Tick the box on your submission form if you'd like to attend the hearing and speak to your submission. We'll contact you about the details and process. Please remember to include your name and contact details. When you make an oral presentation, we will document your name and the key elements of your presentation. If you do not provide your email or phone number, we cannot contact you if you wish to make an oral presentation, and/or advise you of the results of the consultation process.





This Consultation Document was released for public consultation on 10 April 2024. If you are wondering where you can find out more information about this document, its supporting information and the submission process, head to our website.

Submissions close Sunday 12 May 2024.



Central Hawke's Bay District Council

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**CENTRAL
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DISTRICT COUNCIL