

Tō tātau tirohanga whakamua Our vision

Tairāwhiti maranga ake! E tīmata ana i konei.

Tairāwhiti rise up! It all starts here.

Me whiri ngātahi tātau i ngā āheinga me ngā tauwhāinga kia whakahī ai te lwi.

Let's navigate our opportunities and challenges together to make our community proud.

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He kupu whakataki nā te Kahurangi me te Manahautū A message from our Mayor and Chief Executive



Kei Te Tairāwhiti whānui, tēnei māua e mihi kau atu ana ki a tātau. Tangihia a tātau mate, rātau kua mene atu ki te pō. Moe mai ki ngā ringa atawhai o te kaihanga. Rātau te hunga wairua ki te rangi, tātau ngā waihotanga ki te whenua. Mauri ora ki a tātau katoa.

This plan outlines our continued commitment to delivering on the aims of our current 2021-2031 Long Term Plan (LTP) - established in consultation with the people of Tairāwhiti - to provide quality, resilient infrastructure and services that support our community's wellbeing, while striving to support the kaitiaki of our rohe.

Our programme of work, comes at a time when locally, nationally and globally we are facing major challenges. The cost of living is increasing, a global pandemic is causing supply chain disruptions and inflation is on the rise. On top of this we have critical climate change challenges to deal with. Our region is feeling these effects through more severe weather events, affecting everyone. We are also facing a number of legislative changes, including significant reforms. This means local governments across the country are re-evaluating their role in ensuring our communities continue to be supported to meet their future needs.

These challenges mean we need to be smart in what we do and how we do our mahi. One way of doing this is looking at our capital investment programme over a rolling three year period allowing us to better absorb and prioritise around the big external challenges like COVID-19 and increasing adverse weather events.

Despite these challenges we are hugely excited about what we are planning to achieve over the next year, including:

- Completing the Wastewater Treatment Plant upgrade to improve the water quality in Tūranganui-a-Kiwa.
- Completing the Kiwa Pools to ensure Tairāwhiti has a modern, multi-purpose pool facility the whole community can enjoy.

- Continuing the acceleration of the delivery of the Waipaoa River Flood Control Scheme, giving greater protection to our community and more resilience against floods.
- Commencing the Uawa cycle and walkway around Tolaga Bay township.
- Delivering more township upgrades in Te Araroa, Wharekahika, Tikitiki, Rangitukia, Ruatoria and Tiniroto, to support our smaller communities.
- Continuing investment in critical infrastructure, e.g. roading resilience works and route security for safer passage on our roads
- Reviewing the Tairāwhiti Resource Management Plan and our freshwater planning programme.
- Advancing the ongoing Waingake Transformation Programme.
- Beginning our journey towards reaching net-zero emissions by 2030.
- Commencing the newly formed Turanganui Estuary Restoration Project.

Being a better Treaty partner is one of the most significant parts of our work programme and this has been a huge learning journey for the Council. To be better partners we must not only ensure that we uphold the principles of the Treaty but also make sure that iwi and hapū have the opportunity to contribute to decision making. Following the October 8, 2022 elections, Tairāwhiti will be represented by a Mayor elected at large and 13 Councillors, eight of which will come from the Tairāwhiti General Ward and five of which will come from the Tairāwhiti Māori ward. We are proud to be part of a Council that has been able to make this happen.

It's going to be a huge year for Tairāwhiti. While we are committed to delivering these important pieces of work, it is critical that we do so in a way that is affordable. Despite costs continuing to rise we are keeping to a rates increase of 6.5% as agreed in the LTP. We are also remaining within our debt limit of less than 130% of revenue to ensure the investments we make now can be sustained for future generations.

We look forward to navigating our challenges and working with you on this journey, for the benefit of the whole Tairāwhiti region.

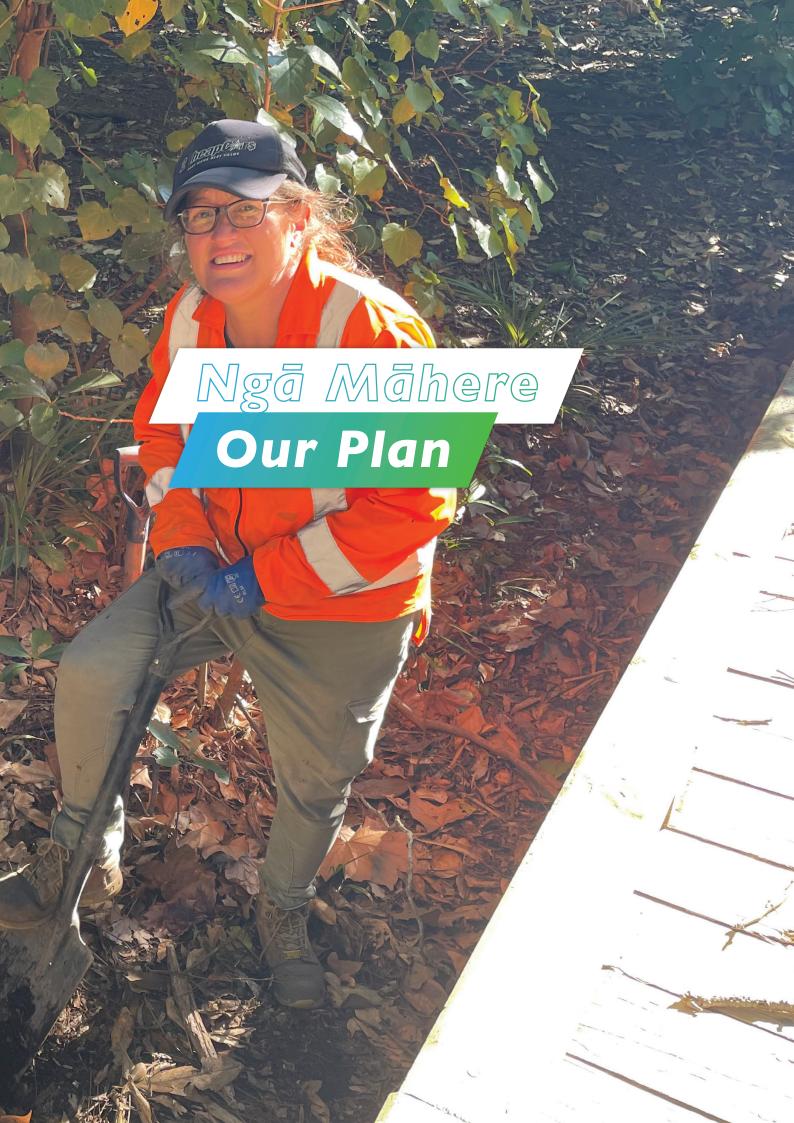
No reira, kia kaha tātau me ngā mahi kei mua i a tātau e hika mā. Mā te mahi ngātahi ka eke panuku, ka eke tangaroa.

Rehette and Nedine











Ngā kaupapa

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Ngā āhua o tō tātau mahere

About our plan

The purpose of an Annual Plan is to present the proposed annual budget and capital works programme for the year and to identify any changes to Council's plans for the year, against those established in the Long Term Plan (LTP). It also provides for integrated decision-making and contributes to Council accountability. The level of consultation required depends on the significance or materiality of the proposed differences.

Consultation on the Annual Plan is only required if the plan includes significant or material changes to the LTP. Based on the nature of changes identified, Council determined that consultation on the Annual Plan is not required and that our community be informed of changes and activities planned for the 2022/23 Annual Plan upon Council adoption.

The 2022/23 Annual Plan is the second year of our 2021-2031 LTP. Whilst covering a ten year timeframe, an LTP has a key focus on the delivery of projects over the first three years, before the plan is reviewed on a three yearly cycle.

This means it is necessary to look at our capital investment programme over a rolling three year period. With the significant challenges we have faced over the last year, including a number of extreme weather events, the COVID-19 pandemic, rising inflation and supply shortages this three year focus allows us to better absorb, and prioritise around, the changing environment we operate within.

Along with managing these challenges, we will focus on continuing to effectively deliver our major capital investment projects, build our treaty relationships and partnerships and support the kaitiaki of our rohe to ensure our natural resources are managed sustainably, through effective planning and place shaping.

The key outcomes for our 2022/23 Annual Plan are:

- Completing the Wastewater Treatment Plant upgrade improving the water quality in Turanganui-a-Kiwi (Poverty Bay).
- Completing Kiwa Pools by late March 2023 a modern multi-purpose pool facility the whole community can enjoy.
- Commencing the first stage of the Uawa cycle and walkway - involving a 5.6km path from Uawa Bridge on SH35 around Tolaga Bay township.
- Continuing the acceleration of the delivery of the Waipaoa River Flood Control Scheme, giving greater protection to our community and more resilience against floods, safeguarding both economic development and wellbeing.
- Delivering more township upgrades in Te Araroa, Wharekahika, Tikitiki, Rangitukia, Ruatoria and Tiniroto to support the wellbeing our smaller communities.
- Continuing investment in critical infrastructure, including \$8m from the Provincial Growth Fund, for roading resilience works and route security for safer passage on our roads.



- Continuing to increase our resources to ensure improved responsiveness to the resource consent and building consent needs of our community.
- Continuing to support the kaitiaki of our rohe, to better plan for the sustainable management of our district's resources, including by:
 - reviewing the Tairāwhiti Resource Management Plan and our freshwater planning programme
 - advancing the ongoing Waingake Transformation Programme
 - beginning our journey towards reaching net-zero emissions by 2030
 - commencing the newly formed Turanganui Estuary Restoration Project.

Rate changes for 2022/23

This year Council will collect \$70.4m (\$80.9m including GST) in rates. This is an increase of 6.5%* in overall rates revenue over the 2021/22 rates. This increase in rates is in line with year 2 of our LTP.

Individual ratepayers could pay more or less depending on:

- the capital value of the property
- increases in some fixed service- related targeted rates that apply to some properties
- eligibility for rate remissions.

There are increases in services such as the reticulation of wastewater and water supply as set out in the LTP. The targeted rating system means those that receive a service can be expected to pay more. City residents have more reticulated services than elsewhere within the community.

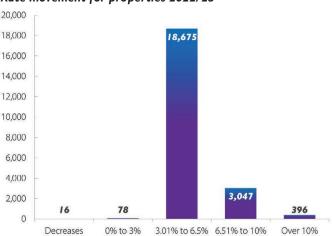
*plus growth

City residential properties have an average rates increase of \$71, driven by water, wastewater and increases in the uniform annual general charge. In percentage terms the residential sector average increase is 6.5% and the Commercial/Industrial average increase is 7.1% and an average rate increase of \$200.

For the rest of Gisborne district, rates increases are mostly 6.5% or below. However, properties that have had increases in capital value may be above this average rate.

The graph shows the impacts in percentage terms. The rates increase is 6.5%* over the 2021/22 Annual Plan which is consistent with the Long Term Plan. Eighty four percent of properties (18,750) increase 6.5% or less. In dollar terms 18,681 properties increase \$200 or less. The increases in the Three Waters affects properties particularly in the city and Te Karaka where services are provided on residential, commercial and other properties with multiple toilet pans and multiple Separately Used or Inhabited Parts (SUIPS), e.g. properties with multiple dwellings, flats or shops.

Rate movement for properties 2022/23





Te oranga o te hapori

Our community's wellbeing

In January 2020 Council set a 30-year vision known as Tairāwhiti 2050 (Spatial Plan). The plan looks to our future including outlining our shared aspirations for our region's future wellbeing. Our community's wellbeing aspirations are defined in the four areas below:



Social

- Our communities have a deep sense of place and belonging.
- We are socially connected, recognise the importance of whakapapa and are committed to improving the education, health and safety outcomes of our people.
- · Our communities are more resilient.
- Our townships have access to a network of fit-for-purpose community facilities that reflect community needs.
- We support affordable housing options and the sustainable management of urban growth.



Cultural

- Communities and individuals experience vitality through kaitiakitanga, expressing their arts, heritage, history, identity and traditions.
- We work together to achieve common goals.
- Cultural activities are enabled by the activation of community spaces, our marae and place making.



Environmental

- We maintain the health of our soils, air, fresh water and coastal environments.
- Our region's biodiversity is restored and protected.
- We improve land uses to ensure they are environmentally sustainable.



Economic

- Our communities are financially secure and contribute to a growing regional economy.
- Infrastructure is provided to enable businesses to establish, thrive and create new employment opportunities.
- Our rural townships benefit directly from ongoing economic investment.



Tairāwhiti 2050

For more information on Tairāwhiti 2050 please refer to our website.

Tō tātau anga rautaki

Our strategic framework

To ensure we can deliver on our community's wellbeing, we created a new strategic framework. For more information on how this was developed, please refer to the 2021-2023 LTP on our website.

Our community outcomes



A driven and enabled community

Our whole community works together to achieve our dreams and aspirations.



Resilient communities

Our economy, infrastructure and communities spring back from difficult situations. We care for and plan for future generations and act in partnership with our community.



Vibrant city and townships

We live balanced and happy lives. Our city and townships are vibrant. We attract visitors from across Aotearoa and the world. Our rural townships have sustainable infrastructure and services and we all have bright futures.



Connected and safe communities

Our communities and businesses prosper. We've got a safe, efficient and integrated transport network. We invest in supplying safe walking, cycling and public transport, and we use new technologies to our advantage.



We take sustainability seriously

We change the way we live and work in response to climate change. We work to lower carbon emissions and to improve our ecological footprint. We're more resilient, we end waste and we use our natural resources wisely.



We celebrate our heritage

We're proud of and celebrate our Māori identity, culture, historic and natural heritage. We're all kaitiaki of our natural taonga which we protect for future generations.



A diverse economy

We've got world class facilities and services. Our people are in high value jobs and have a great standard of living. We've a strong economy which encourages entrepreneurship, innovation and we use emerging technologies.



Delivering for and with Māori

Iwi are significant partners in Council's decision-making. Māori communities and economies are booming, supported by affordable housing, quality infrastructure and fulfilling employment opportunities.

Our strategic priorities



Te taiao

We will protect and enhance our environment and biodiversity.



Te hanganga

We will invest in existing and future core infrastructure needs, with a focus on adaptive, cost efficient and effective designs that enhance our sense of place and lifestyle.



Ngā tikanga āwhina tāngata

We will efficiently deliver quality services that enable our communities.



Te whakautu wawe ki tō tātau hapori

Being accountable to our community

Council is accountable for ensuring our communities' aspirations come to life and continue to report regularly where we are doing well, where there is room for improvement, and where changes are needed - being fully accountable and transparent to our community.

The reporting mechanisms we have in place to ensure we successfully deliver the LTP are listed below.

Long Term Plan

In line with the Local Government Act 2002 (LGA), all Councils need to outline the activities and services they plan to provide over ten years. Every three years Gisborne District Council (Council) has to review and prepare a new LTP by engaging with our community. This ensures that our community contributes to setting our future direction.

The LTP explains what we're planning to do, how we'll pay for it and what it means for rates and debt. It also sets out measures to monitor and evaluate our progress to ensure we remain transparent and accountable to our community. This LTP is also an opportunity for Council to explain how we'll:

- carry out major capital projects that will deliver long lasting benefits by providing, upgrading and enhancing our community spaces
- maintain our assets and invest sustainably in our future to keep our people safe, healthy and thriving
- plan, develop and implement economically sustainable solutions for Tairāwhiti by putting the needs of our community first, both now and over the next ten years.

However, the LTP is not just a planning document, it is also a blueprint for our shared vision of Tairāwhiti. Under the LGA, the purpose of Local Government includes the promotion of the four aspects of community wellbeing; social, economic, environmental and cultural. This enables us to work together as a community to consider how the activities and services Council plans to undertake affect the wellbeing of our community and achieve community outcomes. The LTP is our primary means for achieving this.

Annual Plan

We prepare an Annual Plan in the second and third year of the LTP. The Annual Plan outlines what we are planning to achieve, including major projects, activities, services and financial information for the specific year. Crucially, the Annual Plan shows how much these cost, how we plan on funding them, and the effect on rates and Council's finances. When there are significant changes or variation from the LTP we consult with you on them and include these variations in the Annual Plan.

Annual Report

The Annual Report is our key accountability document that we are required to produce every year, which reports against our Annual Plan and current LTP. It tells the financial story of our performance over the past financial year and also serves as an important way of informing our communities about how we

spent rates. It also highlights the areas we performed well in, the areas where we need to improve and provides context for where we need to head in the future.

The planning and reporting framework is shown below:



Resident satisfaction surveys

We carry out independent resident satisfaction surveys to find out how satisfied residents are with our resources, facilities and services while always looking for improvement opportunities as part of our approach to continuous improvement. Council will this year use a new mixed method approach to this data collection, consisting of targeted online surveys, supplemented by "point of service" user surveys, via QR codes and kiosks four times throughout the year. The results help to give us an insight into the utilisation of facilities and services, the degree of customer satisfaction, and how the community thinks we're performing. This helps to ensure that we deliver what we said we would and that we improve performance in areas where it's required.

Quarterly reporting

Council publishes quarterly reports to give our community a summary of how we are progressing compared to our LTP/ Annual Plans. We do this three times a year while the fourth quarterly report instead becomes our Annual Report.



Ngā hononga Tiriti

Treaty relationships and partnerships

We will continue developing effective and meaningful collaboration with mana whenua to ensure lwi and hapū have a long-term role in the future planning and decision-making for the region. A number of initiatives have been developed to involve Māori in Council decision-making.

Giving effect to Te Tiriti

Te Tiriti o Waitangi governs the relationship between Māori and the Crown and ensures the rights of Māori as tangata whenua are protected. Local Government also have responsibilities to Māori under Te Tiriti and across varying legislation including the Local Government Act 2002.

Te Kaunihera o Te Tairāwhiti (Gisborne District Council) recognise that while legal and statutory obligations to Māori exist, these form only part of the foundation, and are not the ceiling, for future Te Tiriti based decisions and partnerships.

Treaty Partnership

We are on a journey to establish meaningful Treaty Partnerships with ngā iwi o Tairāwhiti. This begins with building relationships bound in respect, trust and openness and will continue on to enabling joint decision making at the highest level, alongside enduring respect and acknowledgment of each other's mana and responsibilities across our region.

Te Kaunihera have many arrangements and forums in place where co-management, co-governance and joint decision making occur. However, these are usually limited in scope and resource. We are now asking ourselves, and working with iwi to define - what next?

While Te Kaunihera are at the start of our Te Tiriti voyage and still have much to do internally and with iwi, our commitment to being a good Treaty partner and embodying and giving

effect to Te Tiriti in Tairāwhiti remains firm.

Tairāwhiti Piritahi

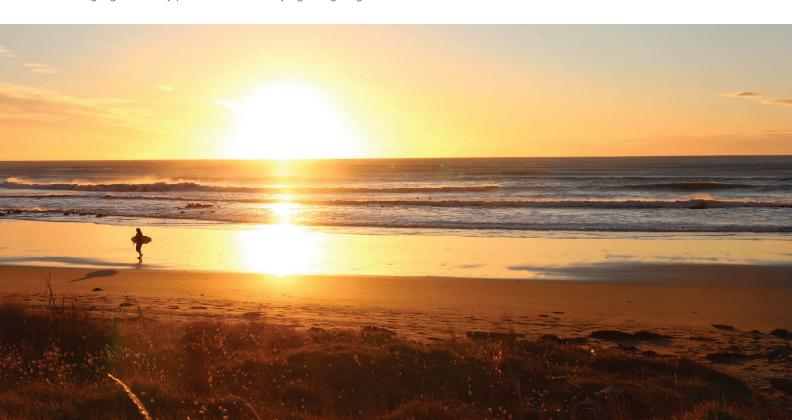
Our internal policy framework of 'Tairāwhiti Piritahi' provides high-level guidance to staff on our organisational expectations for building effective relationships with Māori at every level.

This policy promotes and facilitates Māori participation in Council's decision-making processes, including a framework for building organisational capability and additional opportunities for Māori to contribute to Council's decision-making processes.

The policy is underpinned by the following principles:

- **Tika** a shared commitment to "do the right thing" morally and ethically by making certain that everyone is treated with equal respect and fairness.
- Pono a shared commitment to ensure informed decision-making is underpinned by, and made with, honesty, integrity and good faith.
- Manaakitanga the mutual elevation of mana in encounters and when engaged in discourse as a means of seeking shared understanding based on the spirit of respect and dignity.
- Kete mātauranga Council recognises that tangata whenua have an embodied set of expertise and skills in providing a Māori world view in decision-making processes.

See the full document on Our 'Tairāwhiti Piritahi' Policy on our website.





