Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

Tō Tātau Tairāwhiti
Māhere ā-Tau 2023/24

Our Tairāwhiti
2023/24 Annual Plan

Te Kaunihera o Te Tairāwhiti
Gisborne District Council

Adopted by Council on 28 June 2023

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Ngā kaupapa
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Mihimihi

Mai Pōtikirua ki Te Paritū, tae atu ki ngā pae maunga o te ao parauri, hoki atu ki ngā hukahuka o ngā tai, e ōku nui o Te Tairāwhiti tēnā koutou katoa.

From our boundary markers in the north and in the south, traversing the inland ridgeline of the Raukumara ranges, returning to the shoreline spanning our district, to all of you our people of Te Tairāwhiti, a generous and warm welcome.

Tātau katoa i roto i ngā rā o te mamae, o te tauwhāinga, rokohanga, tātau katoa i roto i ngā rā o te rangimārie, o te maungārongo, anō nei te mihi manawa nui ki a koutou katoa.

Whilst we endure these times of sorrow and challenge, we remain buoyed by the days of resilience and progress, therefore our greetings to you all is without peer.

Tēnā tātau me te kaupapa e whai ake nei. He kaupapa para huarahi engari he kaupapa mo te katoa. He kaupapa whakatairanga i ngā hiahiatanga, hāunga nā pikiheketanga kei waenganui i a tātau tonu.

Greetings amidst the tasks set out in this plan. Ambitious be they may, but done so with the best interests of our community in mind. And whilst we have been beset with huge recent challenges, these plans are intended to reset and springboard us all to a promising future.

Kāti rā, me pēwhea rawa? Maranga mai e Te Tairāwhiti. Kei ō tātau manawa te hiringa, kei o tātau ringa te oranga, ā, mā te mahinga tahitanga ka ora ai te tangata – tihe mauri ora!

So, what are we to do? Let's rise up Te Tairāwhiti. With the collective will in our hearts, and the means in our hands, we can all work together for the betterment of our people - alas the breath of life!

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


Photo by: Josie McClutchie

Kia ora Te Tairāwhiti

Thank you Tairāwhiti for telling us what you want Council to consider in our Annual Plan. We now present to you our final 2023/24 Annual Plan for our region.

This year's plan is different as we focus on dealing with the impacts of Cyclone Hale, Gabrielle and other severe weather events. We're still delivering the key projects that we said we would deliver in our 2021-2031 Long Term Plan such as Kiwa Pools (majority Government funded), Wastewater Treatment Plant Upgrade and Township Upgrades, but we're also focused on ensuring our communities are safe, connected and protected as we work towards our region's recovery.

We know that we can't do this on our own and we've sought funding from central government. This is to support roading and bridge reinstatement, removal of woody debris from our beaches and waterways, a forestry team to focus on forestry practices, support for increased monitoring and compliance, expanding our land management team and increasing flood protection.

To do all this we've made important changes to our 2023/24 Annual Plan to help us reprioritise and to manage our immediate to medium-term needs as we look to build the future resilience of Te Tairāwhiti.

This will mean for most of us, we'll see an increase in our rates to 6.5%. Despite costs continuing to rise more than this, we're committed to be within what we promised in our 2021-2031 Long Term Plan. We're also remaining within our debt limit of less than 130% of revenue to ensure capital investments we make now, can be sustained for future generations.

Council will continue to do critical work on our regional plans, climate change, the environment, working with tangata whenua and our communities to deliver our region's future needs.

Other major projects will continue such as Drainwise, Waingake Transformation Programme, Waipaoa Flood Control Climate Change Resilience Project, Walking and Cycling Projects, Climate Change Adaption and the Tairāwhiti Resource Management Plan (TRMP) Review.

Also in 2023/24, we'll continue to provide the services we're required to deliver as your Council including our pool and library services, rubbish and recycling, building consents, parks and toilets.

We'll also have to consider legislative changes to freshwater management, the future of local government, resource management reforms and the Three Waters Reform.

As a region, we've got huge changes and challenges coming. It will not be easy and we'll rely heavily on investment from central government to build a Tairāwhiti community that continues to be resilient.

Kia kaha Tairāwhiti, we got this!

I a tātau e ahu whakamua ana, ko te tino aronui ko te whakahaumaru me te tūhonotanga i o tātau hapori.

As we work towards resilience, our focus is on ensuring our communities are safe, protected and connected.

Mayor
Rehette Stoltz

Chief Executive
Nedine Thatcher Swann

He aha te Mahere ā-Tau?
What is an Annual Plan?

The Local Government Act requires all councils to have a 10 year Long Term Plan (LTP), and to produce an updated LTP every three years.

In each of the years in between, we produce an Annual Plan which contains changes or additions to any projects, activities and financial forecasts originally included in the LTP.

This is what we consulted on in Our Tairāwhiti 2021–2031 Long Term Plan.

Our 2023/24 Annual Plan is focused primarily on addressing our regions immediate needs and ensuring that we're protected and connected, as we recover from the impacts of repeated, severe weather events.

Ngā mahi nā te LTP
Projects from the LTP

While our key focus for this Annual Plan will be on recovery, Council's regular services will continue to operate. This includes our pool and library, rubbish and recycling, building consent processing, the maintenance of our parks and toilets, and the implementation of projects outlined in the LTP for the year 2023/24.

