



# Open Spaces

## 2021-2031 Activity Management Plan

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<b>Quality Assurance Statement</b>			
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## Executive Summary

In 2019 the structure of Council's activities changed. Through the process a group called Community Resources was formed of which there were five sub activities. Open Spaces is one of these sub activities and combine. Council managers a variety of assets under the banner of open spaces. These include parks and reserves, sports fields, playgrounds, tracks a swimming pool and amenity facilities.

Prior to the preparation of this Activity Management Plan (AMP) there has been a significant investment in understanding the current condition of the assets. Assessments have been undertaken of all of the assets that have provided up to date information of their condition, future maintenance requirements and an estimate of their remaining life. This information has provided the baseline for working through the issues of moving this activity from primarily reactive maintenance to a proactive programmed maintenance state.

One of the major issues with this activity is the ability to fund the level of investment to meet the agreed levels of service (LOS). Council's funding for this activity is determined by the governance structure. The assets are termed as being locally funded which means that local community boards determine how the funding will be allocated. This creates issues when trying to provide sufficient funding to support the level of maintenance on aging infrastructure.

In an effort to work through this the community boards have been involved in the planning process and made fully aware of the implications of the costs and alternative options that are available to meet the LOS that have been identified. This may be a combination of not replacing assets at end of life, divestment, investing in alternative options when renewing assets or securing different funding options.

The measures identified above have been put in place to work towards lifting the level of management of this activity. This is the start of this process and with continued improvement in the data, both condition and financial and the potential changes to the funding mechanism it is envisaged that at the next review of the AMP the funding gap that has been identified may not be as high as indicated in this AMP.

Council has a large number of open spaces that are potentially under-utilised. The Southland Open Space Priority Settings document provides suggestions on how these can be enhanced in line with the Open Spaces Strategy.

For Council to deliver well-designed spaces that are family friendly and encourage children, young people, adults and older adults to gather and socialise in different ways the current reserve management plans need to be reviewed and aligned with the change in the way open spaces are used. Demographic data indicates that we have an aging population but our current spaces generally cater for the other end of the age spectrum.

The open spaces need to be developed to cater for all ages as well as being available for events. This may mean that the current assets such as playground equipment is rationalised or enhanced so that all ages can enjoy these spaces.

## Financial Summary

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There is open space funding allocated in the LTP 2018-2028 which included a design and planning budget of \$150,000 - \$266,363 per year from 2021/2022 to 2027/2028. This is for the development of a co-ordinated District-wide plan to improve open spaces and provide professional design input to improve quality. Council also signed off a total project budget for facility improvement of \$5.5 million to carry out physical improvement works.

## Purpose of the Activity Management Plan

This AMP describes the strategies and works programmes for the Open Spaces activity so as to meet the objective of delivering the required LOS for the Southland District. This AMP informs Council's Long Term Plan (LTP) and contributes to the goals and objectives Council aims to achieve, in order to achieve community outcomes. The AMP covers:

- a description of the activity, including the rationale for Council involvement and any significant negative effects of the activity.
- the strategic context for the activity, the key activity management strategies and policies adopted within this environment and the main issues identified for the activity.
- a statement of the intended LOS and performance targets.

This AMP covers a period of 10 years commencing 1 July 2021. The main focus of the analysis is the first three years and for this period specific projects have been identified in more detail. Beyond this period work programmes are generally based on trends or predictions and should be taken as indicative only. All expenditure is based on unit costs as at 1 July 2021.

## Plan Limitations

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Open Spaces have a current asset management status of 'basic' that was its target level in the 2018-2028 Long Term Plan. Recognising the current level of asset management planning, this plan looks to move the status from 'basic' to 'core'.

The AMP does not make assumptions or plan for a scenario other than what would have been expected, regardless of national events.

## Plan Framework

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The AMP framework is illustrated in below. The strategic context, significant forecasting assumptions and any activity-specific issues are documented in the main body of this AMP. Information on locally funded activities and services are included in the appendices to this AMP.

The key points are:

1. forecasting assumptions have been included – amended to include impacts of Covid-19.
2. new levels have been developed and will be incorporated into any new contracts associated with activities
3. the new representation structure will have an impact on asset management



## Activity Description

### What we do

Southland District Council owns and manages 155 reserves, varied in size, use, location and classification, as well as a number of beautification areas within towns. These usually smaller open spaces may not have formal protection, but add to the appearance and vitality of the communities.

Beautification features are provided to enhance the visual appeal of a town. Parks, reserves, and open spaces provide areas for people to enjoy passive and active recreation.