Te anga piritahi ki mua

Facing the future together

Council is operating in a period of real change and uncertainty in the local government sector. Our focus over 2022/23 will be to continue to navigate the significant range of challenges identified in the LTP 2021-2023, ranging from the ongoing impacts of the COVID-19 pandemic, to the changing legislative environment within which we operate to the increasing adverse weather events we are facing due to a changing climate.

Below are the big challenges we are currently facing and how we are responding to them.

For more information on the big challenges identified in the LTP, please refer to our website.

COVID-19

The COVID-19 pandemic has had a significant impact on the health and well being of our people, community and economy. Council's work programme has also not been without impact.

The pandemic has influenced both contractors and staff, causing significant delays. In addition, it has affected Council's ability to obtain materials in a timely manner due to international and domestic shipping delays. It is expected that our supply chains may continue to be disrupted for the foreseeable future.

These disruptions and the resulting inflationary impact have placed pressure on the delivery of our capital works programme.

In order to manage these impacts we are focussing on:

- delivering more streamlined procurement processes;
- · utilising existing contractors on major local projects; and
- shifting towards managing capital works on a three year cycle.

This last point is particularly important as looking at our capital investment programme over a three year period allows us to better absorb and prioritise around the big external challenges like COVID-19 and increasing adverse weather events.

Climate change and increasing weather events

Climate change is the most significant long-term issue facing our region. We recognise the need for us all to prepare for the impacts of a changing climate, with more erosion, more flash floods, wildfires and more pressure on the productivity of the land we depend on.

Our district has experienced significant weather events over the past 12 months, starting June 2021, then again in November, December, and March 2022. The latter event resulted in a declared State of Emergency for the District lasting ten days. As well as causing significant damage to our communities, these events also cause delays to the delivery of our capital projects due to our need to refocus on emergency response and recovery.

In order to prepare for and manage these challenges, we will collaborate with our community to achieve several planned projects:

- natural hazards mapping and climate change risk assessment to inform our adaptation planning
- adaptation planning to prepare for the regional impacts of climate change, in particular, along our coastlines
- increased protection against floods through the Waipaoa flood control climate change resilience project
- Waingake Transformation Programme which will protect the city water supply and improve the region's biodiversity
- Tairāwhiti Resource Management Plan review to manage the use of our natural resources
- reduction of waste emissions through implementing the Waste Management and Minimisation Plan
- regional and Council mitigation plans to move to a low emissions future, and a less pollutive way of life
- work with Trust Tairāwhiti on a regional just/equitable transition plan to reduce the socio-economic impacts of climate action on our people.

Changing legislative environment

Successfully providing resilient infrastructure to support community wellbeing and enable economic growth, whilst acting as effective kaitiaki, is an increasing challenge for all Councils.

Central Government has acknowledged this by undertaking a series of major reviews and reforms including: a review into the future of Local Government; the upcoming repeal and replacement of the Resource Management Act; recommendations on how to move towards a low emissions future; and the Three Waters Reform which will determine how our critical water infrastructure will be managed.

These changes will have a big impact on the work we do and the legislative framework we operate under.

Future for Local Government

An independent Ministerial review into the future of local government is underway, and should be completed by April 2023.

Its overall purpose is to consider how New Zealand's system of local governance will need to evolve over the next 30 years in order to improve the wellbeing of New Zealanders and actively embody the Treaty partnership.

Since the last reorganisation of the system in 2002, local government has become more complex and demanding, having been dealt more responsibilities with little increase in funding or capability.

Further, planned resource management and three water reforms (see below) will also call into question the broader functions and roles of local government and have implications for local governance and wellbeing.

More information is available on the Future for Local Government website.

Three Waters Reform

The Government has initiated a major reform of Three Waters services. This will see the management and delivery of drinking water, wastewater, and stormwater services transferred from 67 councils (nation-wide) to four superregional entities by June 2024.

The foundations of these new entities will be co-governance arrangements between mana whenua and councils and their scale means they would be able to borrow enough to fund the investment needed in water services and infrastructure.

More information is available on the Department of Internal Affairs website.

Resource Management reforms

The Government is repealing the Resource Management Act 1991 (RMA) and replacing it with three new pieces of legislation. These are:

- the Natural and Built Environments Act (NBA), which will be the main replacement for the RMA
- the Strategic Planning Act (SPA), which will require councils, iwi/Māori, and central government agencies to develop 30-year regional spatial plans
- the Climate Change Adaptation Act (CAA), which deals with the legal and technical matters associated with climate change adaptation and managed retreat.

The intention behind these reforms is to bring about transformative and systemic change in the 'resource planning' space. The Natural and Built Environments Act and the Strategic Planning Act will be introduced to parliament toward the end of 2022. The Climate Change Adaptation Act is expected to follow in 2023.

More information is available on the Ministry for the Environment website.

A new approach to freshwater management

In the next two years, we're also being required to implement the National Policy Statement for Freshwater Management. This is a new approach to managing our water that involves the whole region and strong partnerships with tangata whenua in decisions about the wellbeing (te mana and te mauri) of our water.

To implement the updated direction on freshwater management we are planning to review and update our Regional Freshwater Plan provisions as well as prepare six catchment plans and review the current Waipaoa Catchment Plan.

Tairāwhiti Resource Management Plan Review

A review of the Tairāwhiti Resource Management Plan (Tairāwhiti Plan) is overdue as our current plan is outdated and doesn't reflect our community's aspirations or expectations. Our region has changed due to development, population growth, and changing demands on our natural resources. National direction and community expectations about environmental outcomes and how we manage natural resources have also changed, and we expect more direction as part of the resource management reforms. The new Tairāwhiti Plan will be the framework we use to make future decisions about how we manage the natural and built environment.

The LTP included a significant investment of \$25.8m (including \$7m for freshwater) to support a review of the Tairāwhiti Plan and deliver Council's freshwater planning programme. The Tairāwhiti Plan will have a significant impact on Tairāwhiti, and can help address:

- housing supply issues and removing barriers to develop affordable housing for Māori (including papakainga)
- water allocation and giving effect to Te Mana o te Wai
- sustainable land use, including enabling productive use of whenua Māori
- protecting what we value ecosystems, freshwater, air quality, biodiversity, the coastal environment, and our historic heritage
- building resilience, by addressing impacts of climate change and natural hazards.

The first phase of the review is currently underway, with public notification planned for the end of 2023 and includes three workstreams running concurrently:

- Te Kaupapa Tauākī ā-Rohe / Developing a new Regional Policy Statement (RPS)
- Te Whakamahere Wai Māori/Freshwater Planning
- Te Whakawhanake me te Whakarahi Taone / Urban Growth and Development Planning

For more information please refer to our website.

New Representational Arrangements

To better deliver on our requirements to provide opportunities for Māori to contribute to decision making processes under the Local Government Act 2002, Council resolved to establish one or more Māori wards in 2020.

Following this resolution, we consulted with our community to help decide on what was a fair and effective number of elected members to have, how they were elected, and whether they were elected from wards or "at large" across the whole district, or by a mix of both. We also looked at the boundaries, names of wards and communities of interest.

After considering all the different options and following a determination from the Local Government Commission, Gisborne District Council is to have the following representation arrangements from the 2022 election onwards:

- 1 mayor
- 13 councillors in total, being:
 - 8 general ward councillors elected district-wide from the Tairāwhiti General Ward
 - 5 Māori ward councillors elected district-wide from the Tairāwhiti Māori Ward.



Me pēhea te pānui i tēnei mahere

How to read this plan

The Local Government Act 2002 (LGA) requires councils to prepare an Annual Plan and present the proposed:

- annual budget and capital works programme for the year.
- identify any changes to Council's plans for the year, against those established in the Long-Term Plan (LTP).
- and provides for integrated decision-making and contributes to Council accountability statements for previous year.

Our major projects

Explaining what we are planning for our major capital works for the year 2022/23.

Changes to our performance measures

We have made minor changes to some of our performance measures and provided the reasons for the change.

Financial overview

An overview of the financial information.

Our finances

- The prospective financial information is a forecast and based on agreed levels of service for each activity. The levels of service are set out in detail in the 2021 – 2031 LTP.
- Detailed notes to the prospective financial statements
 identifies revenue and expenditure for each group of activities.
- Financial reporting and prudence benchmarks discloses Council's planned financial performance in relation to various benchmarks.
- Significant assumptions details the assumptions Council has made in preparing this Annual Plan.
- Funding impact statement sets out the sources of operational and capital funding Council will use to fund activities over the 2022/23 financial year and to assist ratepayers in understanding the impact of the Annual Plan.

Additional information

Overview of Council leadership and how to contact us.



2021-2023 Long Term Plan

For more information on the LTP please refer to our website for volumes 1 & 2.



Ngā mahi matua

Our major projects

Projects with major capital investment or community impact are known as major projects. They are programs of work delivered to further our vision and community outcomes. They have significant benefits for our communities and involve significant investment.

For more information on our major projects please refer to our website.



DrainWise implementation

Purpose

Too much stormwater is still getting into our wastewater network during heavy rain, causing wastewater (sewage) overflows into our rivers, private property, and the sea.

50% of the sewer network is on private property and the other 50% is Council owned. The focus to date has largely been on Council's network. To reduce overflows further the focus needs to shift to private property. This means property owners will need to fix problems with wastewater and stormwater drains to stop rainwater flowing into sewer pipes.

Council's DrainWise programme is aimed at reducing these wastewater overflows. The project team are inspecting, assisting, and educating property owners regarding fixing gully traps, downpipes and laterals to combat this issue.

What we are planning for the year

- Sewer main renewals (leaky pipes) \$1.8m.
- Stormwater upgrade (reduce flooding) \$0.7m.
- Stormwater upgrades on private property (reduce flooding) \$1m.
- On-going private property inspections to reduce stormwater getting into the sewer.

Dollars and Cents (Stormwater & Wastewater)

Our 2022/23 Annual Plan budget is \$4.2m.

The LTP has set aside a capital budget of \$32.3m and an operational budget of \$3.8m.

• The project is 100% Council funded.



Navigate Tairāwhiti

Purpose

Navigate Tairāwhiti is a programme of five projects delivered together with tangata whenua and partner organisations.

The programme weaves together significant sites through storytelling and design to showcase our region's unique culture and heritage of first arrivals and great navigators.

Public and privately-owned spaces now include stories and elements that reflect the exceptional navigational feats of the first lwi who arrived and James Cook who arrived in 1769.

Active projects pending external funding:

- Te Panuku/Titirangi Summit redevelopment Council is working in partnership with Ngāti Oneone to progress the proposed Te Panuku Tū/Titirangi Summit multi-purpose building. The project was put on hold due to funding being withdrawn as a result of the impact of COVID-19 on regional socio-economics, forcing funders to reprioritise available funding.
- 1000-year Walkway Bridge Construction of the new bridge design is planned to be completed in 2022/23 with grant funding from the Lotteries Significant Projects Fund. Council will also seek additional funding for completing enhancements to cultural components of the bridge and the Ruatanuika lookout site.

Completed projects:

 Puhi Kai Iti/Cook Landing Site - the landing site of the tipuna Māia, includes steel tukutuku panels, lighting and landscaping. This project was a partnership between Council, Ngāti Oneone, and the Department of Conservation.

- Titirangi maunga restoration the Whāia Titirangi programme has focused heavily on weed management and re-establishing the natural look of the maunga through native restoration. A collaborative effort between Ngāti Oneone and Council.
- Tūpapa developed through a partnership of the four Tūranga lwi, people can take self-guided walks that connects sites from Waikanae Beach to Cook Landing Site and Titirangi maunga.
- Inner harbour upgrade in partnership with Eastland Port we've transformed our waterfront to become a natural visitor destination and hospitality precinct.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$1.5m.

The LTP has set aside \$1.8m.

- Te Panuku/Titirangi Summit redevelopment is pending external funding to complete. \$1.1m has been grant funded to date.
- 1000-year Walkway Bridge has received \$2.7m grant funds to date.



Kiwa Pools

Purpose

With the financial assistance from Central Government, we're building a pool that is fit-for-purpose for our community, now and into the future.

The completed facility will be a modern, year-round, temperature-controlled aquatic centre the whole community can enjoy. The building and its surrounds integrate modern and traditional features in the design.

Ngāi Tāwhiri hapū is providing cultural guidance, paying careful attention to the relationship of the building, the land and the people of Tairāwhiti.

What we are planning for the year

The new Kiwa Pools will open to the public in late March 2023. It will feature the following elements:

- 50 x 20 metre multi-use pool with moveable floor and bulkhead
- leisure and toddler's pool
- learn to swim pool that doubles as a hydrotherapy pool
- bookable community room e.g., for children's birthday parties
- café area
- large pool deck with plenty of seating for events
- indoor change rooms, including whanau change areas
- storage for visitor's gear
- good access for people with disabilities
- administration offices.

The new facility will connect with the existing outdoor pools through large doors opening out beside the leisure pool.

A range of events to showcase the services and opportunities the new facility will offer are being planned for the opening weekend and beyond.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$19.6m.

The LTP has set aside \$44.5m.

The Government is funding \$40m, while Council committed the remaining funds towards the project.



Waingake Transformation Programme

Purpose

New Zealand's natural environment is our taonga, it is a part of our way of life. Protecting, preserving, and improving it for our mokopuna is one of the most important legacies we can leave to the next generation.

Gisborne District Council's Waingake Transformation Programme is our ambitious plan to restore the vital ecosystem of Waingake to its natural state. We will restore 1,200 ha of clear-fell pine back to indigenous forest, in partnership with mana whenua Maraetaha Incorporated. We want to connect our current generation to the natural environment that surrounds our city.

Our goal is to regenerate the environmental heritage of our home, while also ensuring the protection and resilience of Tairāwhiti's water. Not only are we restoring native biodiversity, but we are building a valued partnership with mana whenua which is creating employment opportunities for local people.

What we are planning for the year

- Planting 140 ha of clearfell with mānuka to accelerate erosion control and restoration.
- Planting over 600 willow and poplar poles in highly erosion prone areas to protect our water supply pipeline.
- Control of wilding pine regrowth over more than 150 ha.
- Ongoing control of emerging weeds which threaten the restoration and natural regeneration of Waingake including Old Man's Beard, Pampas, Banana Passionfruit, Gorse and Buddleia.
- Establishment and servicing of an interior trapping programme for the Waingake Waterworks (QEII) Bush.
- Sustained control of goats across 3000 ha.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$2.8m.

The LTP has set aside \$17.9m.

• We expect to receive a significant level of external funding for the programme over this LTP cycle.



Waipaoa Flood Control Climate Change Resilience Project

Purpose

Climate change is the most significant long-term issue facing our region. We're expecting sea level rise, coastal erosion and floods affecting homes, property and recreation.

We need flood protection to keep our people and community safe from our rivers breaking their banks in heavy rain events. We also need to ensure that our important horticulture, viticulture and farming assets are protected from the effects of climate change.

The project's aim is to increase the level of flood protection of the Waipaoa River to cater for a 100-year heavy rain event, accounting for climate change impact (sea level rise and larger rain events) out to the year 2090.

What we are planning for the year (2022/2023)

- Completion of the Mahunga Stream Floodgate in Ormond Township.
- Completion of the remaining stopbank improvements around the Ormond area, which will fully complete the upgrade of all the eastern (City) side Waipaoa River stopbanks.
- Complete the flood mitigation measures construction work required at Tangihanga Station for Wi Pere Trust, western side.
- Start stopbank improvement upgrade work on the western side near Manutuke.
- Complete around 10km of stopbank upgrades on the western side between Karaua Stream and SH2 Matawhero Bridge.
- Procure and award contractor resources to undertake stopbank upgrade work during the 2023/2024 construction season.
- Continue investigation and detailed design work for stopbank upgrade work upstream of Patutahi Township as well as other areas.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$4.5m.

The 2021-2031 LTP has set aside \$33.6m.

 In 2020 Council was awarded \$7.5m of external funding support from Kanoa to accelerate the delivery of the project. The remaining grant funding is \$2.4m.



Walking and cycling projects

Purpose

The programme brings together several strategies, projects and initiatives between Council and Waka Kotahi with a focus on cycling safety.

What we are planning for the year

- The business case for the Taruheru River Walking and Cycling shared path will determine the route that will gain approval for external funding to implement.
- Uawa Trails walking and cycling path. The project will consist of two parts:
 - A 5.6km path from Uawa Bridge on SH35 around Tolaga Bay township has been tendered and will commence construction this year once resource consents are lodged.
 - A 2.6km path from Tolaga Bay Wharf to Uawa Bridge will commence later once land issues are finalised.
- A strategy to inform the next steps to improve the Walking and Cycling Network.
- Walking and cycling safety enhancements through other Road to Zero infrastructure projects - such as school gate and intersection improvements - will see raised safety platforms, more traffic calming, 'streets for people' initiatives and speed management measures in place along with road safety education to encourage mode shift.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$2m.

The 2021-2031 LTP has set aside: \$7.8m.

- \$2.5m the local share (loan funding) for the Taruheru River Walkway and Cycling project (subject to external funding).
- \$340k for the Ūawa Walking and Cycling project.
- \$100k per annum additional expenditure for the 2021-2023 LTP for the Tairāwhiti Walking and Cycling Network Plan (subject to approval from Waka Kotahi).



Wastewater Treatment Plant upgrade

Purpose

Council continues to be committed to complete the Wastewater Treatment Plant upgrade to improve water quality in Tūranganui-a-Kiwa/Poverty Bay. We acknowledge that doing so appropriately reflects the cultural importance placed on maintaining separation between waste streams and the food chain (kai moana and māra kai) – which is ultimately concerned with human health and well-being.

Our wastewater goes to the Wastewater Treatment Plant in Banks St, where it is screened, then treated through a biological trickling filter breaking down the solids to biomass, such as snails, worms, and plant like material, then pumped to the outfall pipe in the bay. The treatment plant can receive and treat up to 33,000m3 of wastewater per day.

During consultation on the 2021 LTP, our community told us, in very certain terms, that the building of a wastewater wetland in 2029-2032 is vitally important to them. This 'final' phase of wastewater treatment also is fundamental to our commitment to delivering community outcomes and strategic priorities.

The quality of the discharge into the bay will be further improved with capital improvements to remove solids (clarification), and the treatment of wastewater with UV disinfection. Council further decided in November 2020 to buy adjacent land in Banks Street, for the wastewater treatment plant extension, from Gisborne Holdings Ltd.

We're actively exploring alternative use and disposal with wetlands in partnership with key stakeholders, including work with Iwi representatives from the Wastewater Management Committee (WMC) and KIWA Group to progress the use of treated water. The removal of mortuary waste from the conventional wastewater stream is seen as essential to eliminating perception and cultural barriers to the future use of the treated wastewater. The separation of mortuary wastewater will also include the revised Trade Waste Bylaw.

What we are planning for the year (2022/2023)

The remainder of 2022 will see the physical works on site completed, including:

- lamella clarifier pump station constructed
- · lamella clarifier assembled
- sludge storage tank in place
- polymer dosing and return liquor systems installed
- UV treatment chambers and channel constructed
- underground services and connections in place.

2023 will see the completion of the project:

- cold commissioning
- hot commissioning
- · handover/trial operations.

Dollars and Cents

Our 2022/23 Annual Plan budget is \$15.5m.

The 2021-2031 LTP has set aside \$31.3m.

 A further \$2.6m is budgeted to start the process of building a city wastewater wetland - to act as the final stage of wastewater disposal, rather than marine outfall - in 2029 to 2031. There is also additional expenditure identified beyond the LTP.





Ngā whakarerekētanga ki o tātau tātai paearu mahi Changes to our performance measures

Performance measures are quantifiable means for determining whether a level of service has been delivered. Where there is a variation to the performance measures in the LTP we must disclose what the change is and the reasons to our community.

Following a mid-year performance measures review, we determined a need to make minor changes to some of the activity performance measures to:

- correct minor errors from the LTP; or
- make the performance measure more practical to measure.

Changes to existing performance measure descriptions

Existing performance measure	Proposed performance measure description	Comment
The percentage of applications for liquor licences and food certificates processed within target time frames (Food and Alcohol Act).	The percentage of applications for liquor licences processed within target time frames.	Processing of food registrations and renewals unable to be measured via our ozone system and has been removed from the LTP.
Respond to Request for Services excluding noise within 30 minutes.	Respond to Request for Services excluding noise within one hour.	This was an LTP error. The timeframe still accommodates health and safety requirements.
We initiated our response to all maritime emergencies within 30 minutes of notification.	We initiated our response to all pollution notifications within 30 minutes.	Pollution notifications are not only limited to maritime conditions.