We remain committed to delivering several significant projects in the upcoming year, including:

- Kiwa Pools – our externally funded, multi-purpose community aquatics complex.
- Wastewater Treatment Plant Upgrade – improving the water quality in Tūranganui-a-Kiwa/Poverty Bay.
- Township Upgrades – Improvements and enhancements for Te Puia Springs, Waipiro Bay and Te Karaka.
- Our building blocks such as regional plans, climate change, the environment, and working with our partners, tangata whenua and our communities, to deliver and get to where we need to be for the future.
- Our infrastructure, although the details of some projects may change as we understand the condition and the priority of work needing to take place.
- We remain committed to advancing the Waipaoa Flood Control Resilience project, with work focusing on the western side of the Waipaoa River.

Ngā whakahoki kōrero a te hapori
Our community feedback

We engaged the community on our plans for this Annual Plan through the 2023/24 Annual Plan Consultation Document (CD). The CD detailed the challenges we are facing going into the 2023/24 financial year, as we try to balance recovery with delivering on the projects that we committed to in our LTP.

The community was asked ***'What do you want Council to consider?'*** in the planning and delivery of the 2023/24 Annual Plan, noting that Council has an obligation to focus on prioritising recovery and resilience work. A shortened consultation period of two weeks, allowed under the Severe Weather Emergency Recovery Legislation Act 2023 (the SWERL Act) was undertaken.

The consultation period ran from 2 June to 16 June 2023. During that time, 15 submissions were received from members of the community.

The following key themes were present across the submissions we received:

1. **Alternative transport options**
2. **A local economy**
3. **Environmental sustainability and resilience**
4. **Regional equity and fairness**
5. **Community involvement and empowerment**

In particular, submitters asked us to consider:

- Enhancing urban infrastructure, particularly by creating safe walking and cycling networks.
- Promoting local involvement, empowering the community, and fostering economic development within the region.
- Ensuring environmental sustainability and resilience, with an emphasis on forestry, flood mitigation, and infrastructure management.
- Upholding fairness and regional equity, including adequate consideration for smaller townships and equitable distribution of resources.
- Providing support for community well-being and recovery, centering efforts on those affected by Cyclone Gabrielle, especially rural and coastal communities.
- Addressing community health and wellbeing, with a specific focus on winter illnesses, healthy homes, air quality, and youth vaping.

Overall, the feedback received was constructive and helped inform where our priorities should be. The feedback has also reinforced our focus on recovery, not just for this Annual Plan but also for the three year recovery plan that will follow.

He aha te rerekētanga i tēnei tau?
What's different this year?

Council has reconsidered both our long term and annual planning processes in light of the impacts of the severe weather events we have experienced, and the feedback we received from the community. Our 2023/24 Annual Plan reflects a firm commitment to addressing the region's needs and ensuring that we remain protected and connected, while also planning for our long-term recovery.

To help with the ongoing recovery efforts, a Recovery Coordination Centre has been established to manage the delivery of the Recovery Plan – Our Road to Recovery Tairāwhiti. Council has contributed to the development of this plan, alongside our emergency management partners, and will continue to collaborate with the Recovery Coordination Centre to help deliver on its objectives.

As part of the Annual Plan for 2023/24, Council has identified specific key objectives that we want to achieve when it comes to recovery.

Our key recovery objectives include:

- Roading reinstatement and the establishment of temporary road access throughout the region to ensure connectivity.
- Woody Debris removal from our beaches and waterways.
- Heightened focus on forestry practices, facilitated by the introduction of a new, dedicated Forestry Team.
- Expansion of our Land Management planning and resources to enhance the overall management of our land assets.

Photo by: Phil Yeo

Our Road to Recovery Tairāwhiti

Impact of severe weather events on our region

Roading network

3000 faults registered on local roads

More than **130** sites on state highways SH2, SH35 and SH38 needing repairs

200+ major drop outs

61 bridge repairs or replacement requirements

77 bridges require slash removal

111 other structures damaged (retaining walls, river protection, stop banks)

Welfare

24% of population required welfare support

230 households headed to friends and whānau

166 households evacuated to a Civil Defence Centre

77 households required emergency accommodation

1.2k households required financial support

2.9k households required food support

588 households required medical support

Connectivity

5 days without communication

9 fibre connection breaks

152 cell sites down

Power

Power network severed for parts of the region

Water

9 breaks in the pipeline to the main water supply

45 days to repair pipeline

45 days severe water restrictions for Gisborne City

45 days until industries able to use full mains water

Our recovery areas

Following Cyclone Gabrielle, Te Tairāwhiti experienced unprecedented widespread damage. Our roading network was broken, bridges were significantly impacted or completely swept away, houses and businesses were inundated with water and silt, our main town water supply was extensively damaged and whole communities were isolated for extended periods.

A safe, protected and connected Te Tairāwhiti began with Council's immediate recovery response after Cyclone Gabrielle, fixing damaged infrastructure.

Both our Annual Plan and our next LTP will focus on working towards resilience for our region as we continue to seek funding from central government.

Our 2023/24 Annual Plan will focus on these key recovery areas for Te Tairāwhiti.

Road reinstatement

The impact of Cyclone Gabrielle on our local roading network was significant. Landslides, floodwaters, and heavy rain caused roads to collapse and bridges to be destroyed. As a result, several areas were left isolated, with some remaining cut off for weeks. The damage inflicted on our network was extensive, leading to substantial disruptions and challenges for our community .

The estimated total cost of reinstating our network falls within the range of $320m to $420m. Our Annual Plan for 2023/24 provides for $65m of the total programme. While our goal is to fully restore our network, we must be realistic about what we can achieve with the resources available to us.

Council's immediate priority is, therefore, to reinstate safe access across our roads, enabling our communities to reconnect. While we implement temporary solutions and fixes, the design process for developing permanent solutions will get underway. These permanent solutions will be implemented as funding becomes available, ensuring a long-term and sustainable approach to our network's restoration.

