

9.6 Subsidy Considerations

Consideration of funding including subsidies was not part of the TAG's brief. Costing's were based on the following subsidy levels:

Funding Subsidy	Rotomā	Rotoiti
Ministry for the Environment (MfE)	-	50% of capital cost
Ministry of Health (SWSS)	\$4.46M (GST excl)	-
Bay of Plenty Regional Council	\$1,899,974 (GST excl)	\$2,719,185 (GST excl)
Rotorua District Council	\$1,500 per property (GST excl)	\$1,500 per property (GST excl)

The above subsidies reduce the capital cost to individual properties. MfE subsidy depends on nutrient reductions relative to other options. Administrative decision possibly needed to get full subsidy funding.

9.7 Technical Considerations

The TAG's position was that wastewater collection, treatment and discharge systems under consideration needed to be validated and proven. As a result of this position the TAG recommended that the RRSSC adopt the following goal:

RDC Scheme options are to use proven, reliable, robust and resilient technology consistent with RDC's wastewater infrastructure requirements

In giving effect to this goal, the TAG developed the following criteria:

- Provision of engineering resilience to natural hazards (landslip, earthquake, flooding etc.) and climate change.
- Provision of proven and reliable technology consistent with RDC's Activity Management and Asset Management provisions.
- Approach to future capacity, redundancy and possible changing environmental conditions.
- Cost effectiveness of ongoing operation and maintenance.
- Number of schemes.
- Availability of suitable solids/sludge management procedures.
- Risks identification and appropriate mitigation.

The short list option sheets included in Appendix A sets out a number of key technical matters that the TAG identified as requiring further evaluation.

9.8 Risk Assessment

A high level risk assessment has been undertaken of the short-listed options to follow local government practice set out in the Australian and New Zealand AS/NZS 4360:1999 Standard on Risk Management.

Twenty-eight different risk categories were identified and grouped under the following headings:

- Lakes natural environment.
- Economic – capital, operating and community.
- Technical – technology, construction.
- Operating and maintenance – includes natural hazards.
- Planning, consenting and approvals.
- Public health / social / community environment.
- Maori cultural.