

YOUR COMMUNITY - YOUR COUNCIL YOUR FUTURE

LONG TERM PLAN

2015 - 2025

RETHINKING RATES

PROMOTING GROWTH

LEADERSHIP

WATER SERVICES

ROADING

FUTURE PROOFING



COUNCIL'S PLANNING DOCUMENTS

Council uses a number of planning processes to realise its vision for the district. These are described below.

LONG TERM PLAN

Under the Local Government Act 2002, Council is required to put together a Long Term Plan every three years. This plan sets out Council's overall goals (community outcomes), the projects it intends to deliver over a 10-year period and how these will be funded. It also explains how Council intends to contribute to the wellbeing of the community over the life of the plan, with the overlying purpose of articulating and aligning Council's activities with what the community needs and desires and what it can afford.

ANNUAL PLAN

Council produces an Annual Plan for the two years between each Long Term Plan. Therefore, the next Annual Plan will be produced for 2016/17. Annual Plans are less detailed than Long Term Plans, confirming arrangements for the coming year. An Annual Plan also contains any variations to the Long Term Plan, should any changes take place in the short term.

ANNUAL REPORT

Each year Council produces an Annual Report, to report to the community on Council's actual performance against the relevant plan (Annual Plan or Long Term Plan).

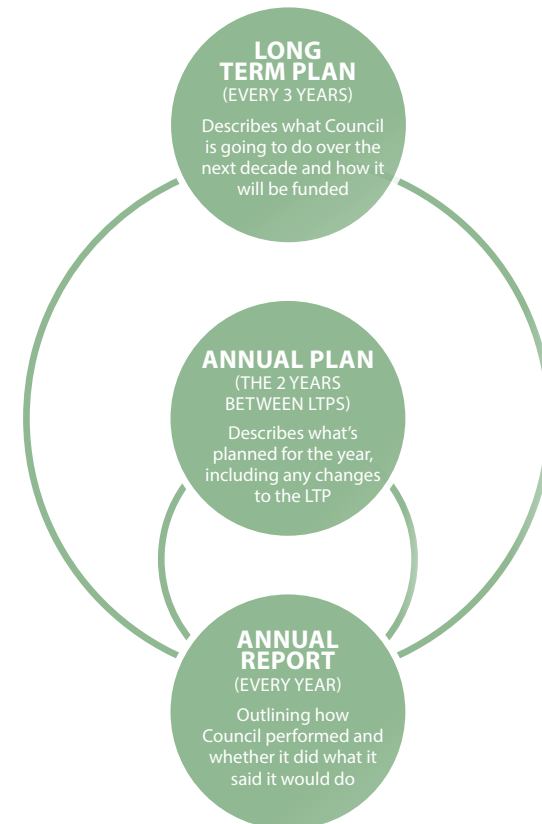
ACTIVITY MANAGEMENT PLANS

Activity Management Plans set out in detail how Council will manage assets and activities in the long term. They are key documents Council uses to assess and plan for core activities. They include details about cost, maintenance, levels of service, demand for and capacity of particular assets and activities. A brief overview of the information contained in the Activity Management Plans is contained in this Long Term Plan. For more information about particular activities please contact Council to obtain a copy of the information you require from any of these plans.

CLUTHA DISTRICT PLAN

The District Plan provides a regulatory process for implementing policies prepared under the Long Term Plan, Activity Management Plans, and the Resource Management Act. Unlike the other plans mentioned above, which only cover what Council itself does, the District Plan sets out objectives,

policies, and rules that apply to all people and activities within the District. These are intended to ensure the sustainable management of the natural and cultural environment, and appropriate use of Council infrastructure.



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INTRODUCTION

YOUR COMMUNITY YOUR COUNCIL YOUR FUTURE 2015/25



MESSAGE FROM THE MAYOR



MAYOR
Bryan Cadogan

I want to begin by thanking all those who took the time to consider the issues raised in lead up to this Long Term Plan, especially those who also made a written, and in some cases verbal, submission to Council. It is through the Long Term Plan that Council sets its intentions and future aspirations for the Clutha District.

As was indicated in numerous submissions and as you will see in this plan, Council wants our district to grow and be vibrant. But, we need to look at it from a district-wide perspective, and always be mindful of the cost implications.