Photo by: Phil Yeo

Woody debris removal

Following Cyclone Gabrielle, Te Tairāwhiti was left with a substantial amount of silt and woody debris threatening our infrastructure, waterways and our beaches. This not only poses a threat to the safety of our community, but has also impacted on the security of our infrastructure assets and the prosperity of our waterways.

As an immediate response, Council is focusing on cleaning up the silt and debris left on our beaches and in our waterways. Council is now developing a Woody Debris Emergency Response Plan to better manage this risk in the future. The total amount of central government funds allocated to assist Council with this clean-up is $31.4m.

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For more information about our road to recovery in Te Tairāwhiti, please see Council's website

» ***Our Road to Recovery | Gisborne District Council (gdc.govt.nz)***

Forestry focus

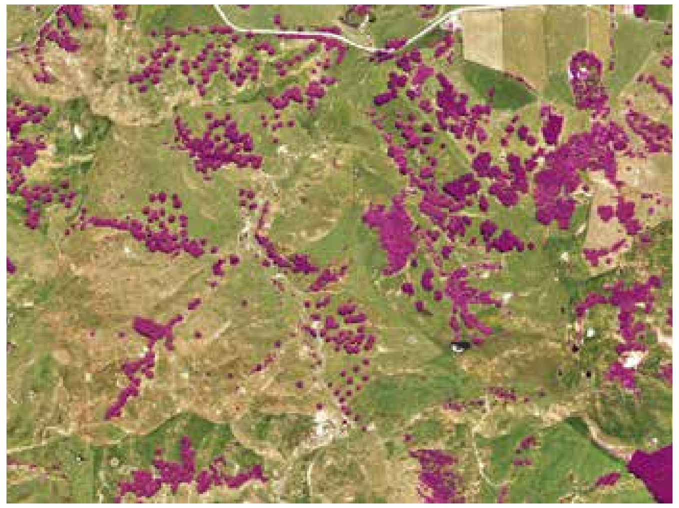
Cyclone Gabrielle served as a reminder of the increasing impact of climate change and the potential damage our region is open to during extreme weather events.

Given the increasing severity of weather events caused by climate change, poor forestry practices pose a significant risk to our community. We know that as part of managing these risks, Council needs to allocate more resources to effectively monitor forestry practices in our region.

Council has now increased its resources in the monitoring and compliance areas through the establishment of a new forestry team. In addition to normal compliance functions, the team will conduct both aerial mapping and on-the-ground inspections across Te Tairāwhiti to identify areas where woody debris is at high risk of mobilising and posing a risk to property, infrastructure and the environment.

To support these efforts, Council will reallocate funds from its existing 2023/24 budget. This will enable the recruitment of ecologists and technical officers to promote safe and sustainable forestry practices within Te Tairāwhiti.

Photo by: Phil Yeo



Land management

Due to an increase in rainfall events, the impact of Cyclone Gabrielle, and the implementation of new central government regulations, there is an increased demand to expand land management and planning across all land uses.

Funding has been granted to expand Council's land management team for a period of three to four years as part of the Integrated Catchment Management activity. This expansion is driven by the need to support Freshwater Farm Plans and comply with new Freshwater Reform requirements. Funding from the Ministry for the Environment, the Ministry of Primary Industry Hill Country Erosion Fund, and Land Information New Zealand will contribute to the project.

These programmes will focus on investigating erosion control methods for highly erodible gullies and slopes, creating a spatial dataset for assessing land treatment needs, and identifying and implementing programmes for sustainable land use. We'll also be able to expand our work on vegetation planting for freshwater and biodiversity restoration, fencing waterways, pest and plant control, and fish passage remediation.

Flood protection

Council remains committed to advancing the Waipaoa Flood Control Resilience project. We have witnessed first-hand how our existing flood protection system played a crucial role in protecting people and property during Cyclone Gabrielle.

We plan to complete $4.2m of construction in 2023/24, with the work focusing on the western side of the Waipaoa River. We will conduct investigations and modelling over the year to identify optimal flood protection solutions for the entire Te Tairāwhiti region.

To further accelerate the progress of our flood protection programme, we are actively pursuing additional funding opportunities .

Tā tātau arotahi matua o te Mahere Ā-Tau
Our Annual Plan's key focus

Major projects

Projects with major capital investment or community impact are known as major projects. They are programmes 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.

Waipaoa Flood Control Climate Change Resilience Project

Purpose

The Waipaoa Flood Control Scheme is considered to be one of Council's most valuable assets and protects some 10,000 hectares of fertile floodplain land.

What we're planning for the year

- Stopbank upgrade construction to occur between Caesar Road and Whitmore Road (Ormond Township, eastern side) to complete the stopbank improvements in the area and tie into the new Mahunga Floodgates will be completed. 0.5km of stopbank upgrades.
- Stopbank upgrade construction to occur upstream of Opou Road (near Manutuke, western side) and the Matawhero (SH2) Bridge. 1.5km of stopbank upgrades.
- Stopbank upgrade construction to occur between the Whatatuna floodgates and SH2 Bridge (Beside Te Arai River near Manutuke, western side). 0.7km of stopbank upgrades.
- Installation of two large rock groynes downstream of the KiwiRail Bridge (close to Karaua Stream near Manutuke, western side).
- Retreat and rebuild of the stopbank just downstream of the Railway Bridge near Karaua Stream. 0.2km of stopbank upgrades.
- Installation of side hinge floodgate across the railway corridor scheme low point. This can be swung across the railway in a flood event to achieve the design flood protection (close to Karaua Stream near Manutuke, western side).
- Stopbank upgrade construction to occur between the Matawhero (SH2) Bridge and the Patutahi Township (including Whakaahu Stream). 10km of stopbank upgrades.
- Design and investigation work for future stages on the western side of the Waipaoa River.
- Modifications to Kirkpatrick Road on either side of the Whakaahu Stream to align with the upgraded stopbank profile.