			
District Reserves 5	Local Reserves 151	Playgrounds 40	Pool 1

### Why we do it

The purpose of this activity is to provide the opportunity for people to engage in activities that enhance their cultural, social, mental and physical wellbeing.

A key priority that has been identified by Council is the need to take a more strategic approach to the way that open spaces (including parks and reserves) are managed and developed.

Open space/parkland facilities are an important part of the community network of spaces and places which both residents and visitors enjoy.

The district offers almost boundless opportunities for recreation and leisure activities through our geographic makeup and the spaces and facilities we have available are ripe for improvement or reinvention, or the establishment of entirely new opportunities.

## Strategic Considerations

Council has adopted a Strategic Framework that identifies where Council wants to be in the future (vision) and the outcomes it aims to achieve to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions (community outcomes). The framework also outlines how it will achieve these (mission and approach) along with the key challenges it faces in doing so and its resulting strategic priorities.

STRATEGIC FRAMEWORK COMPONENT	PROPOSED 2021-2031 STRATEGIC FRAMEWORK
MISSION	Working together for a better Southland
VISION	“Southland – one community offering endless opportunities”
COMMUNITY OUTCOMES	Kaitiakitanga for future generations
	Inclusive connected communities
	A diverse economy creating healthy and affordable lifestyles
	Empowered communities with the right tools to deliver the best outcomes
STRATEGIC PRIORITIES	Improve how we work to build resilience
	Provision of appropriate infrastructure and services
	Better preparing our communities and Council for future changes
	Support healthy environments and sustainable communities

The framework guides staff, informs future planning and policy direction and forms the basis for the performance framework. It outlines how the Open Spaces activity contributes to the Council’s community outcomes. The full levels of service and performance management framework is presented below.

Activity – Open Spaces				
Activity Objective: A network of open spaces and facilities that celebrate and enhance our natural environment that can be appreciated and enjoyed by current and future generation				
Outcome	Activity contribution	Outcome objective	Benefit	Levels of Service (LoS) and Key Performance Indicators (KPI)
<b>Empowered communities with the right tools to deliver the best outcomes (Social)</b>	<p>The activity supports improving community and social wellbeing through partnerships with other agencies (Sport Southland, New Zealand Recreation Association and other local authorities) to manage open spaces for community wellbeing.</p> <p>Free access to parks, reserves and open spaces is important and they are recognised as a key part of life in Southland and continue to be a service which residents' value.</p> <p>Some reserves protect areas of natural and ecological significance and the use of native plantings can provide for restoration and a level of conservation.</p> <p>These areas and other open spaces can help to raise community awareness and appreciation of natural areas.</p> <p>A number of open spaces are also destinations in their own right, attracting visitors to the area to enjoy the scenery and unique environment.</p> <p>Open spaces are managed to provide areas where the community can engage in active or passive recreational opportunities that enhance their health and well being.</p> <p>A significant portion of the activity is about maintaining the open spaces and equipment so that they meet New Zealand Standards and some reserves protect areas of natural and ecological significance and the use of native plantings can provide for restoration and a level of conservation.</p> <p>These areas and other open spaces can help to raise community awareness and appreciation of natural areas.</p> <p>A number of open spaces are also destinations in their own right, attracting visitors to the area to enjoy the scenery and unique environment.</p>	People have everything they need to live, work, play and visit	Enhanced responsiveness	LoS xx: The Council provides safe, well maintained open spaces for the community to enjoy sports and leisure activities
		People can enjoy a safe and fulfilling life	Improved health and safety	KPI xx: Open spaces requests for services are completed within specified timeframes
<b>Kaitiakitanga for future generations (environment)</b>		A sustainable impact on the environment Planning for the future	More sustainable environments	
<b>Inclusive, connected communities (Cultural)</b>		People are well connected	Better connectedness	
<b>A diverse economy creating healthy and affordable lifestyles (Economic)</b>		Strong communities	Increased economic wellbeing	

## Strategic Context

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The purpose of the Southland District Council Long Term Plan 2031 is to:

- provide a long term focus for Council decisions and activities
- provide an opportunity for community participation in planning for the future
- define the community outcomes desired for the district
- describe the activities undertaken by Council
- provide integrated decision-making between Council and the community
- provide a basis for performance measurement of Council.

Strategic direction setting encompasses Council's high-level goals, particularly the vision for the District, what the outcomes for the community may be, and what the strategic priorities will be for delivering work to the community.

## Representation framework

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Community representation was amended prior to the 2018 triennial elections. There are now nine community boards that provide representation across the District. These are:

Ardlussa	Fiordland	Northern	Oraka Aparima	Oreti
Stewart Island/Rakiura	Tuatapere Te Waewae	Waihopai Toetoe	Wallace Takitimu	

It is important that Council is seen as a leader in property/facilities management in the District and through this AMP, provides safe, well-maintained open spaces for the community to enjoy sports and leisure activities. Doing so enables Council to provide and deliver quality, professional services to the ratepayer.