Resident satisfaction surveys

Responding to community views

We carry out independent resident satisfaction surveys to find out how satisfied residents are with our resources, facilities and services while always looking for opportunities for continuous improvement. The survey and reporting process has to date included collecting data on a quarterly basis through telephone-based surveys, providing quarterly reports, and producing an annual analysis which feeds into our Annual Report.

Resident satisfaction surveys are an important pulse-check on how we are doing in the delivery of our services and to ensure we are accountable to our community. As such, these surveys need to be relevant, interactive and user-friendly so we can ensure genuine community input.

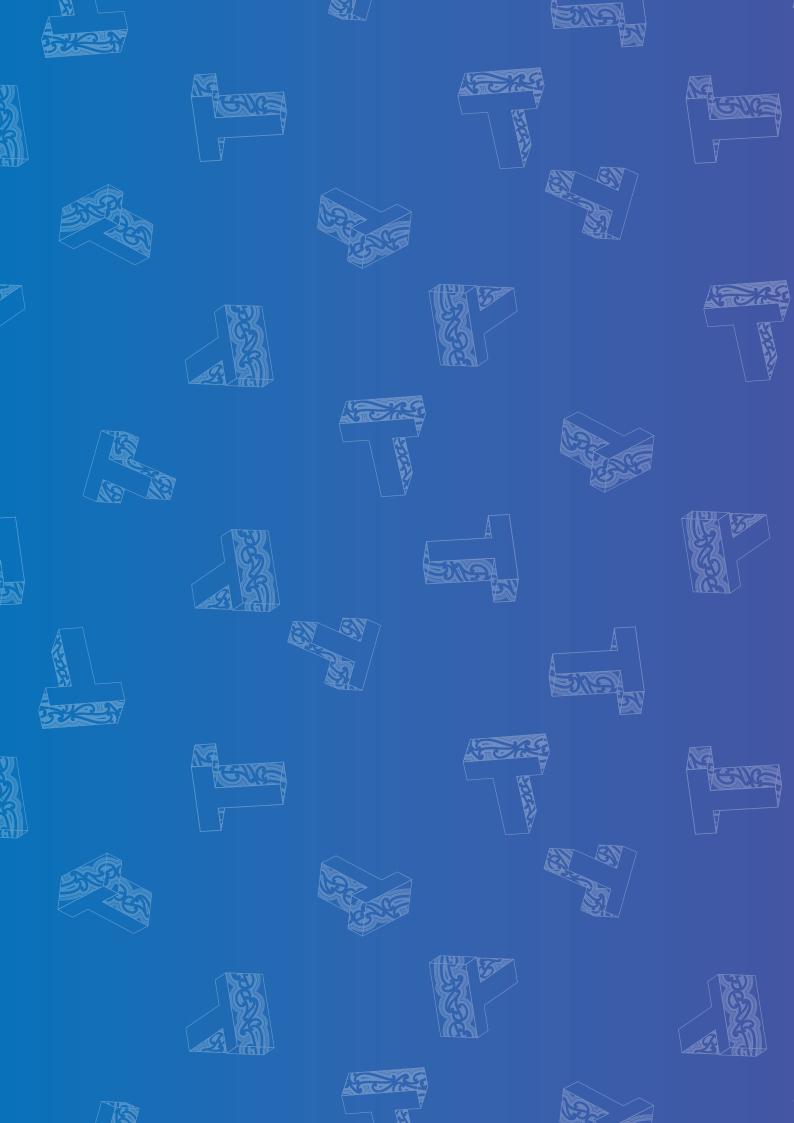
Online and service-user surveys

We are amending our current model to enhance the way in which we collect survey information, by focussing on targeted online surveys, supplemented by "point of service" user surveys, via QR codes and kiosks. The new process will be 'live' for Q1 reporting for Year 2 of the 2021-2031 LTP. This will be followed by a full review of our performance measures (to inform the next 2024-2034 LTP) to ensure that both the questions we are asking our community and the methodology we are using to capture their feedback is fit for purpose.











Ngā kaupapa

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Tirohanga whānui ahumoni Financial overview

Financial Estimates for 2022/23

The 2021-2031 Long Term Plan (LTP) set two key financial limits:

- for rates revenue an increase of 6.5% plus growth in years 1-3 and 5% plus growth in years 4-10
- a debt limit increase to 130% of our revenue.

The strategy further provides key directions for the management of our finances over years 1-10 of the 2021-2031 LTP:

- prudently managing debt and smoothing increases to rates income
- keeping rates as affordable as practicable
- · focusing on critical activities and infrastructure
- increase and optimise the use of alternative revenue streams
- ensure beneficiaries of services pay the costs.

We have a general requirement to manage financial matters prudently and in a manner that promotes the current and future interests of the community. Council must consider the balanced budget requirement under the Local Government Act where forecast operating revenues are sufficient to meet forecast operating expenses. We are budgeting for an accounting surplus. This is the result of capital grants/subsidies and not funding all the costs of depreciation. We do not fund all of roading depreciation costs as they will be recovered from Waka Kotahi in the future.

Key changes

The Financial Strategy for the 2021-2031 LTP sets a limit that overall rates revenue is not to be more than 6.5% plus growth from the previous year. Overall rates revenue in 2022/23 will increase 6.5% over 2021/22, this increase is the same as Year 2 of the LTP.

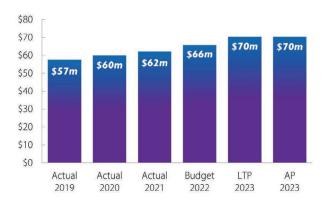
Debt is forecast to be \$142m for 2022/23 this is an increase of \$9m on the LTP. This is due to new capital projects that have arisen since the adoption of the LTP. These new projects are mostly due to legislative changes and resilience initiatives. They include Ultra Violet Treatment for water processing, Te Arai Bridge and relocation of the Tokomaru Bay Transfer station. This is still within the debt threshold of 130% of revenue as set out in the Financial Strategy.

Capital Investment Programme for 2022/23 is \$99.2m this is an increase of \$18.8m on the LTP. The budgets includes \$5m additional provincial growth funded (PGF) roading projects, new projects that were identified after the adoption of the LTP and some projects that were forecast to be completed by 30 June 2022, but now will roll into Year 2.

Net surplus

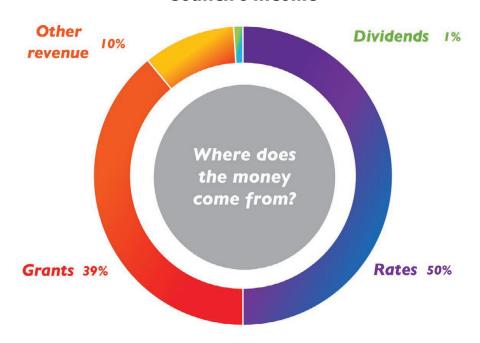
The Annual Plan forecasts a net surplus after taxation of \$27.5m, down \$1.3m on LTP Year 2. Net surplus after taxation is the difference between income received and expenses incurred during the year. We record capital grants and capital subsidies as income, even though they are not used to fund operational activities, as such this creates an accounting surplus. The surplus goes towards our capital projects and reduces Council's need to borrow funds.

2022/23 Rates increase



Rates affordability continues to be a significant issue for our district. Council's commitment to minimising rates increases is set out in our Financial Strategy in the 2021-2031 LTP. The Strategy focused on increasing revenue from alternative sources to lessen the financial burden on ratepayers. The 2022/23 AP forecasts that on average rates would be 50% of total revenue required. This is less than the LTP forecast of 60% revenue from rates. The use of external grant funding has meant that for 2022/23 the reliance on rates has been reduced.

Council's income



Council's operational expenditure



28% Roads and Footpaths \$34.3m

Regional Leadership and Support Services \$22.4m

16% Liveable Communities \$19.8m

Environmental Services and Protection \$12.3m

10% Wastewater \$12m

6% Water Supply \$7.4m

4% Solid Waste \$4.7m

3% Land, Rivers and Coastal \$3.3m

Urban Stormwater \$3.2m

Capital investment programme

Capital investment programme for 2022/23 is \$99.2m. The focus of 2022/23 Capital Investment Programme is both the delivery and key outcomes:

- completion of the Wastewater Treatment Plant upgrade improving the water quality in Turanganui-a-Kiwi (Poverty Bay)
- completion of Kiwi Pools a modern multi-purpose pool facility the whole community can enjoy
- completion of Uawa cycle and walkway
- more township upgrades and place shaping leveraging funding from Waka Kotahi to do more, supporting the safety and health of our people in our smaller communities
- continuing investment in critical infrastructure, including \$8m from Provincial Growth Fund for roading resilience works and route security for safer passage on our roads.

The proposed Capital Programme for 2022/23 is included in Note 14 in the "Our Finances Section".

Council's debts

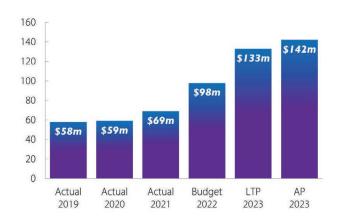
Council reviewed the assumptions surrounding our forecast debt, resulting in an increase in debt projections. The forecast total debt is \$142m compared to \$133m that was forecast in Year 2 of the 2021-2031 LTP. This higher forecast debt includes new projects that have been identified since the adoption of the LTP, including:

- Ultra Violet treatment for Waingnake Water Supply compliance project
- Te Arai Bridge & Tokomaru Bay transfer station relocation resilience projects

Council's ability to raise loans is not dependent on the quantified limit that is set within the Financial Strategy. Council's ability to raise loans is based upon debt covenant thresholds around its revenue levels, where overall debt is to be less than 175% of revenue.

Council's actual debt to revenue is forecast to be 121% of revenue. This means that Council will still be well under its debt covenant thresholds of 175%.

Council debts



Significant forecasting assumptions

The estimates contain prospective financial information. Actual results are likely to vary from the information presented and the variations may be material. For more detail see the Introduction section of Our Finances.

Fees and charges

The Council fees and charges are used to fund the operation and maintenance of a variety of services provided to the community. Fees and charges have predominantly increased by the rate of inflation for 2022/23. Fees were increased in some activities to meet Council's Revenue and Finance policies or to recover increased costs.

Full details of the fees and charges can be found on the Council's website: www.gdc.govt.nz

Tīmatatanga Kōrero

Introduction

The Annual Plan sets out Council's priorities and identifies how Council intends to fund its operations and capital projects.

The forecasts prepared for Council have been prepared based on agreed levels of service for each activity. The levels of service are set out in detail in the 2021-2031 LTP.

The prospective financial information contained in the Annual Plan is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur.

The forecasts are presented in:

- prospective Statement of Comprehensive Revenue and Expenses
- prospective Statement of Financial Position
- prospective Statement of Changes in Equity
- prospective Statement of Cash flows
- prospective Statement Concerning Balanced Budget.

Further detailed information is provided in the Notes to the Prospective Financial Statements which identifies revenue and expenditure for each group of activities (Note 2) and a full list of capital projects planned for 2022/23 with comparative figures to Year 2 of the 2021-2031 LTP (Note 14).

The operational and capital costs within the Annual Plan include:

- **existing costs** costs to continue to deliver the current level of service
- **growth costs** costs to deliver current level of service to a larger community due to growth
- level of service changes costs to deliver an increase in level of service
- **project costs** costs such as depreciation and interest that arise from Council undertaking capital projects
- **inflation** increases in revenue and costs due to price changes.

The nature of the prospective financial information - cautionary note

The prospective financial information contained in the Annual Plan is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to occur, associated with the action it reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material. Uncontrollable events will significantly affect the forecast.

Please note

Revenue from the Grants, Subsidies and Contributions - Capital includes grants received where the associated expenditure will be capitalised. Expenditure relating to these projects will be recognised (primarily as depreciation) over the life of the capitalised assets.

Council has budgeted for a net surplus in the 2022/23 Annual Plan. This is mainly the result of the capital grants and subsidies. Further information is available in the Prospective Statement Concerning Balanced Budget later in this section.

The financial information contained within the 2022/23 Annual Plan may not be appropriate for purposes other than those described.

There may be rounding differences throughout the financial statements and notes included in this section. They do not impact the overall usefulness of the information presented.



Ngā Tauākī Haurapa

Prospective statements

Prospective statement of comprehensive revenue and expenses for the year ended 30 June 2023

LTP 2022			LTP 2023	AP 2023
\$00 0 s		Notes	\$000s	\$000s
	REVENUE FROM NON-EXCHANGE TRANSACTIONS			
14,699	Grants and Subsidies - Operational	2/4	12,861	12,885
61,396	Grants, Donations, Subsidies and Contributions - Capital ¹	4	41,302	44,535
2,138	Other Non Exchange Revenue	2/5	2,170	2,170
22,493	General Rates And Uniform Annual General Charge	3	24,111	24,113
43,288	Targeted Rates	3	46,259	46,270
	REVENUE FROM EXCHANGE TRANSACTIONS			
1,587	Development and Financial Contributions	5/11	1,622	1,622
10,429	Other Revenue	2/5	10,762	11,645
3,366	Targeted Water Rates	2/3	3,694	3,594
1,500	Dividends	2/5	1,600	1,600
(474)	Other Gains/(Losses) - Profit on Sale of Assets	2/6	(231)	(231)
160,422	Total Revenue	_	144,150	148,204
	EXPENSES			
26,570	Employee Benefit Expenses	7	27,372	30,672
56,477	Expenditure on Operating Activities	9	57,136	61,205
23,733	Depreciation and Amortisation	8	26,774	24,907
3,813	Financing Costs	10	4,608	4,482
110,593	Total Expenses	2	115,889	121,266
49,829	Net Surplus/(Deficit) before Taxation	_	28,261	26,939
600	Subvention Payment from GHL	_	600	600
50,429	Net Surplus/(Deficit) after Taxation	_	28,861	27,539
35,747	Gains/(Losses) on Property Revaluation	_	62,321	62,321
86,176	TOTAL COMPREHENSIVE REVENUE AND EXPENSES	_	91,182	89,860

¹ Increase in Grants & Subsidies due to Provincial Growth for roading projects.

Prospective statement of financial position as at 30 June 2023

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	CURRENT ASSETS		
9,967	Cash & Bank	9,967	19,575
11,486	Non Exchange Trade and Other Receivables	11,519	8,806
11,933	Exchange Trade and Other Receivables	12,019	9,182
101	Inventories	101	38
(0)	Non Current Assets Held for Resale	(0)	80
33,487	Total Current Assets	33,607	37,682
	CURRENT LIABILITIES		
431	Deposits Held	431	498
30,604	Trade and Other Payables	30,317	35,744
2,625	Employee Benefits and Suspense	2,598	2,754
5,000	Borrowings ¹	5,000	7,100
94	Provisions for Other Liabilities	94	279
1,219	Derivative Financial Instruments	1,219	1,116
39,973	Total Current Liabilities	39,658	47,491
(6,486)	Total Net Working Capital	(6,052)	(9,808)
	NON CURRENT ASSETS		
2,491,959	Property Plant and Equipment	2,607,078	2,666,688
6,427	Intangible Assets	6,427	6,548
3,309	Biological Assets	3,028	2,741
33,595	Investments	33,595	33,893
2,535,290	Total Non Current Assets	2,650,128	2,709,870
	NON CURRENT LIABILITIES		
104,288	Borrowings ¹	128,319	135,399
176	Employee Benefit Liabilities	176	179
2,892	Provisions for Other Liabilities	2,951	2,571
4,029	Derivative Financial Instruments	4,029	1,618
1,950	Emission Trading Scheme Liabilities ³	1,950	1,950
113,335			
	Total Non Current Liabilities	137,426	141,717
2,415,469	Total Non Current Liabilities Total Net Funds Employed	137,426 2,506,651	141,717 2,558,345
	Total Net Funds Employed		
551,341	Total Net Funds Employed EQUITY	2,506,651	2,558,345
551,341 33,481	Total Net Funds Employed EQUITY Accumulated Surplus	2,506,651 590,502	2,558,345 575,479

¹ Cash at bank represents the carrying value of short-term deposits with original maturity dates of three months or less approximate their fair value

² Borrowings have increased due to new capital works to meet legislative changes and resilience projects.

³ The Council owns pre 1990 forest land that was compulsorily entered into the ETS. Compensation credits were received for this and the Council is required to ensure this land is replanted following harvest. The obligation to replant this land has not been quantified.



Prospective statement of changes in equity as at 30 June 2023

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	EQUITY OPENING BALANCES		
492,764	Accumulated Funds and Retained Earnings	551,341	533,381
41,629	Special Funds and Reserves	33,481	47,036
1,794,900	Revaluation Reserves	1,830,647	1,888,068
2,329,293	Total Equity Opening Balance	2,415,469	2,468,485
	CHANGES IN EQUITY		
	Accumulated Surplus (Retained Earnings)/ Revaluation Reserves		
86,176	Total Comprehensive Income for the Year	91,182	89,860
8,148	Transfer to/(from) Special Funds and Reserves	10,300	14,559
	Special Funds and Reserves		
(8,148)	Transfer to/(from) Retained Earnings	(10,300)	(14,559)
86,176	Total Changes in Equity	91,182	89,860
	EQUITY CLOSING BALANCES		
551,341	Accumulated Funds and Retained Earnings	590,502	575,479
33,481	Special Funds and Reserves	23,181	32,477
1,830,647	Revaluation Reserves	1,892,968	1,950,389
2,415,469	Total Equity Closing Balance	2,506,651	2,558,345
	Attributable to :		
2,415,469	Gisborne District Council	2,506,651	2,558,345

Prospective statement of cash flow for the year ended 30 June 2023

TP 2022 \$000s		LTP 2023 \$000s	AP 2023 \$000s
	Cash Flow from Operating Activities		
	Cash provided from:		
64,082	Rates Receipts	68,650	68,531
76,296	Government Grants and Subsidies	54,424	57,681
18,243	Receipts from Activities	19,307	20,410
0	Interest Received	0	(
1,500	Dividends Received	1,800	1,600
600	Subvention	600	600
160,721	-	144,581	148,822
	Cash provided to:		
82,172	Payments to Suppliers and Employees	83,755	91,322
995	Grants	995	992
0	GST (Refund)	0	(
0	Income Tax	0	(
3,826	Interest Paid	4,621	4,49
86,993	-	89,370	96,809
73,728	Net Cash Inflow/(Outflow) Operating Activities	55,211	52,013
	Cash Flow from Investing Activities		
	Cash provided from:		
50	Sale of Property Plant and Equipment	50	50
523	Forestry stumpage adjustment	280	287
573		330	337
	Cash provided to:		
103,467	Purchase of Property Plant and Equipment	79,573	99,198
0	Purchase (w/down or sale) of Investments	0	(
103,467		79,573	99,198
(102,894)	Net Cash Inflow/(Outflow) Investing Activities	(79,243)	(98,861
	Cash Flow from Financing Activities		
	Cash provided from:		
29,166	Increase/(Decrease) in Borrowings	24,031	46,848
29,166	-	24,031	46,848
	Net Cash Inflow/(Outflow) Financing Activities	24,031	46,848
29,166	Net Cash innow/(Outnow) i mancing Activities		
29,166 0	-	0	(
	Net Increase/(Decrease) in Cash	0 9,967	19,57 <u>.</u>

Explanation of terms used in the prospective statement of cash flows

Cash and Cash Equivalents is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

Investing Activities are those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash.

Financing Activities are those activities which result in changes in the size and composition of the capital structure of the Group. This includes both equity and debt not falling within the definition of cash.

Operating Activities include all transactions and other events that are not investing or financing activities.

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes. The GST rate assumed in these estimates is 15%.



Prospective statement concerning balanced budget for the year ended 30 June 2023

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
160,422	Operating Revenue	144,150	148,204
110,593	Operating Expenditure	115,889	121,266
600	Subvention Payment	600	600
50,429	Net Operating Surplus/(Deficit) After Taxation	28,861	27,539
	LESS		
804	Capital Rates Income	1,087	1,272
61,396	Capital Grants and Subsidies	41,286	44,519
1,587	Other Capital Grants, Donations and Contributions	1,638	1,638
(2,491)	Operations Funded by Reserve Funds	(2,970)	(9,358)
	PLUS		
10,187	Depreciation not Funded	11,832	10,253
680	Increase/(Decrease) in Deficit	349	279
0	Balanced Budget - operating income agrees to operating expenditure	0	0

Balancing the budget

Council sets operating income at a level to meet each year's operating expenditure. This is to ensure that there is access to enough funding to enable the services to continue to be provided long term. However, there are activities where this approach may not be practical or prudent due to the activity's long term nature i.e. wastewater, forestry or soil conservation nurseries. Council is forecasting an accounting surplus for 2022/23.