Dollars and cents

AP budget $4.2m
LTP budget $33.6m

- The total project estimate is $32-$35m of which Council was awarded $7.5m of Government funding.

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For more information about the project, please see Council's website

» **Waipaoa Flood Control | Gisborne District Council (gdc.govt.nz)**

Kiwa Pools

Purpose

Kiwa Pools is largely Government funded and will be completed in 2023. The new facility will be a modern, year-round, temperature-controlled aquatic centre the whole community can enjoy. Ngāi Tāwhiri hapū is providing cultural guidance, paying careful attention to the relationship of the building, the land and the people of Te Tairāwhiti.

What we're planning for the year

The new Kiwa Pools will open to the public in spring of 2023. Kiwa Pools features inside pools, including the multi-purpose 50m pool with a moveable floor, so more sports can be played. It also includes a bulkhead so the pool can be divided in two.

Dollars and cents

AP budget $1.1m
LTP budget $44.5m

- The total project estimate is $44.5-46m of which Council received $40m of Government funding.

For more information about the project, please see Council's website
» **Kiwa Pools | Gisborne District Council (gdc.govt.nz)**

Wastewater Treatment Plant upgrade

Purpose

Our wastewater goes to the Wastewater Treatment Plant (WWTP) in Banks Street, 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 33,000m^3 of wastewater per day.

The new upgrade of the WWTP will improve the quality of the discharge into the bay by removing solids (clarification), and the treatment of wastewater with UV disinfection. We acknowledge that doing this 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 wellbeing.

What we're planning for the year

The WWTP upgrade will see commissioning completed by the end of August 2023 and existing unspent budgets will be carried over into the new financial year.

Dollars and cents

AP budget $0.8m
LTP budget $34.6m

For more information about the project, please see Council's website
» **Wastewater management options | Gisborne District Council (gdc.govt.nz)**

DrainWise

Purpose

DrainWise is about working together with property owners to help fix problems with wastewater and stormwater drains. The Gisborne city wastewater network and stormwater network are separate systems. Homeowners are responsible for all the pipes and gully traps within their property boundary.

What we're planning for the year

- The rapid inflow and infiltration program will continue property inspections throughout Gisborne to identify illegal stormwater connections and remediate low or broken gully traps. The target areas for the next financial year are Te Hapara, Elgin and Gisborne CBD.
- Proposals for public drains on private properties will be finalised and designs investigated this year. The project will aim for the execution of preferred options.

Dollars and cents

AP budget $4.4m
LTP budget $36.2m

The project is 100% Council funded.

For more information about the project, please see Council's website
» **DrainWise | Gisborne District Council (gdc.govt.nz)**

Navigate Tairāwhiti

Purpose

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

This programme is delivered together with tangata whenua and partner organisations.

Active projects pending external funding

- Te Panuku Tū Whare/Tītīrangi summit redevelopment – in partnership with Ngāti Oneone propose to redevelop the Tītīrangi summit and build a multi-purpose community facility. $1.1m has been grant funded to date.
- 1000-year walkway bridge – construction of the new viewing platform design is planned to be completed in 2023/24. $2.7m has been grant funded to date.

Completed projects

- Puhi Kai Iti/Cook Landing Site
- Tītīrangi maunga restoration
- Tūpapa
- Inner harbour upgrade

Dollars and cents

AP budget $1.5m
LTP budget $1.8m

For more information about the project, please see Council's website
» **Navigate Tairāwhiti | Gisborne District Council (gdc.govt.nz)**

Waingake Transformation Programme

Purpose

This is our ambitious plan to restore the vital ecosystem of Waingake to its natural state and back to indigenous forest, in partnership with mana whenua Maraetaha Incorporation.

What we're planning for the year

- Planting 200,000 native trees to accelerate erosion control and restoration.
- Planting 1000 willow and poplar poles in highly erosion prone areas to protect our water supply pipeline.
- Sustained control of ungulates (goats, deer and pigs).
- Work with Maraetaha Incorporation to develop a master plan for the area.
- Continue control of wilding pine regrowth and emerging weeds which threaten the restoration and natural regeneration of Waingake.
- Ongoing biodiversity monitoring and control of rats, possums, stoats and feral cats in the Waingake Waterworks QEII Bush.

Dollars and cents

AP budget $2.9m
LTP budget $18m

For more information about the project, please see Council's website

» **Waingake Transformation Programme | Gisborne District Council (gdc.govt.nz)**

Walking and Cycling Projects

Purpose

The walking and cycling network consist of a mixture of footpaths, shared paths, footbridges, bike lanes, mountain biking, boardwalks and cycleways.