Council aim to have a high level of engagement with its communities and elected members to ensure that the minimum levels of service set out in this document represent their expectations.

## Key Issues and Assumptions for the Activity

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The most important issues relating to the Council's Open Spaces activity for the next ten years are shown below.

Key Issue	Context, Options and Implications
<b>Open Spaces</b>	<p><i>Context:</i> To provide the stated level of service across the district and implement the recommendations from the Open Spaces Strategy.</p> <p><i>Options:</i> Status quo or future investment.</p> <p><i>Implications:</i></p> <p>Doing nothing is not an option. Playground equipment and soft fall has been identified through an audit as not meeting New Zealand standards due to under investment and inconsistent levels of service.</p>

Key Issue	Context, Options and Implications
	<p>Council needs to better understand the utilisation of its open spaces, playgrounds, sports fields and tracks and trails.</p> <p>Considerable investment will be required over the period of this plan to bring the playground equipment up to the New Zealand standard.</p> <p>Playground rationalisation may need to be considered if additional funding is not an option.</p>

## Key Risks

Key Risk	Context and Implications
<b>Compliance with New Zealand Standards</b>	<p><i>Context:</i></p> <p>Council has identified that the playground equipment across the District does not meet New Zealand Standards. Inspections and auditing have not been undertaken to make sure that equipment is kept up to standard. Inconsistent levels of service and under investment in maintenance and renewals and a lack of asset management has meant that Council is now faced with a considerable renewals programme.</p> <p><i>Implications:</i></p> <p>Non-compliance with New Zealand Standards is the biggest risk to this activity.</p> <p>The initial playground audit provided a recommendation for investment over the next ten years of \$200,000/pa. To implement the recommendations from the report, the appropriate level of funding needs to be identified in the budget.</p> <p>If this isn't available then a reduced level of service or rationalisation will need to be implemented.</p>

## Regulatory Considerations

Council's open spaces and play grounds need to be managed in line with the New Zealand Standards and guidelines. The New Zealand Recreation Association provide guidelines for the management of assets within the open spaces environment.

Legislation / Regulation / Planning Documents	How it affects levels of service and performance standards Outline any changes (implemented or pending) which is impacting the activity and describe how
<b>NZS 5828:2015 - Playground equipment and surfacing</b>	Describes the safety requirements for the playground equipment and associated soft fall that need to be maintained at to comply with the standard.
<b>NZS 5826:2010 - Water Quality Standards</b>	The standard to which the water in the pool needs to be maintained at to comply with the standard.
<b>Poolsafe Quality Management Scheme</b>	Guidelines for the safe management of a pool facility
<b>Quality Pool Management Programme</b>	Guidelines for the safe management of a pool facility
<b>New Zealand Recreation Association</b>	Industry standards for recreational activities

## Demand Management Strategies

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Southland's widely dispersed population hubs and ageing demographic, combined with projected overall population decline, suggests no increasing demand from residents of the District for the open spaces in this AMP. There were however three communities that were exceptions to that, being Winton, Te Anau and Manapouri.

With international tourist numbers having dropped off and not expected to increase until international travel resumes it will likely change the demand for playgrounds on the main tourist route. Domestic tourism however is expected to increase and although these numbers are not expected to replace the international tourists there will still be a demand for these facilities.

The challenge with this activity is to align the facilities with the demographic spread. To this end Council would look to provide multi-purpose facilities that would cater for all demographics at the one site.

## Key Projects

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Project	Description
Green assets	Green asset data capture and assessment.
Miscellaneous assets	Miscellaneous asset data capture and assessment.
Playground management	Implement recommendations from playground audit.
Reserve Management Plans	Review reserve management plans
Improved asset management system	Increasing regulatory pressures on an aging property portfolio, likewise increases the need to continuously improve how Council manages its assets. Preliminary work has already been done on introducing the Infor Property Management system. This transition will occur during the term of this AMP.

## Other Considerations for the Activity

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Council will need to look at how its reserves are maintained moving forward. Currently there is no maintenance plan for the renewal of sports fields or playing surfaces. There are ad hoc arrangements in place where sports clubs undertake a level of maintenance however this is not documented or part of a lease agreement.

Council also needs to look at the management of all of the assets associated with its open spaces. These include, trees, park benches, tracks, multi-use trails, picnic tables, barbeques and signage. This needs to be included as a project so that all of this information is available to the activity manager to make informed decisions.