Council intends to:

- find additional sources of income, enabling us to keep rates affordable through grants and dividends, partnerships and some increase to user pays
- not fund a portion of depreciation on specific assets or components of assets funded through capital rates or subsidies (i.e. waste water treatment plant and some roading assets)
- increase borrowing to a sensible level in order to build, renew and maintain critical infrastructure.

When preparing and reviewing the budget, Council has had regard to the following specific matters in relation to all activities of Council, as per the LGA section 100:

- maintaining levels of service
- maintaining the service capacity and integrity of assets
- intergenerational equity
- compliance with Council's funding and financial policies established under LGA section 102.

Kupu Tāpiri ki ngā Tauākī Haurapa Notes to the prospective statements

Note 1: Statement of accounting policies

Reporting entity

Gisborne District Council ("Council") is a Unitary Authority governed by the Local Government Act (LGA) 2002.

The Gisborne District Council Group (the "Group") consists of Gisborne District Council and its subsidiary, Gisborne Holdings Ltd (100% owned). Gisborne Holdings Ltd is incorporated in New Zealand, and pursuant to the Local Government Act 2002 is a Council Controlled Trading Organisation.

Council has not presented economic entity prospective financial statements because the Council believes that the controlling entities, prospective statements are more relevant to users. The main purpose of prospective financial statements in the Annual Plan is to provide users with information about the core services that Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much Council requires by way of rates to fund the intended levels of services. The level of rates funding required is not affected by controlled entities, except to the extent that the Council obtains distributions from, or further invests in, those controlled entities. Such effects are included in the prospective financial statements presented.

The Council is a Public Benefit Entity (PBE) for the purposes of Financial Reporting. The Financial Bill, enacted in December 2013, defines a PBE as "entities whose primary objective is to provide goods or services for community or social benefit, and where equity has been provided with a view to supporting that primary objective, rather than for a financial return to equity". Gisborne District Council is defined as a Tier 1 entity with expenditure in excess of \$30m.

Basis of preparation

The Council's prospective financial statements have been prepared in accordance with the requirements of the LGA 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Public Benefit Entity (PBE) Standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities. This includes compliance with PBE Financial Reporting Standard No. 42 (PBE FRS-42) 'Prospective Financial Statements'.

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of certain fixed assets, forestry assets, livestock assets and certain financial instruments to reflect fair value.

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

The nature of the prospective financial information - cautionary note

The prospective financial information contained in the Annual Plan is a forecast. It has been prepared on the basis of assumptions as to future events that the Council reasonably expects to take at the date the forecast was prepared. The forecast relates to events and actions which have not yet occurred and may not occur. The actual results achieved for the period covered are likely to vary from the financial information presented and the variations may be material.

A number of assumptions need to be made about the economic and financial conditions which will apply over the life-time of the model. The major assumptions underpinning this Plan are set out in the Significant Assumptions section.

The financial information contained within the Annual Plan may not be appropriate for purposes other than those described.

Specific accounting policies

The following specific Accounting Policies which materially affect the measurement of financial performance and the financial position have been applied.

Revenue recognition

Revenue has been split into Exchange and non Exchange as per the requirements of the Public Benefit Entity (PBE) accounting standards. Non Exchange revenue is categorised as receiving value without giving approximately equal value in exchange e.g. general rates, government grants.

Revenue is measured at the fair value of consideration received. The following specific recognition criteria must be met before revenue is recognised.

Rates revenue

Rates are set annually by a resolution from Council and relate to a financial year. All ratepayers are invoiced within the financial year to which the rates have been set. Rates revenue is recognised when invoices are raised.

Government grants and subsidies

Government grants are initially recognised as income at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Council receives government subsidies from Waka Kotahi, which subsidises part of Council's costs in maintaining the local roading infrastructure.

The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other revenue

Revenue from the rendering of services is recognised, based on the actual service provided on an accrual basis.

Sales of goods are recognised when a product is sold to the customer. Sales are usually in cash or by electronic payment. The recorded revenue is the gross amount of the sale, excluding GST. Interest income is recognised using the effective interest method.

Dividends are recognised when the right to receive payment has been established.

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in Council are recognised as revenue when control over the asset is obtained.

Borrowing costs

Borrowing costs (except borrowing costs incurred as a result of capital work) are recognised as an expense in the period in which they are incurred.

When the construction of assets are loan funded, all borrowing costs incurred as a result of the capital work are capitalised as part of the total cost of the asset up until the point where the asset enters service.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria. They are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of Council's decision.

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantially enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where Council can control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantially enacted by balance date.

Current tax and deferred tax is charged or credited to the Prospective Statement of Comprehensive Revenue and Expenses, except when it relates to items charged or credited directly to equity, in which case the tax is dealt within equity.

Leases

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, the Council recognises finance leases as assets and liabilities in the Prospective Statement of Financial Position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life.

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Trade and other receivables

Trade and other receivables are recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for uncollectible amounts.

A provision for impairment of receivables (doubtful debts) is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method. Non-current receivables are recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset.

Inventories

Inventories are recognised at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in first-out (FIFO) principle and includes expenditure in acquiring the inventories and bringing them to their existing location and condition.

Financial assets

Council classifies its financial assets in the following two categories:

- available-for-sale financial assets
- loans and receivables.

The classification depends on the purpose for which the assets are held. Management determines the classification of its investments at initial recognition and re-evaluates the designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through the Prospective Statement of Comprehensive Revenue and Expenses in which case the transaction costs are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Purchases and sales of investments are recognised on trade-date, the date on which the Council commits to purchase or sell the

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price is the current bid price. The fair value of financial instruments not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows are used to determine fair value for the remaining financial instruments.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Council presently has the following categories of financial assets:

a. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Council's general and community loans are designated as loans and receivables. They are recognised initially at fair value, and subsequently carried at amortised cost less impairment losses

Loans to community organisations made by Council at nil, or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method.

The difference between the face value and present value of the expected future cash flows of the loan is recognised in the Prospective Statement of Comprehensive Revenue and Expenses as a grant. Loans to other parties at market rates are measured at amortised cost using the effective interest method. Non-current loans are discounted at the current market rate of return for a similar asset.

b. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

The Council's investments in equity securities are classified as available for sale and are stated at fair value. Gains and losses are recognised directly in equity except for impairment losses, which are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

In the event of impairment any cumulative losses previously recognised in equity will be removed and recognised in the Prospective Statement of Comprehensive Revenue and Expenses even though the asset has not been derecognised.

Impairment of financial assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Accounting for derivative financial instruments and hedging activities

Council uses derivative financial instruments such as interest rate swaps ("hedges") and forward rate agreements to manage its cash flow and interest rate risk. In accordance with its treasury policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at each balance date.

Council does not satisfy all the conditions for hedge accounting and therefore all gains or losses in fair value of instruments used to manage cash flow and interest rate risk are recognised through the Prospective Statement of Comprehensive Revenue and Expenses.

Financial liabilities - borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Non-current assets held for sale

Non-current assets held for sale are classified as held for sale if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment losses for write-downs of assets held for sale are recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses that have been previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment

Property, Plant and Equipment consists of:

Operational Assets

These include land, buildings, improvements, library books, wharves, floating plant, plant equipment, and motor vehicles.

Infrastructural Assets

Infrastructural assets are the fixed utility systems owned by Council and comprise the sewer, water, storm water, roading, flood control and the waste disposal infrastructures.

Each asset type includes all items that are required for the network to function, for example, sewer reticulation piping and sewer pump stations.

Biological assets

Forestry Assets

Forestry assets consist of the Council's forestry holdings. Forestry assets are valued on the basis of fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. Forestry assets are revalued annually. Valuation movements pass through surplus/(deficit). The costs to maintain the forestry assets are included in surplus/(deficit).

Council has transferred forestry rights in respect to relating to land to Juken New Zealand Limited. The transfer relates to one harvest cycle. Under the agreement Council has contributed land and is entitled to a percentage of stumpage. All costs of development are borne by Juken New Zealand Limited. The value of the land (excluding the trees) and Council's right to a share of the stumpage is reflected in the Statement of Financial Position.

Council has committed to reverting 70% of the current net stocked area of exotic planting to native.

Intangible assets

Intangible assets predominately comprise computer software and carbon credits.

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use or with the acquisition of software licences by Council, are recognised as an intangible asset.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation is charged to the Prospective Statement of Comprehensive Revenue and Expenses on a straight line basis over the useful life of the asset.

Typically, the estimated useful lives of these assets are as follows:

• computer software three to six years.

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Emissions trading scheme

The Groups forestry holdings incorporates forestry assets held by Council.

Gisborne Holdings Limited (GHL) has voluntarily entered the New Zealand Emissions Trading Scheme (ETS) in respect of 1,224.2 hectares of forest land located in the Tauwhareparae area. This entitles GHL to receive emissions units (units) for carbon stored in the specified area from a 1 January 2008 baseline.

Council's forestry holdings separate from the subsidiaries holdings, consisting of small woodlots and a further area held by the Pamoa Forest Joint Venture. These forestry blocks were registered with ETS in November 2011. This entitles the Council to receive emission units (units) for carbon stored in the specified area from 1 January 2008 baseline.

Units received are recognised at fair value on the date they are received and subsequently measured at cost subject to impairment. While there are no specific conditions attached to units received, should carbon stored in the specified area fall below the amount compensated for, a portion of the units received must be returned.

Units received are recorded on the Prospective Statement of Financial Position as an intangible asset until it is clear that they will not be required to meet future emissions obligations. The value of units is then recognised in the Prospective Statement of Comprehensive Income.

Where there is an obligation to return units this liability is recognised on the Prospective Statement of Financial Position, measured with reference to the carrying value of units on hand. Where there is insufficient units on hand to meet the emissions obligation, this is measured by reference to the current market value for units held.

Property, plant and equipment valuation

Council has elected to use the Public Benefit Entities exemption to revalue property, plant and equipment on an asset class basis. The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Prospective Statement of Comprehensive Revenue and Expenses. Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the Prospective Statement of Comprehensive Revenue and Expenses will be recognised first in the Prospective Statement of Comprehensive Revenue and Expenses up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Additions

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructural assets and land have been vested in Council as part of the subdivision consent process. Vested assets are recognised as revenue when control over the asset is obtained. Vested assets are valued at fair value when received.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Prospective Statement of Comprehensive Revenue and Expenses.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent costs

Costs incurred subsequent to the initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be reliably measured.

Operational assets valuations

All Operational assets are carried at cost less accumulated depreciation and impairment losses except for:

- operational land
- operational land is valued at fair value and is not depreciated
- operational buildings.

Operational buildings are revalued to optimised depreciated replacement cost and depreciated between valuations. These assets are independently revalued every 3 years, or more frequently when there are indications that the values may have changed substantially from carrying value.

Library books - general collection

All new and replacement books are capitalised in the year they are purchased and subsequently depreciated based on useful lives. The valuations are performed by the Head Librarian and are not subject to independent review because there are readily available market prices to determine fair value.

Library books permanent collection

The permanent collection is carried at deemed cost.

Infrastructure assets valuations

Infrastructural assets

Infrastructural assets are initially recorded at depreciated replacement cost. Infrastructure assets other than roading are independently valued every 3 years at depreciated replacement costs, unless conditions indicate that carrying value is materially different to fair value, in which case assets are revalued more frequently.

Roading assets

Roading assets are independently revalued annually.

Airport assets

Airport assets include land, buildings, runway aprons, roading and below ground infrastructure. Airport assets are independently valued every 3 years or more frequently when there are indicators that the fair values may have changed substantially from carrying value.

Depreciation

Depreciation is provided on a straight-line basis on all fixed assets other than land and land under roads.

The depreciation rates used will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Infrastructure assets

Infrastructure assets	
Roads	
*Pavement Surface (seal)	5 - 20 years
*Pavement Surface (unsealed) - Wearing Course	5 years
*Pavement Layers (basecourse)	40 - 100 years
*Formation	(not depreciated)
*Culverts	70 years
*Footpaths	20 - 75 years
*Surface Water Channels	75 years
*Signs	12 years
*Street Lights	15 - 25 years
*Bridges	25 - 80 years
*Retaining Structures	80 years
*Traffic Signals	15 years
*Parking Meters	15 years
*Railings	10 - 15 years
*Safety Projects	10 - 13 years
Water reticulation	
*Pipes	30 - 165 years
*Valves, Hydrants	25 years
*Pump Stations	15 - 100 years
*Dams	400 years
*Structures	16 - 200 years
Sewage reticulation	
*Pipes	60 - 100 years
*Pump Station	15 - 100 years
*Manholes	100 years
*Treatment Plant	15 - 50 years
*Laterals	100 years
Stormwater systems	
*Pipes	62 - 100 years
*In-drain Structures	25 - 100 years
*Flood Control Systems	25 - 100 years
*Solid Waste	4 - 25 years
Operational assets	
*Land	(not depreciated)
*Buildings/Land Improvements	3 - 100 years
*Plant/Machinery/Motor Vehicles	2 - 20 years
*Office Equipment/Furniture	3 - 50 years
*Other Equipment	3 - 25 years
*Library Books	1 - 50 years
*Wharves	50 years
*Floating Plant	25 years
*Leased Assets	3 - 8 years
	3 0 , cars

Assets under construction

Assets under construction are valued at cost but they are not depreciated. The total cost of a project is transferred to freehold buildings, plant and equipment or infrastructural assets on its completion and then depreciated.

Impairment of non financial assets

Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If the recoverable amount of a non-financial asset is less than its carrying amount, the item is written down to its recoverable amount. The write down of an item recorded at cost is recognised as an expense in the Prospective Statement of Comprehensive Income. When a re-valued item is written down to recoverable amount, the write down is recognised as a downward revaluation to the extent of the corresponding revaluation reserve and any balance recognised in the Prospective Statement of Comprehensive Revenue and Expenses.

The carrying amount of a non-financial asset that has previously been written down to a recoverable amount is increased to its current recoverable amount if there has been a change in the estimates used to determine the amount of the write down. The increased carrying amount of the item will not exceed the carrying amount that would have been determined if the write down to recoverable amount had not occurred.

Trade and other payables

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of trade and other payables used in the Prospective Statement of Financial Position approximates their fair value.

Financial liabilities: borrowings

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Employee entitlements

The provision for annual leave employee entitlement and other employee benefits expected to be settled within 12 months of balance date has been calculated on an actual entitlement basis at current rates of pay while the other provisions have been calculated on future rates of pay, discounted using an appropriate discount rate.

Provision for accumulated sick leave is made only to the extent that it is expected to be used in future periods. The expected usage is assessed using historical average rates of use.

Long service leave and retirement leave

For retiring leave and long-service leave not expected to be taken within 12 months of balance date, the liability is equal to the present value of the estimated future cash outflows, calculated on an actuarial basis, as a result of employee services provided at balance date.

Superannuation schemes

Defined benefit scheme

Council belongs to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Provisions

Provisions are recognised for future expenditure of uncertain amount or timing when the Council has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

If the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Prospective Statement of Comprehensive Revenue and Expenses net of any reimbursement.

Public equity

This represents the ratepayer's net ownership of Council. It is made up of the following components:

- accumulated Funds and Retained Earnings
- special Funds and Reserves
- asset Revaluation Reserves.

Accumulated funds

Comprise accumulated surpluses over the years.

Special funds and reserves

Reserves are a component of public equity and represent a particular use to which parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Special funds are recorded at cost plus accumulated interest. These funds are restricted in nature and can only be used for the special purpose for which they were set up.

Also included are reserves restricted by Council decision. These funds are subject to specific conditions accepted as binding by Council which may not be revised by Council without reference to a third party or the Courts.

Asset revaluation reserve

Comprise accumulated revaluation increments or decrements.

Detail on the movement of reserves held by Council (with exception of revaluation reserve) can be found in Note 12.

Prospective statement of cash flows

Cash flows from operating activities are presented using the direct method.

Definitions of terms used in the Prospective Statement of Cash Flows:

- **operating activities** These activities include all transactions and events that are not investing or financing activities
- investing activities These comprise those activities relating to the acquisition, holding and disposal of fixed assets and investments. Investments can include securities not falling within the definition of cash
- **financing activities** These are activities which result in changes in the size and composition of the capital structure of Council; inclusive of both equity and debt not falling within the definition of cash.

Changes to accounting policies

There has been no changes in accounting policies during the Annual Plan. All accounting policies have been applied on a consistent basis throughout the years presented.

Critical accounting estimates and assumptions

In preparing these prospective financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Landfill post closure costs

Paokahu

As former operator of the Paokahu landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill after care provision has been recognised as a liability in the Prospective Statement of Financial Position. Provision is made for the present value of post closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post closure care for the Paokahu site is 35 years from 31 December 2002.

The calculations assume no change in the legislative requirements or technological changes for closure and post closure treatment.

Waiapu

As operator of the Waiapu landfill site, Council has an obligation to ensure the ongoing maintenance and monitoring services at this landfill site after closure.

A landfill after care provision has been recognised as a liability in the Prospective Statement of Financial Position.

Provision is made for the present value of post closure costs expected to be incurred in restoring the area to its former status. The calculated cost is based on estimates of future site maintenance, supervision and monitoring costs. The estimated length of time needed for post closure care for the Waiapu site is 35 years from 30 June 2025.

Infrastructural assets

There are a number of assumptions and estimates used when performing the depreciated replacement cost valuations in respect of infrastructural assets. These include:

- The physical deterioration and condition of asset, for example, Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example storm water, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition-modeling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth.
- If useful lives do not reflect the actual consumption of the benefits of the asset, then Council could be over or under-estimating the annual depreciation charge recognised as an expense in the Prospective Statement of Comprehensive Revenue and Expenses. To minimise this risk, Council's infrastructural asset's useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience.
- Asset inspections, deterioration and condition modelling are also carried out regularly as part of Council's asset management planning activities, which provides Council with further assurance over its useful life estimates.

Experienced independent valuers perform Council's infrastructural asset revaluations.

GST

The financial statements have been prepared exclusive of GST with the exception of receivables and payables, which are stated with GST included.

Budget figures

The budget figures are those approved by Council and published in the 2021-2031 LTP and this Annual Plan.

The Annual Plan 2022/23 figures have been produced in accordance with the requirements of the Public Benefit Entity (PBE) accounting standards.

Cost allocation

Expenditure has been reported by the nature of the expense.

Capital management

Council's capital is its equity (or ratepayers' funds) which comprises accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers' funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve inter generational equity, which is a principle promoted in the Act and applied by Council. Inter generational equity requires today's rate payers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure that ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires Council to make adequate and effective provision in its Annual Plan to meet the expenditure needs identified by those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council's LTP.

Note 2: Prospective summary cost of services by activity

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Expenses		
1,708	Commercial Operations	1,720	1,756
11,116	Environmental Services & Protection	11,702	12,288
3,037	Land, Rivers & Coastal	3,210	3,331
18,453	Liveable Communities	20,122	19,801
16,241	Regional Leadership & Support Services ¹	16,324	22,422
35,834	Roading	35,580	34,318
4,616	Solid Waste	4,747	4,699
3,078	Urban Stormwater	3,191	3,216
9,534	Wastewater	11,957	11,996
6,976	Water Supply	7,335	7,439
110,593	Total Expenses	115,889	121,266
	Revenue From Exchange Transactions		
2,087	Commercial Operations	1,825	1,947
4,250	Environmental Services & Protection	4,367	4,977
277	Land, Rivers & Coastal	285	285
1,723	Liveable Communities	2,430	2,522
2,303	Regional Leadership & Support Services	2,353	2,355
46	Roading	48	48
207	Solid Waste	209	232
453	Wastewater	500	535
3,476	Water Supply	3,808	3,708
14,821	Total Revenue From Exchange Transactions	15,825	16,608
	Revenue From Non-Exchange Transactions		
1,138	Environmental Services & Protection	1,170	1,170
276	Liveable Communities	150	174
1,204	Regional Leadership & Support Services	1,000	1,000
14,219	Roading	12,711	12,711
16,837	Total Revenue From Non-Exchange Transactions	15,031	15,055
78,935	-	85,033	89,602

¹ Increase due mostly to a change in accounting treatment of the Enterprise Solutions project that was moved from capital to operational expense. Also the re-phasing and timing of some of the Plans (ie TRMP, Freshwater Plan), which have been rolled into Annual Plan Year 2 from Year 1.