What we're 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.
- Ūawa Trails walking and cycling path. Having completed the 5.6km path around the township north of Ūawa bridge work will continue to progress the second part of 2.6km connecting to the historic wharf.
- Streets for People, an initiative led by Waka Kotahi, is providing 90% of the funding for two important projects. Hei Huarahi Oranga Ūawa Project includes connecting the new trails along state highway 35 using adaptive urbanism led by the community and in Gisborne city 'Awa to Moana' on Grey Street project led by Tairāwhiti Adventure Trust focuses on the area between Childers Road and Waikanae Creek adjacent the revitalised skate park facilities. Both projects involve temporary trialing of improvements that help slow down traffic and reallocate space to enhance and attract people to move to active modes through interactive installments using events to socialize and refine as a pathway to a permanent solution set in the 2024 funding round.
- Walking and cycling improvements at Gladstone Road / Stanley Road roundabout with raised pedestrian crossings. This is a busy intersection between Gisborne Boys High and Gisborne Girls High Schools on a main arterial into the city and aims to slow down traffic to allow better crossing opportunities for children and to encourage mode shift.
- Walking and cycling improvements at Palmerston Road / Derby Street roundabout with raised pedestrian crossings. This intersection has a high number of crashes and the design aims to slow down traffic for improved reaction times while enabling better opportunities for all abilities to cross the road and encourage mode shift.
- Raised pedestrian crossing on Nelson road outside Te Kura Kaupapa Maori O Nga Uri A Maui near Lytton Highschool for improved school safety walking and cycling to school.
- A strategy to inform the next steps to improve the walking and cycling network.
- Speed reductions around schools and in townships in accordance with the interim speed management plan and road safety education continues to support safer walking and cycling activities across the region.

Dollars and cents

AP budget $2.3m
LTP budget $7.8m

For more information about the project, please see Council's website

» **Walking and Cycling Projects | Gisborne District Council (gdc.govt.nz)**

Other projects

Te Tairāwhiti is facing multiple critical issues that demand careful consideration and strategic planning. This section explores some of the key issues we'll face as we enter 2023/24 and beyond.

Our primary focus will be on supporting our communities, especially those who remain vulnerable to future weather events. Additionally, we'll need to carefully manage the shifting legislative landscape and address the impact of numerous central government reforms. These key issues will undoubtedly shape the way we serve and actively contribute to the development of our community as we move forward into the future.

Future of Severely Affected Land (FOSAL)

After the devastating effects of Cyclone Gabrielle, central government began investigating ways to enhance community resilience against future severe weather events. This involved evaluating solutions for property owners who may need to relocate from high-risk flood-prone areas in the future, as well as considering funding mechanisms and regulatory considerations through the medium and long term.

Council is collaborating with central government on a project called the Future of Severely Affected Land (FOSAL), formerly known as managed retreat. This involves mapping the region and identifying properties that face the highest risk of damage during future severe weather events so that we can actively plan how we support our communities and ensure their continued safety.

Affected properties are being categorised based on how at risk they are, as outlined in the following schedule:

Category 1

For those in Category 1 who were yellow stickered, once repairs have been made, including silt removed from underneath the house if deemed necessary, and Council has undertaken the necessary inspections, these properties may be lived on.

Category 2

Category 2 has three sub-categories:

- 2C - which means effective community-level interventions are needed to manage future severe weather event risks
- 2P - which means property-level interventions are needed to manage future severe weather event risk
- 2A - which means these properties have the potential to fall within 2C/2P but significant further assessment is required.

Several residential locations in Te Tairāwhiti were severely affected by Cyclone Gabrielle earlier this year. Central government is developing a policy framework and funding support for councils making decisions in these areas. This will support work being undertaken by Council to assess and categorise affected properties and consider future flood and landslide risk.

Under the policy framework, Category 2 locations are those where community and/or property-level interventions are required to manage future severe weather event risk. These interventions could include the raising of nearby stop banks, improving drainage or property-level works such as raising a floor level.

In 2023/24 we need to confirm Category 2 locations; assess and characterise the flooding and landslide hazard risk posed to these locations; and develop a suite of community and/or property-level interventions that will be effective at managing future severe weather event risk.

This information will be used to develop Hazard Management Plans, which will inform Business Case development if additional investment is needed.

We will also need to work alongside central government to develop and roll out a process for buying the most severly affected land, where the risk is too high for ongoing residential use. This is the category 3 land.

Category 3

Category 3 is the highest risk and is a Government classification. Category 3 means if there is a future severe weather or natural hazard event, risks cannot be mitigated and there may be a threat to life.

The Government classification of property risks is separate to Council's red and yellow sticker assessments. At the time of writing, we are still awaiting details from central government around this policy and classification. These classifications could still change after further hazard assessment work is carried out. Some properties could shift within Category 2, or even be shifted to Category 3 or 1.

We'll be working closely with central government and affected whānau to ensure support is provided throughout the process.

Climate change adaptation

Climate change is the most significant long-term issue facing our region. It is important that we all prepare for the impacts of a shifting climate, including increased erosion, flash floods, wildfires, and heightened pressure on the productivity of the land we rely upon.

To prepare for and manage these challenges, while also focusing on the recovery efforts from Cyclones Hale and Gabrielle, we'll collaborate with our community to achieve several planned projects:

- conduct natural hazards mapping and climate change risk assessment to inform our adaptation planning
- develop adaptation plans to address the regional impacts of climate change, particularly along our coastlines
- enhance flood protection through the implementation of the Waipaoa flood control climate change resilience project
- implement the Waingake Transformation Programme, aimed at safeguarding the city's water supply and enhancing regional biodiversity
- undertake a comprehensive review of the Te Tairāwhiti Resource Management Plan to manage the utilisation of our natural resources
- reduce waste emissions through the implementation of the Waste Management and Minimisation Plan
- develop regional and Council mitigation plans to transition towards a low emissions future and a less polluting way of life
- collaborate with Trust Tairāwhiti to formulate a regional just/equitable transition plan, reducing the socio-economic impacts of climate action on our community
- facilitate deliberative democracy processes to engage the community in adaptation conversations and collective action.

Tairāwhiti Resource Management Plan review

Our region has changed due to development, population growth, and changing demands on our natural resources. At the same time, national direction and community expectations about environmental outcomes, including how we manage our natural resources, has also changed.