## Our Levels of Service

A key priority that has been identified by Council is the need to take a more strategic approach to the way that open spaces (including parks and reserves) are managed and developed. In 2019 Council staff had new minimum LOS prepared for all activities within the Community Facilities portfolio. These will be implemented as contracts are renewed and facilities are replaced.

Open space/parkland facilities are an important part of the community network of spaces and places which both residents and visitors enjoy.

In 2017 Council commissioned a report to assist with setting some priorities around the work needed to improve Council’s open spaces in line with the objectives of the 2014 Open Spaces Strategy and as a result of increased use putting pressure on existing facilities in some areas. The report identified that considerable investment in the design and improvement of facilities is required to make Southland’s public spaces attractive and to meet the expectations and needs of the increasing number of users.

This 2018–2028 LTP identified \$5.5 million to be spent over the ten years of the plan. Council have been gathering asset data including condition to make sure that the funding that has been identified is used to satisfy the recommendations in the Open Spaces Strategy.

## Levels of Service, Performance Measures and Targets

LOS, performance measures and targets form the performance framework for the activity detailing what the Council will provide, and to what level or standard:

LOS are the outputs that are expected to be generated by the activity. They demonstrate the value being provided to the community or reflect how the public use or experience the service. A key objective of activity planning is to match the LOS provided with agreed expectations of customers and their willingness to pay for that level of service.

*Performance measures* are quantifiable means for determining whether a LOS has been delivered.

*Performance targets* are the desired levels of performance against the performance measures.

The LOS provide the basis for the management strategies and works programmes identified in the AMP. By clarifying and defining the LOS for the activity (and associated assets), Council can then identify and cost future operations, maintenance, renewal and development works required of the activity (and associated assets) to deliver that service level. This requires converting user’s needs, expectations and preferences into meaningful LOS.

What LoS we provide	LoS xx: The Council provides safe, well-maintained open spaces for the community to enjoy sports and leisure activities				
How we measure performance	Current Performance (19/20)	Future Performance Targets			
		Yr 1 (21/22)	Yr 2 (22/23)	Yr 3 (23/24)	Yr 4-10 (25-31)
KPI xx: Open spaces requests for services are completed within specified timeframes	New measure	80%	80%	80%	80%

## Plans Programmed to meet the Level of Service

Council has started a programme of asset data capture so that it is in a position to use an asset management application to manage the activity and make sure that the appropriate level of funding is available. This has started with a playground and green asset assessment and will continue so that all assets will have condition, age and utilisation data captured in Council’s activity management application, Infor property services management system (IPS).

An open space planner will be engaged to assist with the review of Reserve Management Plans and the implementation of the recommendations from the Southland Open Space Priority Settings document.

### Overview of Management

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An asset lifecycle is the series of stages involved in the management of an asset. It starts with the planning stages when the need for an asset is identified and continues all the way through its useful life and eventual disposal.

The asset lifecycle can be tracked in different ways and is generally monitored in some way at every company, even if it's not a formalized process. The importance of any given asset lifecycle is determined by a number of factors, including how costly the asset to replace is, how crucial it is to the business or company, and the overall reliability of the asset in question.

When maintenance is neglected, companies have to struggle with the resulting unexpected breakdowns, long delays, and emergency maintenance. When properly maintained, asset lifecycles can make the process of maintaining and managing valuable assets much easier for everybody concerned.

Finally, each cycle is going to vary, depending on the asset in question. For example, a comprehensive wrench set will have a very different asset lifecycle than a large piece of machinery that has a comparatively shorter lifespan. However, the stages of the lifecycle stay the same, no matter what it's being applied to and the same principles can be applied to most assets.

The goal of infrastructure asset management is to identify the levels of service required by stakeholders and then manage the asset portfolio to provide those service levels at the least lifecycle cost and in a sustainable manner. Good asset management practices means that the right work is done at the right time for the right cost. The key features of the Open Spaces asset management are:

- a whole-of-life asset management approach
- planning for a defined LOS
- long-term strategies for cost-effective asset management
- performance monitoring
- meeting the impact of growth through demand management and infrastructure investment
- managing risks associated with asset and service failures
- sustainable use of physical resources
- continuous improvement in asset management practices

### Delivery Strategies

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Continuing to deliver services primarily using third party contractors is seen as the most effective and efficient way of doing so. Initial work has been undertaken during the previous AMP term to reduce the number of contractors with the aim of having an available contractor work force that has capacity to act with greater flexibility while providing District-wide coverage. All contractors need to meet Council's increasing regulatory requirements, particularly Health and Safety.

Council has identified in its strategic assumptions that due to the aging demographic and the increased demand on existing contractors, it may be difficult to deliver some existing services using traditional service providers. An alternative to this is to use Council's internal resource to cover more isolated areas that are not attractive to the larger contractors.