Note 3: Rates revenue

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
69,147	Rates Revenue	74,064	73,979
	Rates revenue consists of:		
6,011	General Rates	6,906	7,083
16,482	Uniform Annual General Charge	17,205	17,031
43,288	Targeted Rates	46,259	46,270
3,366	Metered Water Rates	3,694	3,594
69,147	Rates Revenue	74,064	73,979
	Less		
600	Remissions	617	620
68,547	Nett Rates Revenue	73,447	73,359

Forecast Rating Base Information

	Rating Units	2020/21 Forecast Capital Value \$000	2020/21 Forecast Land Value \$000	Forecast Growth
Rateable Units	22,333	16,502,281	9,689,772	
Non-Rateable Units	1,303	334,398	206,095	0.5%
Total	23,636	16,836,679	9,895,867	

¹ Based on 30 June 2021. Growth is forecast to be at 0.5%.

Note 4: Revenue from grants and subsidies

LTP 2022 \$000s		LTP 2023 \$000s	AP 2023 \$000s
	Revenue from Grants and Subsidies		
40,625	Central Govt grants/other grants ¹	25,294	23,088
35,470	Waka Kotahi (NZTA) roading subsidies²	28,869	34,332
76,095	Total Revenue from Grants and Subsidies	54,163	57,420

¹Decrease in Central Government grants for wastewater treatment plant, 100% of grant used in 2022.

Note 5: Revenue from operating activities

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Revenue from Operating Activities		
1,587	Development Contributions	1,622	1,622
1,000	Rates Penalties	1,000	1,000
11,203	Activity Revenue ¹	11,567	12,450
1,500	Dividends	1,600	1,600
365	Petroleum Tax	365	365
15,655	Total Revenue from Operating Activities	16,154	17,038

¹Increase revenue from consents and monitoring income as a result of increased volumes.

Note 6: Revenue from other gains/(losses)

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Revenue from Other Gains		
50	Gain / (Loss) on Disposal of Property, Plant and Equipment	50	50
(524)	Gain / (Loss) on Changes in Fair Value of Non-Current Receivables / Investments	(281)	(281)
(474)	Total Revenue from Other Gains	(231)	(231)

Note 7: Employee benefit expense

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Employee Benefit Expense		
28,221	Salary and Wages	28,940	33,741
743	Defined Contribution Plans Expense	765	877
(2,393)	Less Recharged to Other Expense Categories**	(2,333)	(3,946)
26,570	Total Employee Benefit Expense ¹	27,372	30,672

At the time of the adoption of the LTP, planning costs were provisioned under operating budgets. The plans will now be completed in house (e.g. Tairāwhiti Resource Management Plan and the Freshwater Plan).

²Increase in Waka Kotahi subsidies from provincial growth fund for roading projects.

Note 8: Depreciation and amortisation expense

LTP 2022 \$000s		LTP 2023 \$000s	AP 2023 \$000s
\$000 5	Depreciation and Amortisation Expense	\$000S	\$000S
645	Commercial Operations	659	681
26	Environmental Services & Protection	34	47
176	Land, Rivers & Coastal	205	225
2,052	Liveable Communities	2,923	2,393
1,494	Regional Leadership & Support Services	1,753	1,642
13,300	Roading	14,215	12,906
298	Solid Waste	315	272
1,042	Urban Stormwater	1,079	1,107
2,212	Wastewater	2,953	2,951
2,488	Water Supply	2,639	2,684
23,733	Total Depreciation and Amortisation Expense	26,774	24,907
23,733	Total Depreciation as per Note 24	26,774	24,907
0	Total Amortisation as per Note 25	0	0
23,733		26,774	24,907

Note 9: Expenditure on operating activities

	LTP 2023	AP 2023
	\$000s	\$000s
Expenditure on Operating Activities		
Administration Expenses	2,507	2,408
Audit Fees - Financial Reporting	416	369
Consultants and Professional Services	1,757	1,755
Elected Members and Director's Fees	888	890
Indirect Employment Costs	157	154
Grants and Donations	995	992
Insurance Costs	1,372	1,491
Rental and Operating Leases	1,987	2,115
Repairs and Maintenance	13,102	13,021
Bad Debts Written Off - Rates	883	1,013
Bad Debts Written Off - Other	(97)	(97)
Change to Impairment of Receivables	185	185
IRD Compliance Costs	168	170
Litter Bins and City Cleaning	1,977	1,977
Emergency Works	2,093	2,093
Other Operating Expenditure*	28,744	32,667
Total Expenditure on Operating Activities	57,136	61,205
	Activities Administration Expenses Audit Fees - Financial Reporting Consultants and Professional Services Elected Members and Director's Fees Indirect Employment Costs Grants and Donations Insurance Costs Rental and Operating Leases Repairs and Maintenance Bad Debts Written Off - Rates Bad Debts Written Off - Other Change to Impairment of Receivables IRD Compliance Costs Litter Bins and City Cleaning Emergency Works Other Operating Expenditure* Total Expenditure on	Expenditure on Operating Activities Administration Expenses Administration Expenses Administration Expenses Administration Expenses Administration Expenses 2,507 Audit Fees - Financial Reporting Consultants and Professional Services Elected Members and Director's Fees Indirect Employment Costs Indirect Employment Costs Insurance Costs Insurance Costs Insurance Costs Repairs and Maintenance Bad Debts Written Off - Rates Bad Debts Written Off - Other (97) Change to Impairment of Receivables IRD Compliance Costs Litter Bins and City Cleaning Emergency Works Other Operating Expenditure* 7,136

Other operating expenses include such items as: electricity, operational contracts, treatment plants, pump stations, internal interest, vegetation planting contracts, facilities contracts and cleaning contracts. Increase budget due to change in accounting treatment for the Enterprise Solution project that was planned as capital expense and subsequently moved to operational expense. In addition, some special project budgets were moved from 2022 to 2023 to align with their completion.



Note 10: Finance costs

LTP 2022 \$000s		LTP 2023 \$000s	AP 2023 \$000s
	Finance Costs		
2,680	Interest on Debentures and Interest Rate Swaps	2,680	3,075
1,073	Interest on Bank Borrowings and Commercial Paper	1,868	1,347
60	Line Fee	60	60
3,813	Total Finance Costs	4,608	4,482

Note II: Development contributions revenue

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Development Contributions Revenue		
44	Reserves & Open Spaces	44	44
350	Roading	357	357
178	Water Supply	180	180
808	Wastewater	829	829
208	Stormwater	212	212
1,587	Total Development Contributions Revenue	1,622	1,622

Note 12: Movements in reserves

	Opening Balance	Transfers	Transfers	Closing Balance
	l July 2022	to Reserves	from Reserves	30 June 2023
	\$000s	\$000s	\$000s	\$000s
Special Funds and Other Reserves				
Waipaoa River Flood Control Scheme	710	13	66	657
Wastewater Treatment Plant Reserve	350	0	350	0
Civil Defence Disaster Relief	484	9	75	418
Capital Development Fund	2,303	38	765	1,576
Quarry Rehab	1,216	24	0	1,240
Olympic Pool Development	31	1	0	32
Reserves Contributions	122	2	0	124
Land Transport - Urban Development Contributions	61	362	0	423
Water Supply - Urban Development Contributions	(81)	180	37	62
Wastewater - Urban Development Contributions	1,815	862	1,083	1,594
Stormwater - Urban Development Contributions	(821)	192	627	(1,255)
Reserves - District Development Contributions	355	47	446	(44)
HMNZ Blackpool Scholarship Fund	7	0	0	7
GHL Forestry Reserve	214	6	0	220
Pamoa Restoration Reserve	3,109	734	570	3,273
Roading FAR Reserve	2,639	0	0	2,639
Land Subdivision	364	7	18	353
Parking	50	50	0	100
Organisation Development Reserve	3,282	0	1,821	1,461
Depreciation	30,674	24,957	36,334	19,297
Water Demand and Water Preservation	150	150	0	300
Total Special Funds and Other Reserves	47,036	27,634	42,192	32,477

Note 13: Reconciliation of funding impact statement with prospective statement of comprehensive revenue and expenses

TP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	RECONCILIATION OF REVENUE		
	Sources of operating funding		
97,389	Total operating funding (A) as per Funding Impact Statement	101,176	101,997
	Add Sources of capital funding		
61,396	Subsidies and grants for capital expenditure	41,302	44,535
1,587	Development and financial contributions	1,622	1,622
50	Profit / (Loss) on Sale of Assets	50	50
0	Lump sum contributions	0	0
160,422	- -	144,150	148,204
160,422	As per Prospective Statement of Comprehensive Income - Total Operating Income	144,150	148,204
	RECONCILIATION OF EXPENDITURE		
	Applications of operating funding		
86,860	Total applications of operating funding (B) as per Funding Impact Statement	89,115	96,359
23,733	Add depreciation and amortisation expense	26,774	24,907
110,593	- -	115,889	121,266
110,593	As per Prospective Statement of Comprehensive Income - Total Operating Expenditure	115,889	121,266
	RECONCILIATION OF TOTAL COMPREHENSIVE INCOME		
61,396	Add subsidies and grants for capital expenditure	41,302	44,535
10,529	Surplus/(deficit) of operating funding (A-B)	12,061	5,638
600	Add Subvention Payment	600	600
50	Add Profit / (Loss) on Sale of Assets	50	50
1,587	Add development and financial contributions	1,622	1,622
(23,733)	Add depreciation and amortisation expense	(26,774)	(24,907)
35,747	Add gains/(loss) of property revaluation	62,321	62,321
86,176	- -	91,182	89,860
86,176	As per Prospective Statement of Comprehensive Income - Total Comprehensive Income	91,182	89,860



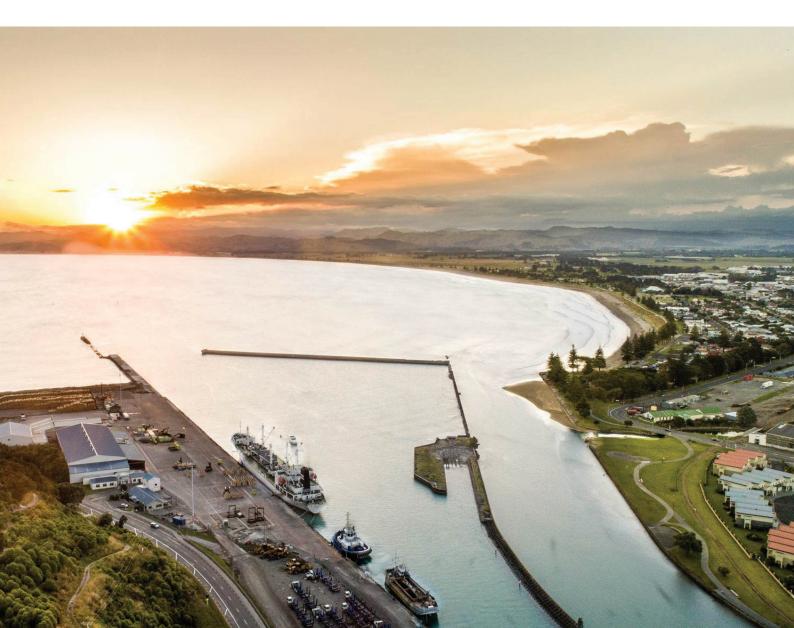
Note 14: Capital expenditure 2022/23

Description	Level Of Service	LTP 2023 \$000s	AP 2023 \$000s	Variance
Commercial Operations		φοσος	40003	
Commercial Property - Staff Housing Upgrades	MAINTAIN	77	77	0
Community Housing - Upgrades	MAINTAIN	205	205	0
Total		282	282	0
Environmental Services & Protection				
Parking Meter Renewals	MAINTAIN	155	45	109
Total		155	45	109
Land, Rivers & Coastal				
Waipaoa River Flood Control Scheme Resilience Improvements	INCREASE / MAINTAIN	2,070	2,070	0
Mahanga Stream Improvements	INCREASE	0	90	(90)
Waipaoa River Flood Ctl Scheme	INCREASE	2,438	2,438	0
Taruheru And Turanganui Rivers City Revetment Renewals	MAINTAIN	0	220	(220)
Mangahauini River Erosion Protection	MAINTAIN	52	52	0
Pump Station Renewals	MAINTAIN	0	99	(99)
Total		4,559	4,968	(409)
Liveable Communities				
Waingake Restoration	INCREASE	2,656	2,831	(175)
Titirangi To Tuamotu	INCREASE	10	10	0
Loading Dock Wall - War Memorial Theatre	INCREASE	0	23	(23)
Conveniences - Rural	MAINTAIN	154	154	0
Refurbish Conveniences - City	MAINTAIN	257	257	0
Peel St Toilets	MAINTAIN	0	365	(365)
Playground Softfall And Shade Sails	INCREASE / MAINTAIN	36	36	0
Parks And Reserves - Buildings & Hard Surfacing	MAINTAIN	144	144	0
Parks & Reserves - Playgrounds	MAINTAIN	221	221	0
Titirangi Restoration	MAINTAIN	15	65	(50)
Parks & Reserves - Dune Care	MAINTAIN	21	21	0
Neighbourhood Parks And Local Purpose Reserves - Fencing, Signage, Revegetation, And Furniture And Fittings	MAINTAIN	51	51	0
Parks & Reserves - Land Purchases - Taruheru Block	GROWTH	446	446	0
Parks - Kopututea Private Reserve - Co-Governance	MAINTAIN	14	14	0
Township Plan Community Facilities Contribution	INCREASE	34	0	34
Sportsground Facilities Upgrades And Renewals	MAINTAIN	77	227	(150)
Street Trees Planting	INCREASE	103	103	0
Signage	MAINTAIN	51	51	0
Land Remediation (asbestos contamination on reserve land)	MAINTAIN	103	103	0
Waihirere Domain Development	INCREASE / MAINTAIN	154	184	(30)
Community Strategy Implementation Capex	INCREASE	449	849	(400)
Cemeteries Capital Renewals	MAINTAIN	18	18	0
Roadside Bollarding - Taruheru Cemetery	INCREASE / MAINTAIN	56	56	0
Cemeteries Ash Gardens	INCREASE	15	15	0

Description	Level Of Service	LTP 2023 \$000s	AP 2023 \$000s	Variance
Monuments, Public Art, Town Clock Renewals	MAINTAIN	21	21	0
Lysnar House Renewals	MAINTAIN	257	257	0
Redevelopment of Olympic Pool Complex	INCREASE / MAINTAIN	17,780	19,560	(1,780)
Hawaiki Turanga	INCREASE	0	490	(490)
Public Art	MAINTAIN	51	101	(50)
1000 Year Bridge	INCREASE	450	1,460	(1,010)
Aquatic Facilities Renewals (external)	MAINTAIN	10	10	0
Library Books, Furniture & Fittings	MAINTAIN	191	211	(20)
Library Books Ex Book Trust	MAINTAIN	20	20	0
Total		23,867	28,377	(4,510)
Regional Leadership & Support Services				
Orthophoto Regeneration - Aerial Photography	MAINTAIN	40	40	0
Existing Core Hardware & Software Renewals	MAINTAIN	547	692	(145)
IS Supported Software	INCREASE	5	5	0
Enterprise Solution	INCREASE / MAINTAIN	2,060	0	2,060
Digitisation of Records	INCREASE	622	727	(105)
Business Analytics	INCREASE / MAINTAIN	135	135	0
Network Switch Replacement	MAINTAIN	0	150	(150)
Chambers AV Equipment	MAINTAIN	0	100	(100)
Awarua Firewall Replacement	MAINTAIN	0	75	(75)
Councillor laptops/Screens	MAINTAIN	0	30	(30)
Bore Drilling And Renewals	INCREASE	446	446	0
Groundwater Model	INCREASE	33	33	0
Groundwater Abstraction Device	INCREASE	72	72	0
Freshwater Improvement Fund	INCREASE	0	100	(100)
Emergency Co-ordination Centre	INCREASE	0	890	(890)
Telemetry And Hydrological Equipment	MAINTAIN	88	88	0
Air Quality And Noise Monitoring Equipment	MAINTAIN	82	82	0
Vehicle & Minor Plant Renewals	MAINTAIN	387	387	0
Total		4,517	4,052	465
Roading		·	•	
Roading Renewals	MAINTAIN	12,811	12,811	0
Minor Improvements Projects	MAINTAIN	1,394	1,394	0
Resilience Improvement	INCREASE / MAINTAIN	466	466	0
Bus Shelter Replacements	MAINTAIN	60	60	0
Gisborne City Carpark Facility	MAINTAIN	22	43	(21)
Taruheru River Walkway And Cycling	INCREASE	1,603	1,603	0
Traffic Service Renewals	MAINTAIN	148	148	0
Environmental Renewals	MAINTAIN	16	16	0
Streetlight Upgrades To Led	INCREASE / MAINTAIN	250	250	0
Footpath Replacements - Funded	MAINTAIN	241	241	0
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		LTP AP			
Description	Level Of Service	2023	2023	Variance	
		\$000s	\$000s		
Pgf - 50 Max	INCREASE / MAINTAIN	650	650	0	
Pgf - Route Security (East Cape)	INCREASE	4,000	6,500	(2,500)	
Pavement Maintenance-Forestry	INCREASE	500	500	0	
Uawa Walking Path Capx	INCREASE / MAINTAIN	0	342	(342)	
Total		22,160	27,523	(5,363)	
Solid Waste					
Paokahu Closed Landfill	MAINTAIN	31	136	(105)	
Transfer Stations	MAINTAIN	54	54	0	
Litter Bins	MAINTAIN	26	26	0	
Retrofitted Container Offices	MAINTAIN	32	64	(31)	
Heritage Landfill Remediation	MAINTAIN	186	186	0	
Tokomaru Bay Transfer Station Relocation	MAINTAIN	0	800	(800)	
Total		329	1,266	(936)	
Urban Stormwater					
Stormwater Pipeline Renewals	MAINTAIN	388	388	0	
Stormwater In Drain Structures	MAINTAIN	0	195	(195)	
Stormwater Localised Urban Upgrades	GROWTH	78	78	0	
Taruheru / Waru / Haisman (Stormwater Catchment)	GROWTH	531	531	0	
Graham/Delatour Road	INCREASE / MAINTAIN	741	741	0	
Public Drains On Private Property	INCREASE	559	1,019	(460)	
Upgrade Rural Townships	INCREASE / MAINTAIN	0	360	(360)	
Douglas St. Improvemt Stage2	GROWTH / MAINTAIN	0	413	(413)	
Bush Intake (Te Arai) Bridge	MAINTAIN	0	465	(465)	
Total		2,297	4,190	(1,893)	
Wastewater					
Localised Urban Upgrades	GROWTH	33	33	0	
Wastewater Pump Station Renewals	MAINTAIN	114	114	0	
Wastewater Pipeline Renewals	MAINTAIN	3,867	4,067	(200)	
Taruheru Block New Pump Station 1	GROWTH	0	1,050	(1,050)	
Wastewater Treatment Plant Further Treatment	GROWTH / INCREASE	12,658	15,487	(2,830)	
Tolaga Bay Septage Site	INCREASE / MAINTAIN	0	844	(844)	
Septage Solids Removal	MAINTAIN	1,000	1,000	0	
Wastewater Treatment Plant Upgrades & Renewals	MAINTAIN	186	186	0	
Pump Station Health & Safety Upgrades	INCREASE	0	51	(51)	
Te Karaka Wastewater Land Disposal	INCREASE	111	111	0	
Scada Repeater Relocation	MAINTAIN	89	89	0	
Mortuary Waste Drain Field	INCREASE	0	157	(157)	
Total		18,058	23,189	(5,131)	
Water Supply					
Gisborne Pipe Renewals	MAINTAIN	983	983	0	
Distribution: Water Meter Renewals	MAINTAIN	56	56	0	
Local Urban Upgrades	GROWTH / MAINTAIN	39	39	0	

		LTP	AP	
Description	Level Of Service	2023	2023	<i>Variance</i>
		\$000s	\$000s	
Bulk Distribution: Waingake Raw Water Pipeline Renewal	MAINTAIN	445	445	0
Telemetry Site Renewals	MAINTAIN	33	33	0
Waingake Treatment plant UV Installations	INCREASE	0	1,145	(1,145)
Te Karaka Reticulation Renewal	MAINTAIN	367	417	(50)
Residential Backflow Prevention	INCREASE / MAINTAIN	555	555	0
Rabbit Road Culverts	MAINTAIN	0	70	(70)
Misc. Plant & Equipment	MAINTAIN	78	78	0
Waingake Water Treatment Plant Renewals	MAINTAIN	88	88	0
Waipaoa Treatment Plant Station Renewals	MAINTAIN	104	128	(24)
Waingake Pump Station Renewals	MAINTAIN	155	155	0
Total		2,902	4,191	(1,289)
Townships	-			
Township Upgrades	INCREASE / MAINTAIN	0	765	(765)
Township Upgrade Strategy Plans	INCREASE / MAINTAIN	446	0	446
Township Subsidised Improvements	INCREASE / MAINTAIN	0	350	(350)
Total		446	1,115	(668)
Grand Total		79,573	99,198	(19,625)



Te Pūrongo Ahumoni me ngā Taumata Matawhāiti Financial reporting and prudence benchmarks

The purpose of this statement is to disclose Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the group is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its Annual Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark

Benchmark	Limit	Planned	Met
Rates affordability benchmarks:			
- quantified limit on rates income (per LTP)	70,386	70,384	Yes
- quantified limit on rates increase (per LTP)1	6.5%	6.5%	Yes
Debt affordability benchmark			
- quantified limit on borrowing	<130%	121%	Yes
Balanced budget benchmark >100%	100%	121%	Yes
Essential services benchmark >100%2	100%	324%	Yes
Debt servicing benchmark <10% (borrowing costs/revenue)	10%	2.9%	Yes

¹Quantified limit on rates increase is 6.5% plus growth.