A review of the Tairāwhiti Resource Management Plan (TRMP) is overdue as our current plan is outdated. The development of a new TRMP aims to protect vital elements, establish an ambitious and community-driven vision, enable positive contributions to Te Tairāwhiti, and effectively respond to future challenges.

Our current LTP includes significant investment to support the TRMP review, with Council investing $25.6m (inclusive of $7m for freshwater) in the TRMP programme.

The review consists of two phases.

Phase 1 is currently underway and includes the following components:

- development of a Regional Policy Statement (RPS), which establishes a comprehensive direction and sets the foundation for the entire Tairāwhiti Resource Management Plan (TRMP)
- support for urban growth and development planning, with a focus on achieving housing objectives
- ongoing implementation of regional freshwater planning provisions and catchment plans in compliance with the National Policy Statement for Freshwater Management 2020.

Phase 2 will cover years 4 to 8 of the plan, which will start in early 2024 with public notification of proposed changes planned for 2028. This phase will include completion of the Coastal Plan, remaining Regional Plan provisions, and the remaining parts of the District Plan.

There will also be a continued focus on the drafting of objectives, policies and methods to respond to issues of significance. The main focus of the Urban Growth and Development workstream remains on finalising the Tairāwhiti Future Development Strategy. This strategy will help guide future development and is also key to achieving the outcomes and aspirations for the rohe and ensuring Te Oranga o te Taiao is held to high regard.

The seven catchments in the Freshwater Planning workstream are in various stages of planning, and advisory groups are being established to discuss freshwater policy options, share information and inform the plans.

Consultation and engagement with the community will occur throughout 2023 and into 2024, and public notification is planned towards the end of 2024.

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For more information about the Tairāwhiti Resource Management Plan Review, please see Council's website

» **Tairāwhiti Resource Management Plan | Gisborne District Council (gdc.govt.nz)**

A new approach to freshwater management

We're also implementing the new National Policy Statement for Freshwater Management, which introduces a whole of region approach to freshwater management.

This includes collaborative partnerships with tangata whenua, ensuring their involvement in decisions regarding the wellbeing, mana, and mauri of our water resources. To implement this revised direction for freshwater management, we're engaging in the review and update of our Regional Freshwater Plan provisions. We're preparing seven catchment plans that align with the updated framework, aiming to enhance the sustainable management of our water resources.

Changing legislative environment

Providing resilient infrastructure to ensure community wellbeing and economic growth, while fulfilling our role as kaitiaki, presents an escalating challenge for local councils. Recognising this, central government has initiated a series of significant reviews and reforms, including:

- a comprehensive examination of the future of local government
- the repeal and replacement of the Resource Management Act
- recommendations for transitioning towards a low emissions future
- the Three Waters Reform, which will determine the management approach for our critical water infrastructure.

These changes will significantly impact our operations and the legislative framework that governs our work.

Future for Local Government

The roles and functions of local government must adapt to meet the evolving needs of the communities it serves. Aotearoa is facing a range of challenges, including climate change, environmental degradation, infrastructure deficits, and social and economic inequities.

In 2021, the Minister of local government established an independent panel to examine how our system of local democracy and governance should evolve over the next three decades. The goal is to enhance the wellbeing of communities and the environment while actively embracing Te Tiriti partnerships.

The independent Panel on the Future for Local Government presented its final report to the Minister in June 2023. For additional information, visit the Future for Local Government website.

Resource Management Reforms

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

- 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 were introduced to parliament on 15 November 2022. Submissions closed in February 2023, and the Select Committee is due to report back to the House at the end of June 2023. The Climate Change Adaptation Act is expected to follow later in 2023.

Three Waters Reform

Central government has initiated a major reform of our water services. This will see the management and delivery of drinking water, wastewater, and stormwater services transferred from local councils to a number of independent water services entities.

These new entities will be built on co-governance arrangements between mana whenua and councils. Their larger scale enables them to borrow more funds compared to individual councils, thereby increasing investment in water services and infrastructure. The goal is to achieve improved and more affordable water services.

Central government recently directed that the Three Waters Reform programme be reset and revised. Under this revised plan, instead of four super-regional water entities, there would be 10 entities, ensuring better representation for local communities. The timeline for the implementation of all entities will be extended until at least June 2026, with a staggered rollout to ensure successful implementation. The legislation to enact these changes is anticipated to be introduced by the end of August 2023.

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Did you know you can search our website for more information about all our projects?

» Gisborne District Council (gdc.govt.nz)

Ngā hononga Tiriti
Treaty relationships and partnerships

Last year

2022 was a big year for us. It saw the establishment of Māori wards, welcoming in five Māori ward Councillors. Each brings a wealth of knowledge, experience and with their wider Councillors, the collective desire for relationships founded in Te Tiriti, and decisions made together in partnership with mana whenua.

In 2022 Council adopted our Te Tiriti Compass, a tool used to focus our intent to honour Te Tiriti and form our organisations expectations for how we as Council, approach partnership under Te Tiriti o Waitangi, and act as a Tiriti partner.

At the end of 2022 Council committed to having a Te Tairāwhiti Plan Review Committee, appointing Councillor members to this body. This signaled Council's intent to reset our regional plan together, in partnership with tangata whenua. Iwi nominated members, a terms of reference (TOR) and other matters need to be resolved before this committee is operational.

As Council progresses its organisational understanding of Te Tiriti o Waitangi, our staff use Te Tiriti Compass to measure and inform an articles-based approach to implementing Te Tiriti across our mahi.

We also acknowledge 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.

Changes to our regional context

Tiriti Partnership does not exist within a vacuum of goodwill and resource - it is subject to the ebbs and flows of our regional context. While Council's intent is clear - that we want to be a good partner - how and when we get there is not so clear.