It is accepted that there is concern within communities that some local contractors will no longer be used, but Council's number one priority is delivering quality services to meet the needs and ensure the health and wellbeing of the District's communities and visitors.

## **Community Board Area Context**

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The representation review has brought a different perspective to how community boards now need to look at the locally funded assets they have within their area. They have moved from a localised focused approach to now having to take a holistic approach when planning the governance of the assets.

Previously they may have only had one reserve and one playground to fund, now they are likely to have multiple reserves and playgrounds to fund.

With Open Spaces, this means considering the need for all assets of a particular type within the community board's catchment. Are they all needed? Such consideration needs to look at all the societal changes since these parks and reserves were first constructed including, for example, population, access (roading and vehicles), use, operational costs and community views.

Community boards will need to look at how best to do this and to choose the appropriate LOS that will allow them to provide consistency throughout their area of responsibility.

## **Asset Management Planning**

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Asset management planning is undertaken to ensure all parties involved in Council's asset management are working with the same information and towards the same objectives and outcomes. Such clarity is required to deliver services with efficiency and meet the LOS required.

Infrastructure asset management is the tactical decision-making that links strategic objectives with the operational delivery of physical works. Asset management planning is the organisational activity used to produce the operational forward works plans that deliver the strategic objectives.

## **Asset Management Systems**

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Over recent years, Open Spaces assets have not necessarily been managed under a recognised industry system. This is now being addressed with Open Spaces assets being brought under the Infor management system.

The Infor system is internationally recognised and used by a number of New Zealand local government authorities and Australian counterparts.

Infor bought out the Hansen business management system, that Council has used for many years to manage its three waters assets. Bringing the Open Spaces assets under the same management system umbrella will provide greater consistency and improved knowledge and skill base within Council.

## **Asset Management Hierarchy**

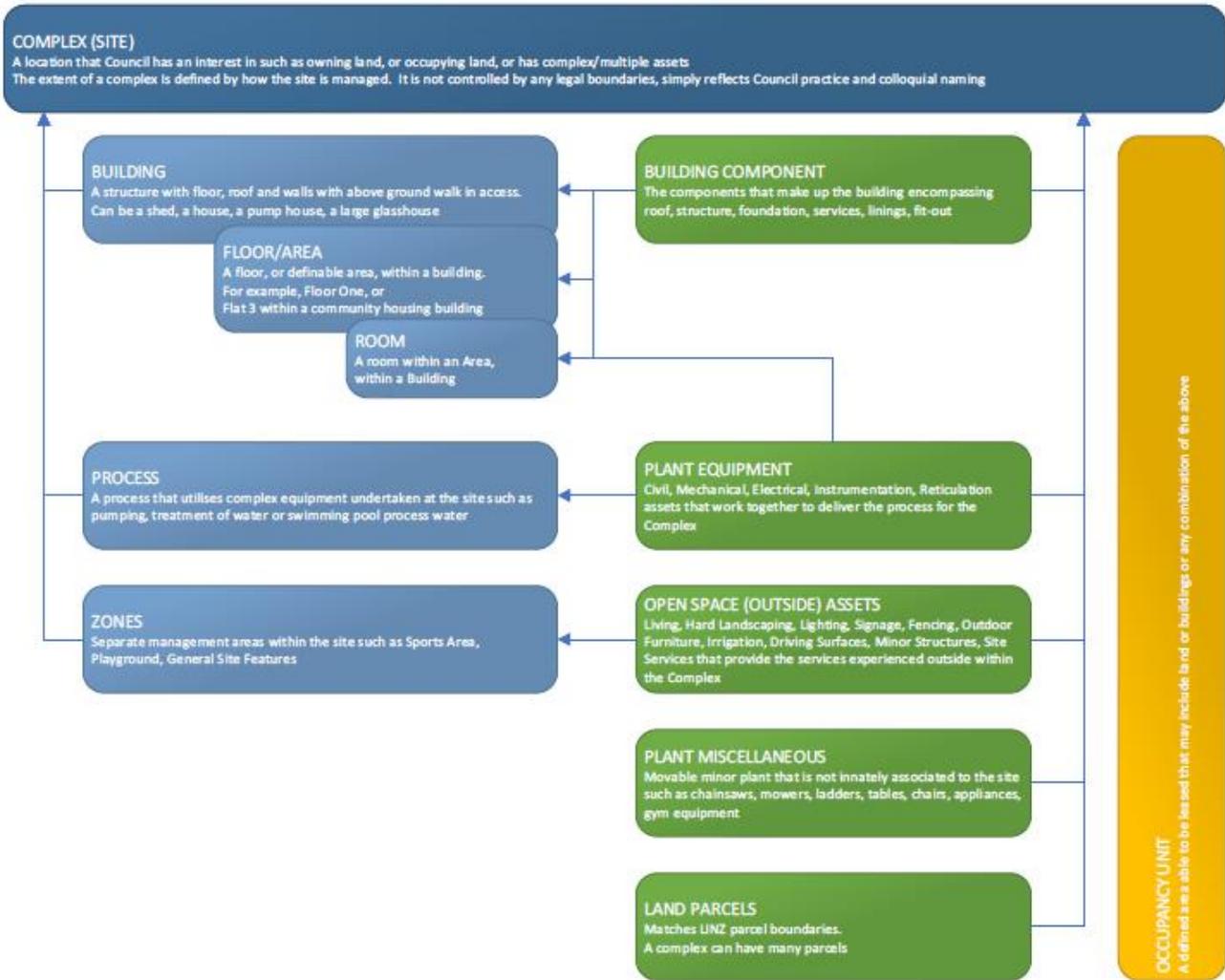
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An asset hierarchy is a framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function, asset type or a combination of the two.