Notes

Rates affordability benchmark

- For this benchmark, Council's planned rates income for the year is compared with a quantified limit on rates contained in the financial strategy included in the Council's LTP; and
- The Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the financial strategy included in the Council's LTP.

Council meets the rates affordability benchmark if:

- Its planned rates income for the year equals or is less than each quantified limit on rates; and
- Its planned rates increases for the year equals or are less than each quantified limit on rates increases.

Debt affordability benchmark

- For this benchmark, the Council's planned borrowing is compared with a quantified limit on borrowing contained in the financial strategy included in the Council's LTP.
- The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

Balanced budget benchmark

- For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

Essential services benchmark

- For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

Debt servicing benchmark

- For this benchmark, the Council's planned borrowing costs are represented as a proportion of planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment).
- Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs are less than 10% of it planned revenue.

² Higher balanced budget benchmark is due to the Wastewater Treatment plant capital investment in 2023

Ngā Whakamārama Hiranga

Significant assumptions

The following section details the assumptions Council has made in preparing this Annual Plan. These assumptions are necessary as they ensure that readers are aware of the basis for the estimates and forecast. The Annual Plan provides forecast financial information in accordance with New Zealand Financial Reporting Standard 42 (FRS42), Prospective Financial Statements. Actual results are likely to vary from the information presented and the variations maybe material.

Significant forecasting assumptions and risks

Schedule 10 (Section 11) of the Local Government Act 2002 contains provisions relating to 'significant forecasting assumptions'. The Act requires that Council identifies the significant forecasting assumptions and risks underlying the financial estimates. Where there is a high level of uncertainty, Council is required to state the reason for that level of uncertainty and provide an estimate of the potential effects on the financial assumptions.

General

It is assumed there will be no changes in the nature of the Gisborne District Council's business.

Interest rates

The interest rate on Council external debt is approximately 3.6% in this Annual Plan. Council covers its interest rate exposure using interest rate swaps. The interest rates are based on estimates of the 90-day bank bill rate and include bank margins and the effect of continuing use of interest rate swaps.

Inflation

The forecast financial information includes provision for inflation. Council has used forecasts of price level changes prepared by Business and Economic Research Limited (BERL) to calculate the inflation rate for each year of the LTP. Council has left the inflation at levels used in the 2021-2031 LTP. Council has not included any inflation on Roading operation costs for the 2022/23 financial year. This is based on firm indications from National Roading bodies.

Renewability of funding

Bank facilities are arranged with multiple banks and structured to ensure there is a range of maturity dates. Bank facilities are reviewed annually. The Annual Plan assumes that the necessary level of funding will continue to be available through a mixture of bank facilities and debentures.

Forecast returns on Investment and Strategic Assets

Council maintains a range of commercial and strategic investments. Council has used forecast the return for significant investments and business units. Council is currently reviewing all its investments and strategic assets to ensure it is receiving an adequate rate of return. The Annual Plan does not currently include any significant strategic or investment asset disposals.

External funding

Included in the forecast financial statements are a number of operational and capital projects that are assumed to be either significantly or 100% funded by another agency or grant. There are also a number of major projects to be funded by a combination of Council and external funding.

Council has \$99.2m planned for capital projects in the 2022/23 Annual Plan (after project prioritisation). Of this, \$44.5m is budgeted to be funded from grants, subsidies or donations. There is a risk that sources of funds for some capital projects may not eventuate. It is assumed that if the external funds budgeted are not available then the projects will be reviewed and the availability of other funding sources will be assessed.

Depreciation

All assets, excluding those listed below, are assumed to be replaced at the end of their useful life. The following assets are assumed not to be replaced at the end of their useful life:

- · Tolaga Bay Wharf
- Patutahi Hall.

Council does not fund depreciation on these assets.

Council does not fully fund the depreciation on its roading assets in the Forecast Financial Statements. It is assumed that a set proportion of the Land Transport capital expenditure will continue to be funded through NZTA financial assistance subsidies. It is therefore considered appropriate to only collect rates revenue on the portion of roading depreciation funded from Council reserves.

Council does not fund depreciation on the Airport assets as it is assumed that the Council lease of the Airport assets and operations to East land Infrastructure Ltd will result in the assets being returned to Council at the end of the lease in the same condition as when the lease began on 1 April 2005.

Useful lives of assets are as recorded in Asset Management Plans or based upon professional advice. There is a risk that some assets may wear out and fail sooner or later than calculated. There is no certainty that asset components will last exactly their design lives. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value.

Earlier replacement may result in deferring other discretionary capital projects in order to remain within the total Annual Plan capital budget and Council's borrowing limits as set out in the Council Liability Management Policy.

The depreciation rates used for planned asset acquisition are in line with current policies.

Depreciation on planned asset acquisitions

The depreciation rates used for planned asset acquisitions are in line with current policies.

Asset sales

The forecast financial information does not make any provision for income from the sale of Council assets.

Resource consents

All of Council's works projects require resource consents to be granted before works can commence. It has been assumed that resource consents can be obtained for all capital works, and that obtaining those resource consents will not significantly impact on the timing of capital works shown in the Annual Plan.

It is also assumed that the currency and conditions of existing resource consents held by Council will not be altered significantly during the term of the Annual Plan.

Revaluation of assets

The forecast financial information includes an annual estimate to reflect the change in asset valuations and depreciation. The effect of the revaluations, is a best estimate based on historical asset values, forecast capital expenditure, the BERL inflation indices and recent revaluation information.

The most recent revaluation of Council's assets were Land, Buildings & Gisborne Airport landside/airside 1 July 2019; Roading infrastructure, utilities and flood assets are revalued annually. It is assumed revaluations will result in an increase in the asset values, revaluation, reserves and the depreciation expense.

Emissions trading scheme

Council has made no provisions for the effects of the Emissions Trading Scheme in this Annual Plan. The effects of the scheme are difficult to predict. It is anticipated that any increase in costs will be mostly offset by increased efficiency gains.



Whakamāramatanga Rēti

Rating information

Revenue and financing mechanisms

The following information is presented solely and for the purpose of clause 20 of Schedule 10 of the Local Government Act 2022 and the Local Government (Financial Reporting and Prudence) Regulation 2014 with additional information provided to assist ratepayers in understanding the rates for the financial year commencing 1 July 2022 and ending 30 June 2023.

These statements are not NZ GAAP compliant. The information presented is incomplete, (in particular it does not include depreciation and internal overheads).

This statement should not be relied upon for any other purpose than compliance with the local Government (Financial Reporting and Prudence) Regulation 2014.

We have provided a reconciliation between Council's Prospective Statement of Comprehensive Revenue and Expenses and Councils Funding Impact Statement in Note 13.

In addition to rating income, Council has a number of other sources of revenue including:

- subsidies and grants From government and non-government organisations to fund maintenance or capital projects
- fees and charges Council charges for services provided, for example building consents and dog licences
- interest received and dividends income From funds invested or Council investments
- capital rates Rates used to repay Loans and Capital Expenditure, for example solid waste loan
- development contributions Money received to fund capital expenditure for new development
- asset sales Money received from the sale of assets
- **reserves** Money set aside to fund expenditure for a specific purpose. For further details of Council's revenue funding mechanisms, please refer to the Revenue and Financing Policy in 2021-2031 LTP.





Funding impact statement

This statement sets out the information required by Schedule 10 of the Local Government Act 2002, together with additional information provided to assist ratepayers in understanding the impact of the Annual Plan.

LTP 2022		LTP 2023	AP 2023
\$000s		\$000s	\$000s
	Sources of operating funding		
23,493	General rates, uniform annual general charges, rates penalties	25,111	25,113
46,654	Targeted rates	49,953	49,865
14,699	Subsidies and grants for operating purposes	12,861	12,885
9,530	Fees and charges	9,896	10,598
1,500	Interest and Dividends from Investments	1,600	1,600
1,513	Local authorities fuel Tax, fines, infringement fees and other receipts	1,755	1,936
97,389	Total Operating Funding (A)	101,176	101,997
	Applications of operating funding		
83,065	Payments to staff and suppliers	84,526	91,895
3,795	Finance costs	4,589	4,464
0	Other operating funding applications	0	0
86,860	Total applications of operating funding (B)	89,115	96,359
10,529	Surplus/(deficit) of operating funding (A-B)	12,061	5,638
	Sources of capital funding		
61,396	Subsidies and grants for capital expenditure	41,302	44,535
1,587	Development and financial contributions	1,622	1,622
17,673	Increase/(decrease) in debt	10,371	23,716
50	Gross proceeds from sale of assets	50	50
0	Lump sum contributions	0	0
80,706	Total sources of capital funding (C)	53,345	69,923
	Applications of capital funding		
	Capital expenditure		
1,642	- to meet additional demand	2,124	3,442
53,075	- to improve level of service	35,229	48,035
48,749	- to replace existing assets	42,220	47,722
(12,232)	Increase/(decrease) in reserves	(14,166)	(23,636)
0	Increase/(decrease) of investments	0	0
91,235	Total applications of capital funding (D)	65,407	75,562
(10,529)	Surplus/(deficit) of capital funding (C-D)	(12,061)	(5,638)
0	Funding balance ((A-B)+(C-D))	0	0

Funding impact statement (Rates)

This year Council will collect \$80.9m including GST or \$70.4m excluding GST.

Rates as the Council sets them:

Targeted rates

- Rates which can fund a particular activity or group of activities and can apply to certain areas, categories or to certain ratepayers.
- The matters and categories used to define categories of rateable land and calculate liability for targeted rates are set out in the Local Government (Rating) Act 2002 Schedule 2 and Schedule 3.

Aquatic and recreation facilities rate -The cost of maintaining the Olympic Pool complex and our Theatres and Halls based on a properties capital value. Properties in the Inner Zone contribute at a weighting of 1.0 and the Outer Zone contribute less with a weighting of 0.3.

Animal Control rate -The cost of minimising danger, distress and nuisance caused by stray dogs and controlling stock on roads. This is a uniform targeted rate on residential properties throughout the district.

Building services rate-The cost of providing advice to the public on regulatory requirements with the Building Act and cost of resolving complaints about building related issues including stormwater on private property based on a properties capital value. Residential and lifestyle properties in Gisborne city and on the Poverty Bay Flats contribute 85%. The remaining 15% is paid by rural properties.

Business area patrols in CBD rate-The cost of providing security in the CBD and operating CCTV security cameras for crime prevention. This is based on capital value in the CBD.

Commercial recycling rate-A targeted rate on non-residential properties within Gisborne city on each separately used or inhabited part of a property which elect to receive the recycling collection service.

Drainage rate-The cost of providing land drainage in the designated areas of benefit. There are 2 groups - direct beneficiaries and contributors. Both rates are based on the area of land receiving the benefit. Maps of the drainage areas are at the end of this section.

Economic development and tourism rate-The costs of preparing for and supporting economic and tourism activity throughout the district. This rate is payable by all industrial and commercial properties over the whole district based on capital value.

Flood control schemes rate-This is the cost of operating flood protection works. General rates fund 60% and the balance is targeted collection from those who receive benefit from the scheme in the City and Poverty Bay flats. Maps of the Flood Control Schemes is available at the end of this section.

- Waipaoa there are 6 classes of the scheme from A-F
- Te Karaka the targeted rates is split between residential and non-residential properties

Noise control rate-This is the cost of responding to noise complaints. This is uniform targeted rate to residential properties in Gisborne city, Makaraka, Wainui and lifestyle properties on the Poverty Bay Flats.

Non- subsidised Road Rate-This is the cost of non-subsidised road works in the district. this is a differential targeted rate on the Inner Zone and Outer zone based on capital value.

Passenger transport rate-This is a uniform targeted rate for providing a subsidised passenger transport service payable by all residents living in Gisborne city.

Parks and reserves rate-The cost of maintaining all the parks, reserves, playing fields, beach access points. This is a fixed amount per rating unit. The Inner Zone contributes 85% of costs and Outer Zone 15%.

Plant and Animal pests rate- To keep nuisance pests and noxious plants under control. All properties contribute, but farms pay a larger contribution. This is rated on land value.

Resource consents rate-The focus is to allocate the use of natural resources to consent holders and to protect the quality of the natural and physical environment and to provide assistance and clarity to the public. This rate is based on Land value.

Roading flood damage and emergency works and subsidised local roads rate-Roading costs are partly fund by Waka Kotahi (NZTA). The rate targeted portion is based on capital value and is split into differential rating groups that are weighted as follows: Residential, lifestyle and other properties 1.0; Horticulture and Pastoral farming 1.5; Industrial and Commercial 2.0; Forestry 12.0. The remaining portion is collected as part of the Uniform Annual General Charge.

Residential lifestyle and other properties – this is a general sector that includes residential, lifestyle, arable, utilities network and other properties that do not fall into the horticulture, pastoral, commercial, industrial and forestry sectors. A horticultural or pastoral property that is less than 5 hectares (ha) is rated in this sector.

Horticulture properties - have a rating valuation category of Horticulture and are 5 ha or greater in area.

Pastoral properties - have a rating valuation category of Pastoral and are 5ha or greater in area. Where 20ha or more of the property is planted in forestry, that portion will be rated with the weighting for forestry for subsidised and non-subsidised roading rates.

Forestry properties - have a rating valuation category of Forestry Exotic, where 20ha or more of the property is pastoral, that portion will be rated with the weighting for pastoral for subsidised and non-subsidised roading rates.

Commercial and Industrial properties - have a rating valuation category of Commercial and Industrial and Utilities other than where it is a utilities network.

Flood damage and emergency works rate – this rate covers approximately 25% of cost of repairs to roading network from an adverse event on capital value. The remaining balance is funded by a Waka Kotahi subsidy.

Rural transfer stations rate-Partially covers the cost of operating 8 transfer stations at Tolaga Bay, Tokomaru Bay, Te Puia Springs, Tikitiki, Waiapu, Te Karaka, Whatatutu and Matawai. This includes the cost of cartage to Waiapu Landfill or Gisborne city. Residential properties within a 15km radius of a rural transfer station contribute to this rate per separately used or inhabited part of a property eg If you have multiple dwellings you will be charged per dwelling. Refuse stickers are issued to use when taking refuse to a transfer station. Ruatoria township have both kerbside collection and the use of the transfer station. A charge is payable for each service.

Soil conservation rate-Advocacy and land use – This rate is concerned with erosion, land stabilisation and the effective use of land and the advice, communication and enforcement of this legislation and is based on land value.

Stormwater and drains rate-This is for the cost of stormwater reticulation to dispose of rainwater and maintain assets in Gisborne city and rural townships. Funded by a charge per separately used or inhabited part payable by residents living in Gisborne city, Wainui, Okitu and rural towns including Patutahi and Manutuke. The basis for stormwater and drains on commercial properties is capital value.

Theatres rate-This is for the cost of maintaining theatres in the district. Some costs are part funded by fees and charges and part funded by a targeted rate on capital value in the Inner zone and the Outer zone.

Water conservation rate-This is the cost of monitoring the quality and volume of natural water, and ensuring that we are using these water resources wisely and is based on land value.

Waiapu River erosion control scheme rate

Covers the operating costs and loan repayments of protection works on the river. This activity is partially funded by the general rate with the balance split between

- Direct beneficiaries in Ruatoria Township and around the river pay 60% of the cost of the activity balance on capital value
- Indirect beneficiaries inside the catchment area pay 15% of the cost of the activity balance on capital value.
- Contributors at the edges of the catchment pay 15% of the activity balance based on land area.

Wastewater rate-Ten percent of costs are funded in the general rate with the balance paid by a pan charge rate to connected users.

Wastewater (pan charge) rate - a usage charge based on the number of toilet pans and urinals connected. A residential dwelling pays only one pan charge, no matter how many toilet pans are installed. All other properties pay one pan charge for each toilet pan or urinal installed and connected.

Waste management charge rate – solid waste / household refuse collection including the cost of recycling where the service is provided throughout the district. This is a uniform amount for each separately used or inhabited part of a property.

Water rate

- Uniform water charge is the cost of delivering drinking water where the service is provided, payable per separately used or inhabited part of a property, for example if there are 3 flats on the property there will be 3 water charges.
- Availability charge the charge if you are in an area where water service is supplied, but the property is not connected.
- Fixed water by meter rate per cubic metre to properties identified as an extra-ordinary use and some rural domestic users. Metered domestic users receive a free of charge allowance of 300 cubic metres.

Lump sum contributions will not be invited in respect of the targeted rates.

General rates

A general rate in accordance with the Local Government (Rating) Act 2002 13(2)(a) based on the capital value of each rating unit in the district, on a uniform basis. The general rate is used to fund Council activities that are deemed to generally benefit all ratepayers in the Gisborne district and are on activities which user pays are not applied.

The general rate funds rivers control, storm water, treasury, economic development, animal and plant pests, strategic planning and engagement, coastal erosion management scheme maintenance, waste minimisation, solid waste legacy and aftercare provision, water and wastewater.

Uniform annual general charges (UAGC)

A fixed amount charged to each Separately Used or Inhabited part of a Rating Unit.

The indicative UAGC for 2022/23 is \$859.44, inclusive of GST

Activities funded by UAGC 2022/23				
Cemeteries	HB Williams Memorial & Rural libraries	Subsidised local Roads		
Civil Defence	Litter bins & cleaning public areas	Strategic Planning & Customer Engagement		
District Civil & Corporate expenses	Managing solid waste and transfer stations	Tairāwhiti Museum		
Economic Development & Tourism	Mayor and Councilor representation costs			
Environmental & Public Health Protection	Public Toilets - cleaning & maintaining			

Definition of a separately used or inhabited part of a rating unit:

A separately used or inhabited part of a rating unit includes any portion inhabited or used by the owner / a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

Interpretation rules

Each separate shop or business activity on a rating unit is a separate use, for which a separate UAGC is payable. (See Guidance Note 1.)

Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable. (See Guidance Note 2.)

- (a). Each residential rating unit which has, in addition to a family dwelling unit, one or more non-residential uses (ie home occupation units) will be charged an extra UAGC for each additional use. (See Guidance Note 3.)
- (b). Each non-residential activity which has, in addition to its business or commercial function, co-sited residential units which are not a prerequisite part of the business or commercial function, will pay additional UAGCs for each residential unit. (See Guidance Note 4.)
- (c). Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts, and will each pay a separate UAGC. (See Guidance Note 5.)
- (d). Each title on a multiple-managed forestry holding (that is, where the forest is broken into several individual small titles) is a separately used part except when one or more titles are adjacent and under the same ownership, in which case the rules of contiguity apply.
- (e). Each block of land for which a separate title has been issued is liable to pay a UAGC, even if that land is vacant. NOTE: for the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.
- (f). Two or more adjacent blocks of vacant land are not eligible for Remission under "Contiguity" (S.20 of LG(R)A02) because they are not "used for the same purpose" (i.e. they are not used at all).

- (g). Each dwelling, flat, or additional rentable unit (attached or not attached) on a pastoral, horticultural or forestry property which is let for a substantial part of the year to persons other than immediate family members is a separately inhabited part of a property, and separate UAGCs are payable.
- (h). For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.
- (i). A substantial part of the year is considered to be three months or more (this total period may be fragmented, and may occur at any part of the rating year).

Guidance notes

The following notes are not rules, but are intended to aid Officers in the interpretation of the Rules.