Partnership can only occur when both parties are ready and able to put their energy into creating something enduring. Strong relationships must be in place. Our priorities need to align, and partnership be front of mind. We each need capacity and resource to dedicate to the partnership's success.

Challenges

The environment for Tiriti Partnership has changed over the past year. Council is not alone in having our resources and effort re-prioritised. Two key challenges are recovery following Cyclones Hale and Gabrielle and needing to respond to and contextualise the implications of legislative reform posed by central government.

Iwi and hapū are also affected by these and other challenges. Iwi are actively leading the response to the needs and aspirations of their whānau, hapū and marae. We are both having our capacity, energy and ingenuity tested and stretched.

This year

We are still on a journey to establish meaningful Treaty Partnerships with ngā iwi o Te Tairāwhiti. This begins with building, and in some cases rebuilding, relationships bound in respect, trust, and openness.

This approach aims to progress from establishing strong relationships with an enduring respect and acknowledgment of each other's mana and responsibilities across our region to enabling joint decision making at the highest level.

Council intends to reset, refocus and return its energy to enhancing our Tiriti partnership mahi with mana whenua, while finding a path through the challenges currently facing us both. Using the compass, Council aims to redirect ourselves towards our goal of enduring Tiriti Partnership. This may mean revisiting co-governance discussions over key kaupapa - such as resource management planning and recovery, while formalising the relationships between Council and hapū/marae, and jointly responding to emerging opportunities and priorities.

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

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

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

Performance measures are measurable indicators used to assess the level of service provided. We established our performance measures in the 2021-2031 Long Term Plan (LTP). If there are any changes to the performance measures outlined in the LTP, we're obligated to inform our community about the modifications and provide reasons behind them.

We have made corrections to a handful of our performance measures in this Annual Plan. These changes were made to:

- correct minor errors
- meet new regulatory requirements
- capture the performance of new programmes.

What's changing	Why is it changing?	Existing performance measure	New performance measure
Catchments and biodiversity			
We're changing the way we monitor our Farm Environmental Plans (FEPs).	The Ministry for the Environment has revised the FEPs regulations as one size does not fit all. FEPs process requires farmers and growers to identify and manage on-farm risks to freshwater.	50 work plans monitored per year.	Five Land Use Capability property maps produced per year.
	We have now introduced Land Use Capability property mapping and Erosion Control Plans which help us take care of our most vulnerable land from environmental damage.	40 farm Environment Plans produced per year.	Five Erosion Control Plans produced per year.
We have introduced a new measure that will help us track our reporting on Protection Management Areas (PMAs) conditioning, which will improve our ability to provide long term recommendation for PMA enhancements.	We want to do more with the assessments from PMAs to provide greater support to revitalisation and erosion control practice.	50 Protection Management Areas (PMAs) monitored to assess condition.	25 reports on Condition and Recommendations for PMAs per year.
Roads and footpaths			
We have adjusted the wording of one of our performance measures that track how many residents use our shared walking and cycleways.	This is a minor correction to align the performance measure with what we ask the community in the Annual Resident Satisfaction Survey.	Percentage of residents using the walking and cycling network.	Percentage of residents using the shared walking and cycleways.
We have adjusted our targets for the number of users of our bus services per year.	This measure was not aligned with our Regional Land Transport Plan. This change corrects that discrepancy.	145,000 passengers per year.	Gizzybus >41,000 Waka Kura >80,000 Total 121,000 passengers per year.

What's changing	Why is it changing?	Existing performance measure	New performance measure
Water supply			
We have adjusted one of our measures for urgent call outs to water supply faults.	We have revised the target so that it is consistent with our service contract.	**Fault response times:** Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption. Target: 6 hours	Target: 8 hours
We have changed the standards which we use to monitor and test our fresh water supply.	This DIA mandatory measure has changed as part of the updated Drinking Water Standards for New Zealand.	The extent to which the drinking water supply complies with part 4 of the drinking-water standards (bacteria compliance criteria).	The extent to which the drinking water supply meets the Drinking Water Quality Monitoring Rules 2022 for bacterial and protozoan control.

Ka aha tēnei ki ngā kaiutu rēti?
What does this mean for our ratepayers?

This year Council will collect $75.4m ($86.6m including GST) in rates. This is an increase of 6.5%* (*excluding growth) in overall rates revenue over the 2023/24 rates. This is in line with Year 3 of our 2021-2031 Long Term Plan Financial Strategy.

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.

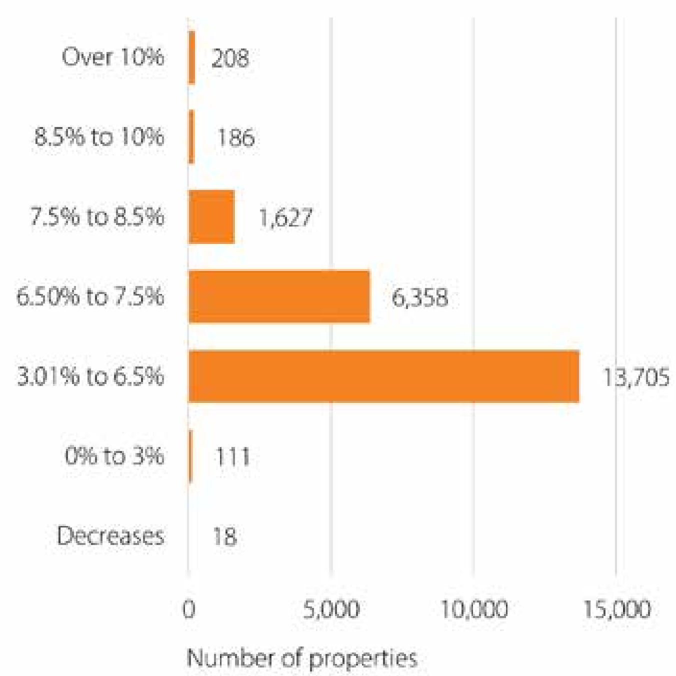
There are increases in services such as reticulation of wastewater and water supply as set out in the LTP. The targeted rating system means those that receive a service can expect t to pay more. City residents have more reticulated services than elsewhere in the community. In rural areas increase in rates have been driven mostly by unsubsidised roading and resource consents.