One of the main purposes of an asset hierarchy is to group assets that are treated in a particular way together. Important or high visibility assets for example may receive a higher level of service than less important or low visibility assets and this is reflected in the asset hierarchy.

A well thought out asset hierarchy also makes navigating to a particular asset or asset component within an asset management software system easier.

Following is a diagram to represent the physical hierarchy of the assets captured within the Site Based Asset Feature Class. The blue lines represent the associations that will exist between the records. The term ‘Site Based’ is used to reflect those assets that are contained within a site within the community as opposed to reticulation or network assets such as water pipes that cover a vast geographic area.



## Asset Management Improvement

Council has to get all of the community facilities asset data into the corporate asset management application Infor. There has been significant work undertaken to identify assets, their condition and utilisation over the previous annual plan period. A review of the playground equipment throughout the district was done in 2019 to set the baseline for the playground equipment and inform the works programme moving into to the next Long Term Plan.

Similarly there is a lack of accurate data on the green assets throughout the district. Council doesn't have a definitive list of the planted ornamental trees and hedges that are collectively know as green assets. Work is underway to identify these and store the information in Infor.

This data is necessary to inform the Community Boards of the level of funding that will be required to maintain these assets. Council intends to import the water facilities assets into Infor along with the associated condition, age, use and financial data that it has collected. The intention is to have a high level of data available to inform the next Long Term Plan and move from a 'basic' to 'core' level of activity management in the Asset Management Maturity Index.



Task	Task	Responsibility	Resources Required	Timeline
1	Improve data in the Infor asset management system	Community Facilities Team	Asset Manager	1 <sup>st</sup> year
2	Improve the confidence in the data and align with NAMS Grading System	Community Facilities Team	Asset Manager	1 <sup>st</sup> – 3 <sup>rd</sup> year
3	Create Renewal Priority Ranking Criteria	Community Facilities Team	Asset Manager	2 <sup>nd</sup> year
4	Create Acquired Assets Priority Ranking Criteria	Community Facilities Team	Asset Manager	2 <sup>nd</sup> year
5	Review Useful Lives	Community Facilities Team	Asset Manager	3 <sup>rd</sup> year
6	Improve confidence in operational and maintenance costs	Community Facilities Team	Asset Manager	1 <sup>st</sup> – 3 <sup>rd</sup> year
8	Define better levels of service	Community Facilities Team	Asset Manager and Corporate Teams	2 <sup>nd</sup> year

9	Improve the confidence levels in the financial data	Community Facilities Team	Asset Manager and Finance Team	1 <sup>st</sup> – 3 <sup>rd</sup> year
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## Financial Summary

### 10 Year Financial Forecast

The following graphs/table summarise the financial forecasts for the activity over the ten years of the LTP.

This is funded both locally and district wide.