Consequently this document sets out over the medium to long term what Council is aiming to achieve for the Clutha District, including where we want the district to head, the projects we want to deliver, and the costs of making them happen.

Overall there will be an annual rates increase of 3.19% in the 2015/16 year that will be followed by a 3.34% rise in 2016/17 and 3.24% in 2017/18. Please remember this does not reflect the individual variances in different rating communities.

Four key issues were consulted on and are identified in this Long Term Plan.

Firstly, Council is determined to address the challenges that exist around the lack of growth in our area. There is a growing belief that action needs to be taken to avoid the recent nationwide trend for rural communities by emphasising the advantages our district has, for example the wealth of job opportunities in Clutha. Consequently, we are promoting a plan for growth, which include adopting the Living and Working and Economic Development strategies, while keeping in mind that new initiatives will need to be rates neutral.

Secondly, the way we charge for urban water, stormwater and sewerage services is changing. Council is moving away from a user-pays based philosophy that includes some cost capping to a uniform cost which will see all townships paying the same rate right across the district.

Roading makes up a significant proportion of Council's activities and recent changes from Central Government forced us to consider our options

around levels of service for roads. Consequently, there will be a reduction in spending on local sealed roads and investment targeted towards the roads that have the most economic significance.

Finally, the present economic environment means rates affordability must be a cornerstone, in all our decision making processes.

A lot of work has gone into this Long Term Plan and I'd like to once again thank all those who became involved in the process and had their say on the future of our district.

Cheers

Bryan Cadogan
Mayor

YOUR COUNCIL



Bryan Cadogan
MAYOR



Stewart Cowie
DEPUTY MAYOR
CLUTHA
VALLEY WARD



John Cochrane
DISTRICT ASSETS
CHAIR
CLINTON WARD



Bruce Vollweiler
REGULATORY
SERVICES CHAIR
BRUCE WARD



Hilary McNab
CORPORATE
SERVICES CHAIR
CATLINS WARD



Hamish Anderson
BALCLUTHA WARD



Ron Davis
BALCLUTHA WARD



Ken Payne
BALCLUTHA WARD



Jo-anne Thomson
BALCLUTHA WARD



Gaynor Finch
BRUCE WARD



Selwyn Wilkinson
BRUCE WARD



Bruce Graham
KAITANGATA-MATUA
WARD



Geoff Blackmore
LAWRENCE/
TUAPEKA WARD



Michele Kennedy
WEST OTAGO WARD



Jeff McKenzie
WEST OTAGO WARD

INDEPENDENT AUDITOR'S REPORT

ON CLUTHA DISTRICT COUNCIL'S 2015/25 LONG TERM PLAN

I am the Auditor-General's appointed auditor for Clutha District Council (the Council). Section 94 of the Local Government Act 2002 (the Act) requires an audit report on the Council's long term plan (the plan). I have carried out this audit using the staff and resources of Deloitte. We completed the audit on 18 June 2015.

OPINION

In my opinion:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and coordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 238 to 241 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 and accurately reflect the information drawn from the Council's audited information.

This opinion does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee complete accuracy of the information in the plan.

BASIS OF OPINION

We carried out our work in accordance with the Auditor-General's Auditing Standards, relevant international standards and the ethical requirements in those standards¹.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate audit procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our audit procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face over the next 30 years;
- the information in the plan is based on materially complete and reliable asset and activity information;
- the Council's key plans and policies have been

consistently applied in the development of the forecast information;

- the assumptions set out within the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained within the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

¹The International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and The International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information*.

RESPONSIBILITIES OF THE COUNCIL AND AUDITORS

The Council is responsible for:

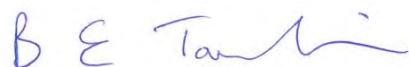
- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

I am responsible for expressing an independent opinion on aspects of the plan, as required by sections 94 and 259C of the Act. I do not express an opinion on the merits of the plan's policy content.

The Council is also responsible for the publication of the plan, whether in printed or electronic form.

Independence

We have followed the independence requirements of the Auditor-General, which incorporate those of the External Reporting Board. Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



B E Tomkins

Deloitte

On behalf of the Auditor-General, Dunedin,
New Zealand