1 Commercial properties

- A single building on one title with 24 separate shops would pay 24 UAGCs.
- A motel with an attached dwelling would pay only one UAGC, because the attached dwelling is essential to the running of the motel. (See rule d above).
- A motel with an attached restaurant which is available to the wider public has two separately used parts, and would pay two UAGCs. Likewise, a motel with an attached Conference Facility would pay an additional UAGC.
- A business which makes part of its income through the leasing of part of its space to semi-passive uses such as billboards, or money machines, is not regarded as having a separately used or inhabited part, and would not be charged a separate UAGC.
- For the avoidance of doubt, an apartment block, in which each apartment is on a separately owned title, is merely a series of co-sited Rating Units, and each will pay a UAGC.
- If, however, in the above example a management company leases the individual titles for 10 years or more, and those leases are registered on the titles, and the leases stipulate that the management company is responsible for paying the rates, and if the management company then operates the apartments as a single business operation, that business operation may be considered for a remission under Council's remission policies and have all but one UAGC remitted.
- An apartment block with a separate laundry, or restaurant, which are available to the general population as a separate business enterprise, would pay an additional UAGC for each of these functions as separately used parts.

2 Residential properties

• The rule will apply to properties identified as "flats" on the valuation record, administered by Council's Valuer. Sleep-outs and granny flats will generally be identified as "sleep-out" on the valuation record and will not normally qualify for additional UAGCs.

- If a property is identified on the valuation record as having flats, but these in fact are used only for family members or for others for very short periods, then the additional UAGCs may be remitted on Council receiving.
- proof of their use, including a signed declaration from the property owner (see remission policies). A property owner who actively advertises the flats for accommodation will not qualify for the remission.
- A property such as a large house which is identified as being split into, say, three internal flats at the time the valuation records were established, but which is not actually used as such, will need to apply for remission under Council's remission policy. (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle).

3 Residential with non-residential part

- A residence with a separately accessible "office" such as may be used for surveyor, architect, or medical services, will pay an additional UAGC for the office, because it is a separately used part which generates additional use of roads, services, planning resources, and democratic processes.
- A residence with a "Home Occupation" (commonly called a "hobby business") will not generally be charged a separate UAGC unless the intensity of operation is high. For example, a resident who occasionally manufactures boat trailers in his garage on the weekends would not incur an additional UAGC, but someone who works for most of the week panel beating or painting, particularly if the activity is accompanied by advertising, clearly has a separately used or inhabited part of the rating unit, and would incur an additional UAGC.
- A residential property, part of which is used continually for storage of large industrial machinery, has a separately used part, and would incur an additional UAGC.

4 Non-residential activity with co-sited dwelling

- A fish and chip shop, with a flat above which can be accessed without passing through the shop, does have a separately used part, and would normally incur an additional UAGC charge.
- A dairy which has an integral dwelling attached, would not incur an additional UAGC, because the home is an integral part of the operation of the dairy.
- A boarding house containing a caretaker's apartment and several separately let rooms (with or without facilities) all within the structure of the one building, is a single (commercial) use and would not incur an additional UAGC.(The same applies to home-stays and bed and breakfast homes).
- Certain government agencies, churches, marae, and the like are automatically rate exempt (except for service charges such as water and wastewater) but if these organisations undertake accommodation or business

activities which are not related to their core function, they may be charged rates and additional UAGCs for each separately used or inhabited part of the rating unit.

5 Individually tenanted flats

- Each flat, apartment, or retirement or disability home, and each property under a "licence to occupy", is a separately used or inhabited part of a rating unit, no matter what number of people may be living in the unit, and each does pay an additional UAGC charge.
- If, because of construction work, poor condition, public health, or specific conditions pertaining to the property owner, one or more flats cannot be let on the open market, then the unit may be granted a remission under Council's remission policy. (A specific condition pertaining to the property owner might include the use of one of the units for a live-in caregiver). (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle).
- Each flat, apartment, or retirement or disability home, and each property under a "licence to occupy", is a separately used or inhabited part of a rating unit, no matter what number of people may be living in the unit, and each does pay an additional UAGC charge.
- If, because of construction work, poor condition, public health, or specific conditions pertaining to the property owner, one or more flats cannot be let on the open market, then the unit may be granted a remission under Council's remission policy. (A specific condition pertaining to the property owner might include the use of one of the units for a live-in caregiver). (Note: This property should be referred to Council's Valuer for correction on the next valuation cycle).

Rates information 2023

The rates will be set by Council for the financial year commencing 1 July 2022 and ending June 2023. This year Council will collect \$80.9m including gst or \$70.4 m plus gst. (all financial statements are excluding gst, except rates information which must be stated including gst) All figures in the Rates Funding Impact Statement include GST.

Penalties

Under section 57 of the Local Government (Rating) Act 2002, any portion of the rates invoices not paid by the due date will incur a 10% penalty.

Rate Instalment Dates	Rates Due date	Date Penalty Added			
Invoiced quarterly					
Instalment 1	22 Aug 2022	26 Aug 2022			
Instalment 2	21 Nov 2022	25 Nov 2022			
Instalment 3	20 Feb 2023	24 Feb 2023			
Instalment 4	22 May 2023	26 May 2023			

Due dates for water charges

Water meters are read on a monthly, quarterly, or six-monthly cycle and are payable on the month following the issue of the invoice as set out below. There is a free 300 cubic metre domestic allowance on rural domestic supplies.

Penalties on water charges

Under Sections 57 & 58 of the Local Government (Rating)Act 2002, any portion of the water rates invoices not paid by the due date will incur a 10% penalty on the following dates.

Month of	Due	Date			
Invoice	Date	Penalty Added			
Invoiced six-monthly					
Jun 2022	20 Jul 2022	26 Jul 2022			
Dec 2022	20 Jan 2023	26 Jan 2023			
Invoiced quarterly					
Jun 2022	20 Jul 2022	26 Jul 2022			
Sep 2022	20 Oct 2022	26 Oct 2022			
Dec 2022	20 Jan 2023	26 Jan 2023			
Mar 2023	20 Apr 2023	24 Mar 2023			
Invoiced monthly					
Jun 2022	20 Jul 2022	26 Jul 2022			
Jul 2022	22 Aug 2022	26 Aug 2022			
Aug 2022	20 Sep 2022	26 Sep 2022			
Sep 2022	20 Oct 2022	26 Oct 2022			
Oct 2022	21 Nov 2022	25 Nov 2022			
Nov 2022	20 Dec 2022	22 Dec 2022			
Dec 2022	20 Jan 2023	26 Jan 2023			
Jan 2023	20 Feb 2023	24 Feb 2023			
Feb 2023	20 Mar 2023	24 Mar 2023			
Mar 2023	20 Apr 2023	26 Apr 2023			
Apr 2023	22 May 2023	26 May 2023			
May 2023	20 Jun 2023	26 Jun 2023			



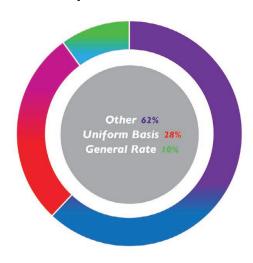
A tatau putea Our finances

Cap on certain rates

The total of uniform or fixed charges that Council can rate cannot exceed 30% of the total rates collected. The uniform cap for 2022/23 is 27%. If the 30% cap is in threat of being exceeded Council may move the uniform rates to the general rate based on capital value for these activities:

- planning & performance and strategic planning & engagement (Funding Stream FS-019)
- economic development (funding stream FS-020)
- civic and corporate expenses of the district (FS-049)

Council's rates for 2022/23



Allocation of payments

Any payments received will be applied to the oldest outstanding rates before being applied to the current rates. All payments are allocated to the oldest debt first. In a situation where the instalment amount is paid but the amount is allocated to an older debt, a 10% penalty is added to any amount of the instalment still outstanding.

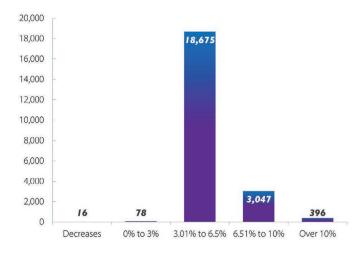
Indicative rates changes for properties

Council has a large amount of targeted rates. How much you pay depends on:

- changes to rating policy and Council budgets
- changes to the property (i.e. subdivision or amalgamation, rating value changes, new buildings, new service connections, contiguity, etc)
- how your land is used
- where your property is located and what targeted rates/ services apply.

The graph below shows that 84% (18,750) of properties throughout the District increase 6.5% or less. In dollar terms 18,681 properties increase \$200 or less. Increases are mainly due to waste water and water activities. The rates increase is 6.5% plus 0.5% growth over the 2021/22 Annual plan is consistent with the 2021-2031 Long Term Plan. There are 963 properties that increase over \$500. These increases are for a variety of reasons including the provision of new services, significant changes in capital value for new development and changes in eligibility to rate remissions and rating units in common ownership (Sec 20 of the Local Government (Rating)Act 2002). The increases in the wastewater activity are in the city and Te Karaka on residential, commercial and industrial and other properties with multiple toilet pans and/or multiple Separately Used or Inhabited Parts (SUIPS) where the services are provided. eg properties with multiple dwellings, flats or shops.

Rates movements for properties 2022/23



Rate examples 2022/23

Including GST	Capital Value (at Sep 2020)	2021/22 GDC Rates	2022/23 Proposed GDC Rates	\$ Change	% Change
City -Residential Low Value	248,000	2,791	2,964	173	6.2%
City -Residential Mid Value	560,000	3,267	3477.6	211	6.5%
City -Residential High Value	1,185,000	4,308	4,581	273	6.4%
Rural Town - TeKaraka/Whatatutu	156,000	1,599	1,673	73	4.6%
Rural Town - Other	175,000	1,754	1,827	73	4.2%
Commercial - with more than 10 Toilet Pans	1,210,000	12,591	13,950	1,359	11%
Commercial	325,000	3,224	3,418	194	6%
Industrial	1,430,000	7,007	7,418	411	5.9%
Rural- Lifestyle	1,260,000	3,369	3,560	191	5.7%
Rural Horticulture- with G3 Kiwifruit*	13,310,000	24,848	26,389	1,541	6.2%
Rural Horticulture - Other	1,945,000	5,722	6,034	312	5.5%
Rural -Large Farm	31,800,000	67,843	72,358	4,515	6.6%
Rural- Medium Farm	2,025,000	4,522	4,808	286	6.3%
Forestry	3,435,000	26,053	27,541	1,488	5.7%

^{*} This does not include Permanent Horticulture remission.





Rates funding impact statement

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2022/23 (Includes GST) \$
General Rate	Capital value on all Rateable land.			Capital Value	8,145,531
Uniform Annual General Charge		All Rateable land.		Separately Used or Inhabited Part of a Rating Unit (SUIP)	19,584,695
Targeted Rates					
Environmental Services & Pro	otection				
Animal Control	A uniform targeted rate on Residential properties: DRA1, DRA1A and Residential Rural Townships in DRA3, DRA4 and DRA5.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	700,286
Building Services	Differential targeted rate on:-:Inner Zone 85% of Revenue Sought.	6	2	Capital Value	700,559
	:on Outer Zone 15% of Revenue Sought.	6	2	Capital Value	123,628
Noise Control	A uniform targeted rate on Inner Zone. DRA1, DRA1A, DRA2	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	59,122
Resource Consents And Planning	A uniform targeted rate on all rateable land.	6	3	Land Value	3,987,246
Land, Rivers & Coastal	'				
Land Drainage - Contributors	Drainage Rate - Contributors. Eastern Hill Catchment 8 and Western Hill Catchment F. See map of scheme area at end of this section.	5 & 6	5	Per hectare	16,564
Land Drainage - Direct Beneficiaries	Drainage Rate - Direct Beneficiaries, per Drainage Scheme maps at end of this section. 1. Ormond 2. Eastern Taruheru 3. Western Taruheru 4. Willows 5. Waikanae Creek 6. City/Wainui 7. Taruheru, Classes A-D 8. Waipaoa 9. Patutahi 10. Ngatapa 11. Manutuke 12. Muriwai.	5 & 6	5	Per hectare	653,895

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2022/23 (Includes GST) \$
	Drainage Rate - Direct Beneficiaries, per Drainage Scheme maps at end of this section . 1. Ormond 2. Eastern Taruheru 3. Western Taruheru 4. Willows 5. Waikanae Creek 6. City/Wainui 7. Taruheru, Classes A-D 8. Waipaoa 9. Patutahi 10. Ngatapa 11. Manutuke 12. Muriwai.	5 & 6	5	Per hectare	43,490
Te Karaka Flood Control	A differentiated targeted rate: Non-Residential properties.	5 & 6	2	Capital Value	6,162
	Residential properties	5 & 6	2	Capital Value	27,419
Waiapu River Erosion Protection Scheme	Direct Beneficiaries within the defined area on Capital Value.	5 & 6	2	Capital Value	19,068
	Indirect Beneficiaries within the defined area on Capital Value.	5 & 6	2	Capital Value	4,591
	Contributors within the defined area per hectare.	6	6	Per hectare	4,591
Waipaoa River Flood Control Scheme	Waipaoa River Flood Control Scheme classes A - F.	5 & 6	2	Capital Value	271,445
Liveable Communities					
Aquatic And Recreation Facilities	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	1,513,240
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	196,821
Parks And Reserves	Differential targeted rate on Inner Zone 85% of revenue sought.	6		Per Rating Unit	5,642,212
	Differential targeted rate on Outer Zone 15% of revenue sought.	6		Per Rating Unit	995,684
Pests & Plants	A differential targeted rate on Inner Zone (20%).	6	3	Land Value	133,904
	A differential targeted rate on Outer Zone (80%).	6	3	Land Value	535,614
Soil Conservation-Advocacy And Land Use	A differential targeted rate on Inner Zone (20%).	6	3	Land Value	415,056

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2022/23 (Includes GST) \$
	A differential targeted rate on DRA3 & DRA4 (30%).	6	3	Land Value	622,584
	A differential targeted rate on DRA5 (50%).	6	3	Land Value	1,037,639
Theatres	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	825,463
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	107,353
Water Conservation	Differential targeted rate on Inner Zone 70% of revenue sought.	6	3	Land Value	1,587,710
	Differential targeted rate on Outer Zone 30% of revenue sought.	6	3	Land Value	680,447
Regional Leadership & Suppo	ort Services				
Business Area Patrols	Commercial Properties within the CBD Area: Non-residential properties on both sides of the roads bounded by Carnarvon Street, Childers Road, Reads Quay and Palmerston Road and all roads inside this area and also that part of Grey Street as far as the skateboard park and Customhouse Street as far as the Waikanae Cut.	1,2 & 6	2	Capital Value	100,720
Economic Development Including Tourism	All Industrial, Commercial retail and Accommodation Properties.	1 & 2	2	Capital Value	459,269
Roads & Footpaths					
Flood Damage And Emergency Reinstatement	Residential and Lifestyle Properties weighting of 1.0.	1 & 2	2	Capital Value	273,916
	Industrial and Commercial weighting of 2.0.	1 & 2	2	Capital Value	80,783
	Horticulture and Pastoral farming weighting of 1.5.	1 & 2	2	Capital Value	218,604
	Forestry weighting of 12.0.	1 & 2	2	Capital Value	185,513
Non-Subsidised Local Roading	Differential targeted rate on Outer Zone 50% of Revenue Sought.	6	2	Capital Value	93,117
	Differential targeted rate on Inner Zone 50% of Revenue Sought.	6	2	Capital Value	93,117

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2022/23 (Includes GST) \$
Passenger Transport	DRA1 Residential.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	302,560
Subsidised Local Roads	Residential and Lifestyle blocks weighting of 1.0.	1 & 2	2	Capital Value	3,876,944
	Industrial and Commercial weighting of 2.0.	1 & 2	2	Capital Value	1,143,378
	Horticulture and Pastoral farming weighting of 1.5.	1 & 2	2	Capital Value	3,094,061
	Forestry weighting of 12.0.	1 & 2	2	Capital Value	2,625,706
Solid Waste					
Commercial Recycling Charge	Within scheme recycling collection area, being non-residential area within the CBD who have elected to receive the service.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	1,219
Waste Management - Gisborne District	Within scheme refuse collection areas - Residential properties in Gisborne City and environs and Ruatoria.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	1,777,303
Rural Transfer Stations	Within 15km radius scheme area as defined on a map.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	441,224
Urban Stormwater					
Stormwater	A differential targeted rate: DRA1 and DRA1A all Commercial and Industrial properties.	6	2	Capital Value	499,347
	All Rural Towns in DRA3,DRA4 and DRA5 and also Manutuke and Patutahi.	6	7	Separately Used or Inhabitated Part of a Rating Unit	195,816
	DRA1 and DRA1A Residential properties including Sponge Bay, Wainui, Okitu.	6	7	Separately Used or Inhabitated Part of a Rating Unit	2,633,820
Wastewater					
Gisborne City Wastewater	Wastewater charge per water closet or urinal connection.	5 & 6	12	Per water closet or urinal	10,079,560
	Te Karaka Wastewater charge per water closet or urinal.	5 & 6	12	Per water closet or urinal	106,446
Water Supply				'	
Water - Availability	Within scheme areas, where service can be supplied but is not supplied (being a rating	5 & 6	7	Separately Used or Inhabited Part of a rating unit	48,736

Rates Funding Source	Categories of Rateable Land	Category (Sch 2) s14, 17 Local Govt (Rating) Act 2002	Factors (Sch 3) Local Govt (Rating) Act 2002	Factor used	Revenue sought 2022/23 (Includes GST) \$
	unit within 100 metres of any part of the waterworks).				
Water - Connection	Within scheme areas where the service is supplied and connected.	5 & 6	7	Separately Used or Inhabited Part of a rating unit	3,967,924
Subtotal					80,941,102
Metered Water Rates	Extraordinary and Rural domestic users. There is a 300 cubic metre no charge domestic allowance on rural residential and lifestyle properties				4,133,621
Subtotal				_	85,074,723
Rates Penalties					1,000,000
Net Rates Revenue					86,074,723
OTHER FUNDING SOURCES					
Grants and Subsidies					66,033,038
Development and Financial Contributions					1,865,622
Other Revenue					14,471,786
Dividends and Interest					1,600,000
TOTAL FUNDING	_			_	170,045,169

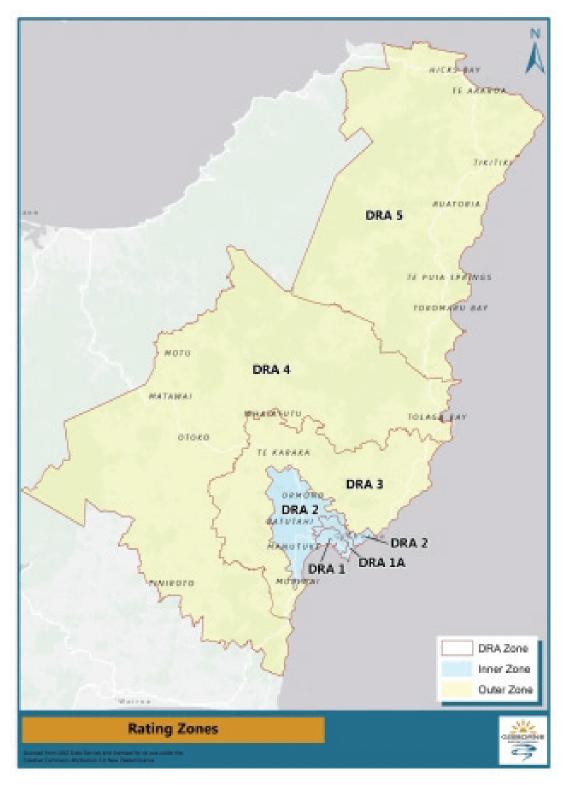
Rating definitions

Note: In the rating definitions below, Differential Rating Areas (DRA) such as; DRA1, DRA1A, DRA2, DRA3, DRA4, DRA5 and Inner and Outer Zones are defined. In accordance with the system of Differential Rating established by Special Order on 27 June 1991. The District was split into six differential areas. Except for DRA5 these areas were established on 27 June 1991 and maps detailing the boundaries are available on Council's website and also available at Council's Administrative Offices, 39 Gladstone Road, Gisborne. DRA4 was split into two areas, a new DRA5 and residual DRA4 by way of a Special Order on 16 May 2001. They are as follows:

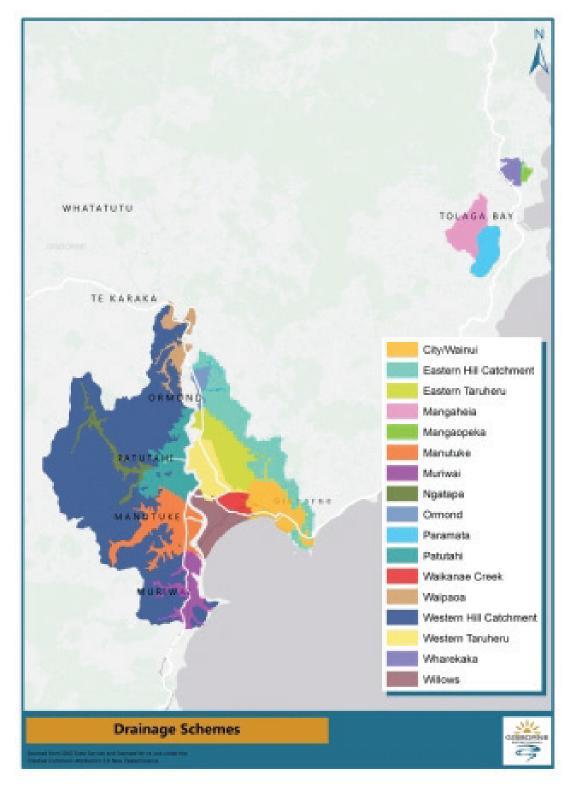
Short title	Areas covered	Sub types
DRA1	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential, commercial, industrial and other
DRA1A	All Rural Farm Land within the previous Gisborne City Boundaries and the area surrounding the City, including Wainui and Makaraka.	Residential, other rural, commercial and industrial
DRA2	Turanganui-a-Kiwa/Poverty Bay Flats including fringe hill properties; Muriwai, Ormond, Waihirere, Waerenga-a-hika, Bushmere, Manutuke and Patutahi.	Residential, rural, all other properties
DRA3	The area within reasonable and currently exercised commuting distance to Gisborne, including part Waerenga-o-kuri and Ngatapa, Whatatutu and Te Karaka.	Rural and all other properties and rural townships
DRA4	The inland rural areas beyond DRA3, up to the boundary of DRA5 Tolaga Bay, Matawai, Tiniroto and Otoko.	Rural and all other properties and rural townships
DRA5	The whole of the East Cape area from a line running inland from a point in the vicinity of Rural and all other properties and Mangatuna north of Tolaga Bay Township, to the tip of the East Coast. Hicks Bay, Te Araroa, Tikitiki, Ruatoria, Waipiro Bay, Te Puia Springs and Tokomaru Bay.	Rural and all other properties and rural townships
Inner Zone	The total land area of DRA1, DRA1A and DRA2.	Urban and rural properties
Outer Zone	The total land area of DRA3, DRA4 and DRA5.	All other properties

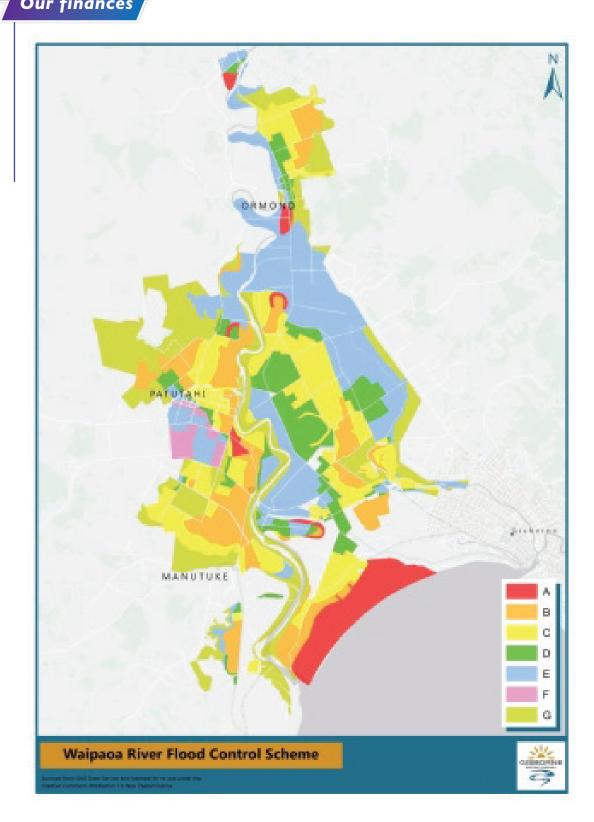
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ΜαρsMap showing the area in each differential rating area



Maps of targeted rating zones

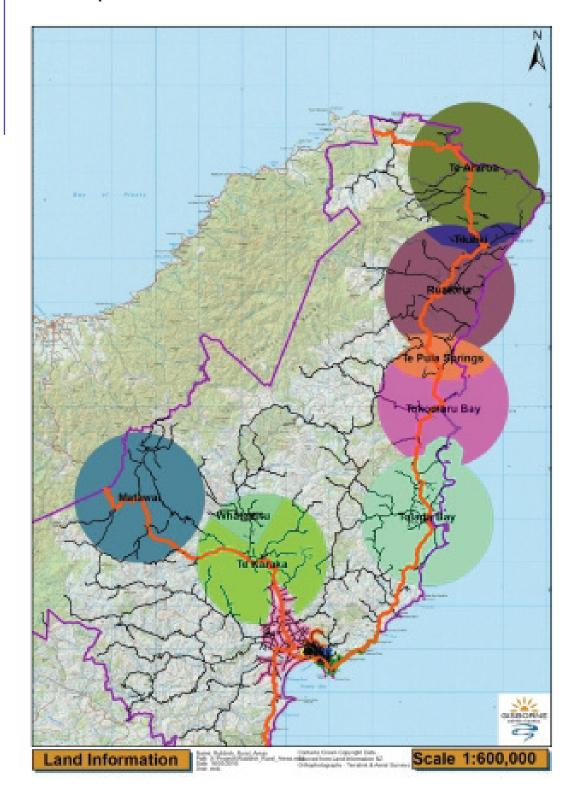


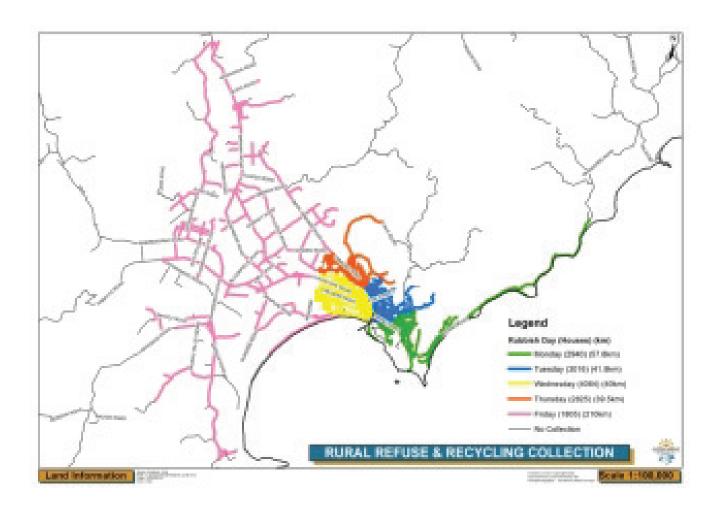


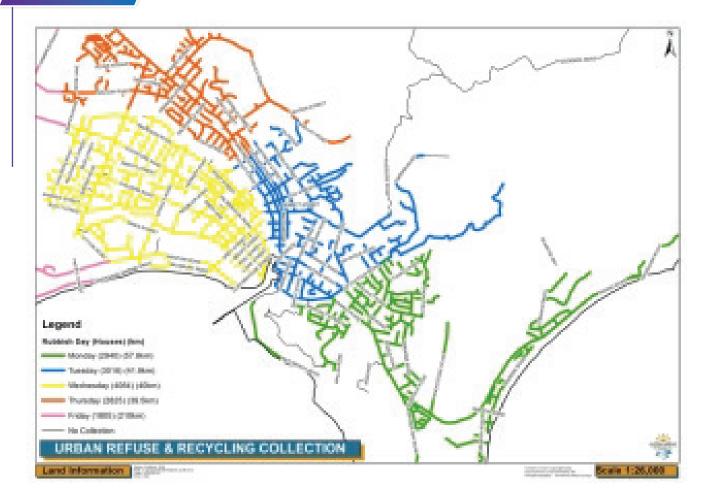


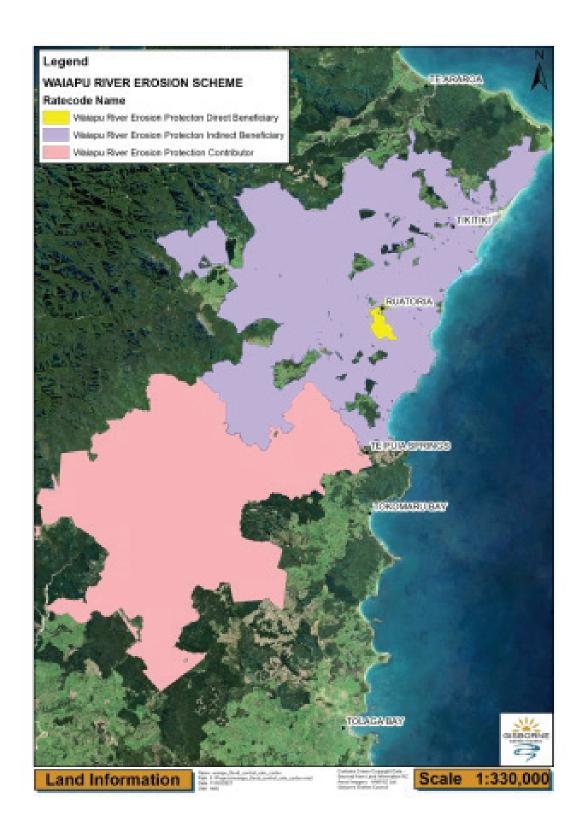


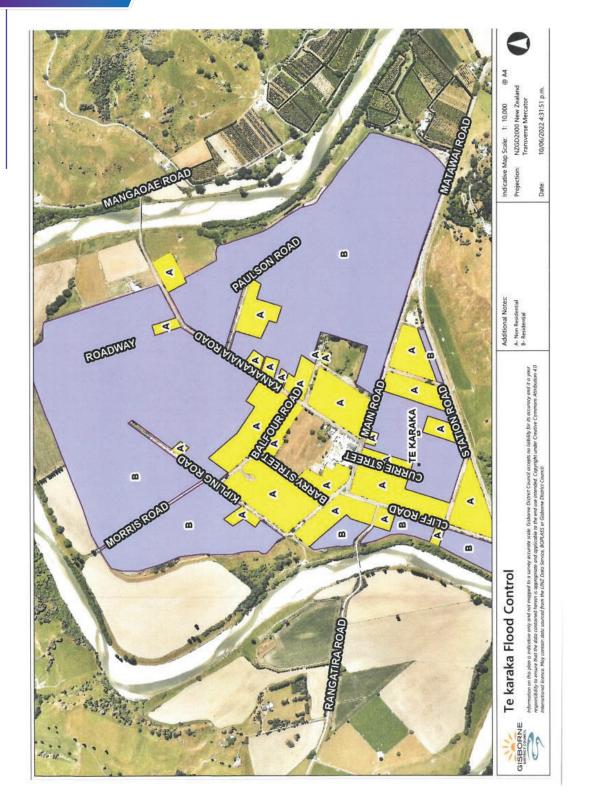
Rural transfer stations







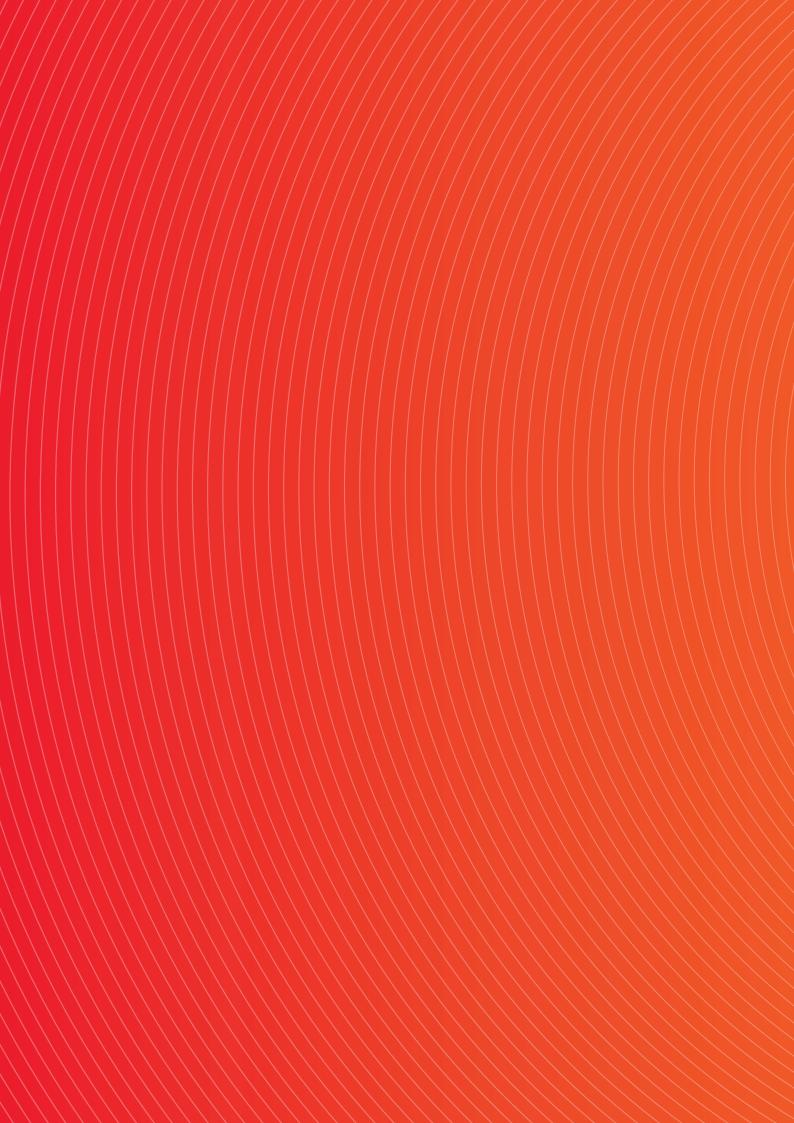












Ngā kaupapa

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Tō Tātau Kaunihera

Our Council



Our role

As one of only six Unitary Authorities, the Gisborne District Council combines the functions, duties and powers of a territorial council with those of a regional council. In most other parts of the country, the functions of regional councils and territorial councils are split as follows:

Regional Councils



Biosecurity

control of regional plant and animal pests



Civil defence

natural disasters, marine oil spills.



Regional land transport

planning and contracting of passenger services



Resource management

quality of water, soil, coastal planning etc



River management

flood control and mitigation of erosion

Territorial councils



Community wellbeing and development



Environmental health and safety

including building control, and environmental health matters



Infrastructure

roading and transport, sewerage, water/ stormwater



Recreation and Culture



Resource management

including land-use planning and development control

Ngā māngai o te Kaunihera

Council leadership



Rehette Stoltz
Mayor
Gisborne
mayor@gdc.govt.nz
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021 279 7948



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Sandra Faulkner
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021 529 041

Additional information

Organisation structure

Council has one elected employee, the Chief Executive, Nedine Thatcher Swann, who is responsible for implementing and managing Council's policies and objectives within the budgetary constraints established by the Council.

Council's leadership team is referred to as the Central Organising Rōpū (COR). As a unitary authority, both territorial and regional Council, we have around 300 staff who provide advice to the Council to make decisions and carry out the day-to-day operations of the activities.

Our management team



Chief Executive
Nedine Thatcher Swann

Contact details

P: DDI (06) 869 2414

E: ceo@gdc.govt.nz

The Chief Executive is supported by six directors and a Chief Financial Officer, whose hubs reflect the range of activities that Council undertakes in order to contribute to the social, cultural, environmental and economic outcomes of our communities. The hubs are:

- Community Lifelines
- Internal Partnerships
- Strategy and Science
- Liveable Communities
- Environmental Services and Protection
- Finance and Affordability
- Engagement and Māori Responsiveness



Chief Financial Officer
Finance and Affordability
Pauline Foreman

Contact details

P: DDI (06) 869 2899

E: Pauline.Foreman@gdc. govt.nz

Finance and Affordability deliver a range of integrated support services to the organisation.

- Finance
- Revenue
- Planning and Performance
- Internal Audit
- Risk Support

The hub supports the social, cultural, economic and environmental development of our communities – Mōtātou te Tairāwhiti.



Director Community Lifelines

David Wilson

Contact details

P: DDI (06) 869 2356

E: David.Wilson@gdc.govt.nz

Community Lifelines manages Council's capital and infrastructure assets.

- Roads and footpaths
- 4 Waters Drinking Water, Wastewater, Stormwater, Land, Rivers and Coastal
- Solid Waste
- Civil Defence Emergency Management

The hub provides strategic direction for the future needs of our community in these essential lifelines. Providing professional and integrated activity planning to ensure the capital works and maintenance programmes meet the infrastructural and service level needs of the community as determined by Council.



Director Environmental Services and Protection Helen Montgomery

Contact details

P: DDI (06) 869 2862

E: Helen.Montgomery@gdc. govt.nz

Environmental Services and Protection promotes the sustainable management of the physical and natural resources of the district as well as contributing to the wellbeing of people and the built environment.

- Consents Building and Resource Consents
- Compliance -Environmental Health, Animal and Stock Control, Parking
- Compliance Monitoring and Enforcement
- Harbourmaster



Director Internal Partnerships James Baty

Contact details

P: DDI (06) 869 2881

E: James.Baty@gdc.govt.nz

Internal Partnerships delivers a range of support services to the organisation:

- People and Capability -HR, Health and Safety
- Democracy and Support Services
- Cultural Activities (Library and Theatres)
- Legal Services
- Information Services -Information Technology, Information Management, Land Information, Business Solutions and Business Analytics
- Risk and Assurance

The hub provides professional and customer-focused support services based on specialised knowledge, best practices and technology to serve our internal and external customers.



Director Engagement and Māori Responsiveness Anita Reedy-Holthausen

Contact details

P: DDI (06) 869 2647

E: Anita.Reedy-Holthausen@ gdc.govt.nz

Engagement and Māori Responsiveness is about being a committed and responsible Treaty partner and delivering exceptional customer services, communication and engagement practices to our community.

- Te Kai Arataki Tuia Whakapakari
- Customer Service
- Communication and Engagement
- Culture and Development
- Funding

We work on developing a culture to deliver services that support us to achieve the vision and values that make Tairāwhiti a great place for our whānau to live, work and play.

We actively seek funding from stakeholders to lessen the burden on our ratepayers.



Director Liveable Communities

Michele Frey

P: (06) 867 2049

E: michele.frey@gdc.govt.nz

Liveable Communities contributes to Council as a customer-focused organisation that supports its unique community.

- Liveable Spaces (Aquatic Services, Amenity and Horticulture, Cemeteries)
- Community Assets and Resources
- Community Projects
- Catchments and Biodiversity

The hub ensures the effective delivery of community facilities to meet the community's needs at the strategic level through. managing safe, fun and engaging places and spaces.



Chief of Strategy and Science

Jo Noble

P: DDI (06) 869 2720

E: Joanna.Noble@gdc.govt.nz

Strategy and Science are responsible for:

- Strategic Planning
- Environmental Monitoring and Science

The hub provides specialist skills in strategy and policy, science, monitoring and research, and multifunction project management.

Whakapā mai ki a mātau

How to contact us

Schedule of agents

Bankers	Westpac Banking Corporation 101 Gladstone Road, Gisborne	ANZ National Bank Ltd 36 Gladstone Road, Gisborne		
Solicitors	Cooney Lees Morgan 247 Cameron Road, Tauranga	Simpson Grierson 195 Lambton Quay, Wellington	Buddle Findlay 1 Willis Street, Wellington	Nolans 180 Palmerston Road, Gisborne
Insurance Brokers	Aon New Zealand Aon House 85 Tristram Street, Hamilton			
Auditors	Ernst & Young 21/100 Willis St, Wellington (on behalf of the Auditor General)			

Whakapā mai

Contact us

Phone us

(+64 06) 867 2049 or freephone 0800 653 800

Email us

service@gdc.govt.nz

Visit us

Our business hours are 9am - 5pm Monday to Friday

Our main administration municipal centre is Awarua, PO Box 747, 15 Fitzherbert Street, Gisborne.





- 0800 653 800
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2022 – 2023 Annual Plan Content correct as of 30 June 2021