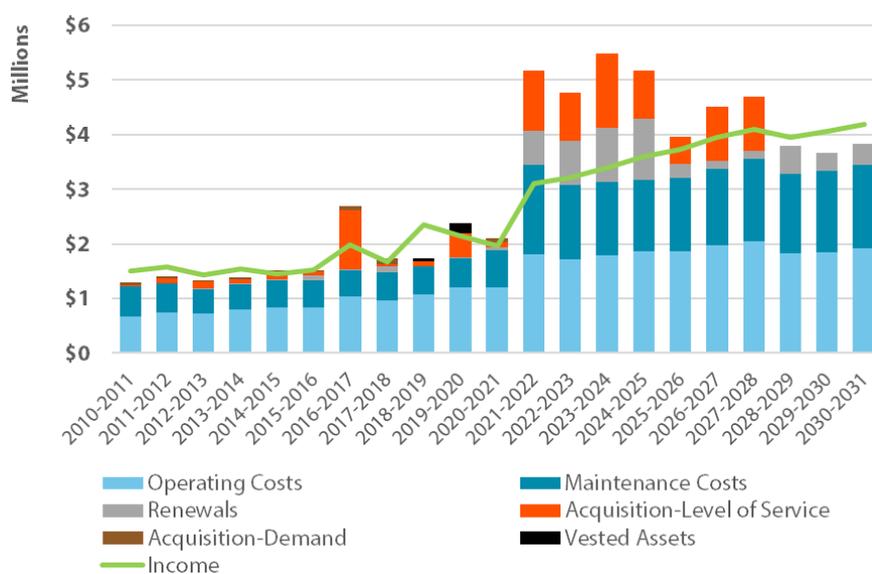


Figure Error! No text of specified style in document.-1: Open spaces financial summary (excluding depreciation)

Revenue is mainly collected through rates and depends on projects and costs funded via this mechanism. The increase in capital work from 2021/2022 is being funded through debt with repayments from 2022/2023. Past income has fluctuated in line with operating and maintenance costs. Income derived from development contributions for demand type work is expected to remain constant with an inflationary adjustment year on year to rates to fund this activity.

The impact of the 17A review on the cost of maintenance contracts is reflected in the increase across the district in this area.

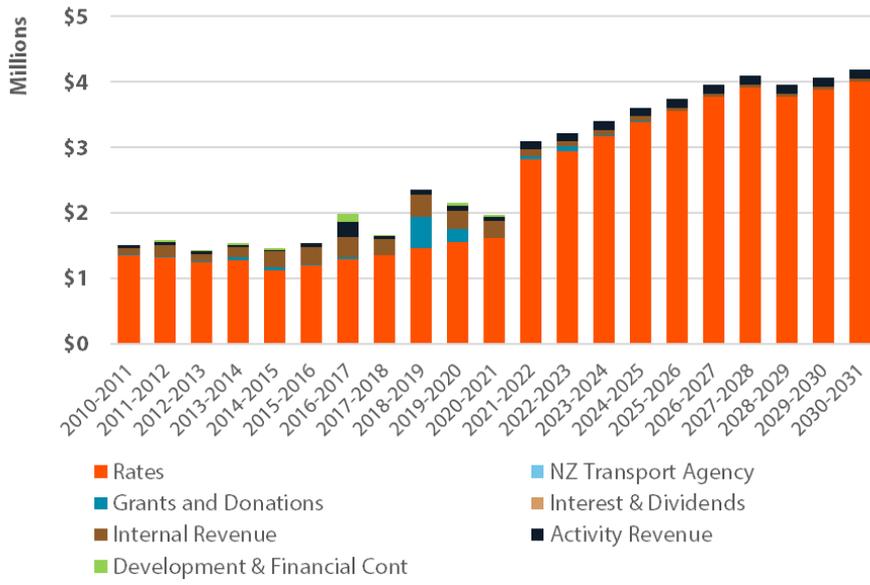


Figure Error! No text of specified style in document.-2: Open spaces total income

## Financial Forecast Summary

- Operating and Maintenance costs have an inflationary adjustment year on year. In addition, there are consultancy costs for the open spaces and additional mowing and maintenance in the communities
- Renewal CAPEX of \$220.00 over the 10 year period. The majority of CAPEX spend is allocated to the open spaces strategy which will be funded through loans raised. Reserves Financial Forecasts (District-wide)

Open Spaces	2017/2018 Actual (\$000)	2018/2019 Actual (\$000)	2019/2020 Actual (\$000)	2020/2021 Annual Plan (\$000)	2021/2022 LTP (\$000)	2022/2023 LTP (\$000)	2023/2024 LTP (\$000)	2024/2025 LTP (\$000)	2025/2026 LTP (\$000)	2026/2027 LTP (\$000)	2027/2028 LTP (\$000)	2028/2029 LTP (\$000)	2029/2030 LTP (\$000)
<b>Sources of operating funding</b>													
General rates, uniform annual general charges, rates penalties	232	373	441	618	834	891	960	1,053	1,092	1,174	1,222	1,019	1,038
Targeted rates	1,115	1,091	1,119	982	1,963	2,040	2,193	2,313	2,445	2,580	2,663	2,728	2,819
Subsidies and grants for operating purposes	2	10	-	-	-	-	-	-	-	-	-	-	-
Fees and charges	1	-	1	-	1	1	1	1	1	1	1	1	1
Internal charges and overheads applied	249	340	280	274	124	79	94	90	67	67	68	68	69
Local authorities fuel tax, fines, infringement fees, and other receipts	85	70	83	69	123	125	127	128	130	132	134	137	139
<b>Total operating funding</b>	<b>1,684</b>	<b>1,884</b>	<b>1,924</b>	<b>1,943</b>	<b>3,044</b>	<b>3,136</b>	<b>3,375</b>	<b>3,587</b>	<b>3,737</b>	<b>3,955</b>	<b>4,089</b>	<b>3,954</b>	<b>4,067</b>
<b>Applications of operating funding</b>													
Payments to staff and suppliers	1,181	1,301	1,444	1,561	2,996	2,627	2,669	2,696	2,715	2,881	3,052	2,766	2,806
Finance costs	-	-	-	-	20	51	77	118	148	156	171	186	187
Internal charges and overheads applied	272	295	391	427	414	425	435	446	456	467	478	491	503
Other operating funding applications	30	(0)	6	-	27	27	27	27	27	27	27	27	27
<b>Total applications of operating funding</b>	<b>1,483</b>	<b>1,596</b>	<b>1,841</b>	<b>1,988</b>	<b>3,457</b>	<b>3,131</b>	<b>3,209</b>	<b>3,287</b>	<b>3,347</b>	<b>3,532</b>	<b>3,729</b>	<b>3,470</b>	<b>3,523</b>
<b>Surplus (deficit) of operating funding</b>	<b>201</b>	<b>288</b>	<b>82</b>	<b>(45)</b>	<b>(413)</b>	<b>5</b>	<b>166</b>	<b>300</b>	<b>389</b>	<b>423</b>	<b>360</b>	<b>483</b>	<b>544</b>
<b>Sources of capital funding</b>													
Subsidies and grants for capital purposes	7	-	-	-	54	77	21	22	-	-	-	-	-
Development and financial contributions	19	-	43	24	-	-	-	-	-	-	-	-	-
Increase (decrease) in debt	(14)	(16)	263	10	1,592	1,408	2,250	1,764	767	1,137	1,176	523	318
Gross proceeds from sale of assets	-	3	-	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funding</b>	<b>11</b>	<b>(12)</b>	<b>306</b>	<b>34</b>	<b>1,646</b>	<b>1,485</b>	<b>2,271</b>	<b>1,785</b>	<b>767</b>	<b>1,137</b>	<b>1,176</b>	<b>523</b>	<b>318</b>
<b>Applications of capital funding</b>													
Capital expenditure													
- to meet additional demand	104	-	-	79	-	-	-	-	-	-	-	-	-
- to improve the level of service	31	111	440	85	1,113	881	1,363	882	494	990	994	-	-
- to replace existing assets	112	-	8	60	629	806	989	1,131	273	147	148	505	332
Increase (decrease) in reserves	(34)	169	(59)	(225)	(510)	(197)	85	72	389	423	395	502	529
Increase (decrease) in investments	0	(4)	(1)	11	0	0	0	0	-	-	(0)	0	0
<b>Total applications of capital funding</b>	<b>212</b>	<b>275</b>	<b>388</b>	<b>11</b>	<b>1,232</b>	<b>1,490</b>	<b>2,437</b>	<b>2,085</b>	<b>1,157</b>	<b>1,560</b>	<b>1,536</b>	<b>1,006</b>	<b>862</b>
<b>Surplus (deficit) of capital funding</b>	<b>(201)</b>	<b>(288)</b>	<b>(82)</b>	<b>45</b>	<b>413</b>	<b>(5)</b>	<b>(166)</b>	<b>(300)</b>	<b>(389)</b>	<b>(423)</b>	<b>(360)</b>	<b>(483)</b>	<b>(544)</b>
<b>Funding balance</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>

Table *Error! No text of specified style in document.-1*: Parks and Reserves Financial Forecasts (District-wide)

## **Summary of Key Financial Assumptions**

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The assumptions made in respect to Council owned open spaces are:

- that these types of facilities will still be required within the District.
- that these assets will continue to be funded by local community or the District for district reserves.

Significant investment in planning and OPEX/CAPEX expenditure is required to try and rectify a significant period of under investment in this activity.

## **Valuation Approach**

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Assets are valued at carrying amount or depreciated cost for the open spaces activity.

## **Funding Principles**

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Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy. This Policy must state the Council's policies in respect of the funding of both capital and operational expenditure for its activities.

Funding for the Parks and Reserves assets is a combination of local and District-wide funding, depending on how the benefits are assessed as being received.

Further information can be found in Council's Revenue and Financing Policy.