The majority of ratepayers will have increase in rates of 6.5% or less. In dollar terms over 85% of ratepayers, will have an increase of $225 or less.

The graph shows the impacts of percentage terms, consistent with the Long Term Plan.

Refer to rating information under "Our Finances" section for more details.

Rate movement for properties 2023/24



A tātau pūtea

Our finances

Ngā kaupapa
Contents

Tirohanga whānui ahumoni
Financial overview

Financial strategy

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

- Rates revenue - an increase of 6.5% plus growth in years 1-3 and 5% plus growth in years 4-10
- Debt limit - to be within 130% of our revenue.

The strategy also 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.

Balanced budget

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 revenuea are sufficient to meet forecast operating expenses.

We are budgeting for an operating surplus. This is the result of capital grants and 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.

While there is an overall bottom line surplus, some activities have been funded by reserves or loans. For the most part, the 2021-2031 LTP acknowledges and provisioned for operating costs to be funded from loans where we were facing steep increases in rates.

These included:

- Loan funding for plans that were long term in nature including our Freshwater plan, Tairāwhiti Regional Management Plan.
- Phasing the funding of new depreciation costs that arise from the Wastewater Treatment Plant and Kiwa Pools.
- Not funding all of the depreciation costs from revalued assets for three waters.
- Using reserves for some interest costs arising from the Wastewater Treatment Plant.

Financial estimates for 2023/24

Overall the financial estimates for 2023/24 are within the key financial strategy measures.

- Total rates revenue increases over the previous year is within the threshold of 6.5% (excluding growth).
- Total external debt is 122% of revenue, within the 130% revenue threshold.

Refer to Financial reporting and Prudence benchmarks within the "Our Finances Section".

Debt is forecast to be $148m for 2023/24 this is an increase of $6m on the LTP.

Post the adoption of the LTP, there were a number of changes that have occurred. These changes related to meeting new legislative requirements, new resilience projects and additional roading emergency works

The budget includes local share funding of $3.3m for the roading emergency reinstatement works resulting from Cyclone Gabrielle. Other new projects not included in the LTP, affecting debt includes ultraviolet treatment for water processing, Te Arai Bridge and relocation of Tokomaru Bay transfer station.

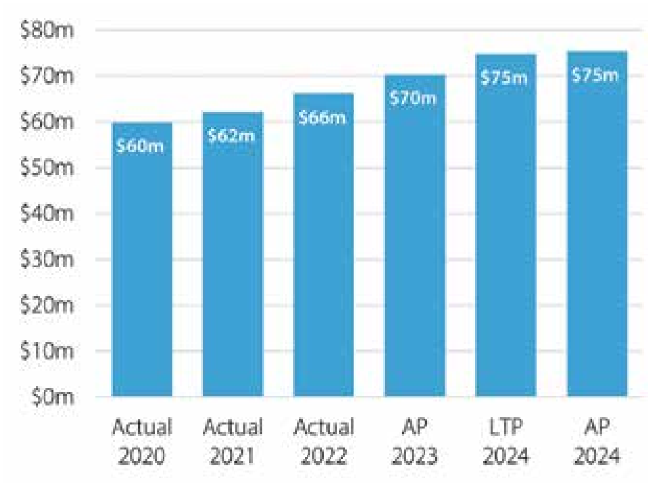
Net surplus

The Annual Plan forecasts a net surplus of $11.2m, up $8.8m on LTP Year 3. This is higher that the LTP due to higher capital grants subsidies including:

- Provincial Growth funding (PGF) roading projects that has rolled into Year 3.
- Some new projects such as Waingake Water Treatment Lamella filtration (insurance funded). Wheelie Bins (Better off Funding from Three Water reforms Central Government committed funding portion).
- Some projects that were forecast to be completed in Year 2 but will now roll into Year 3.

Net surplus after taxation is the difference between income received and expenses incurred. We record capital grants and capital subsidies as income, even though they are not used to fund operational expenses, as such this creates an accounting surplus. The surplus goes towards our capital projects and reduces Council's need to borrow funds.

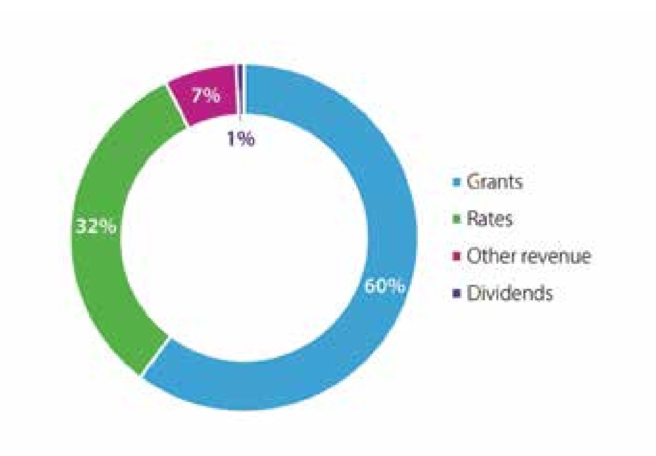
2023/24 rates increase



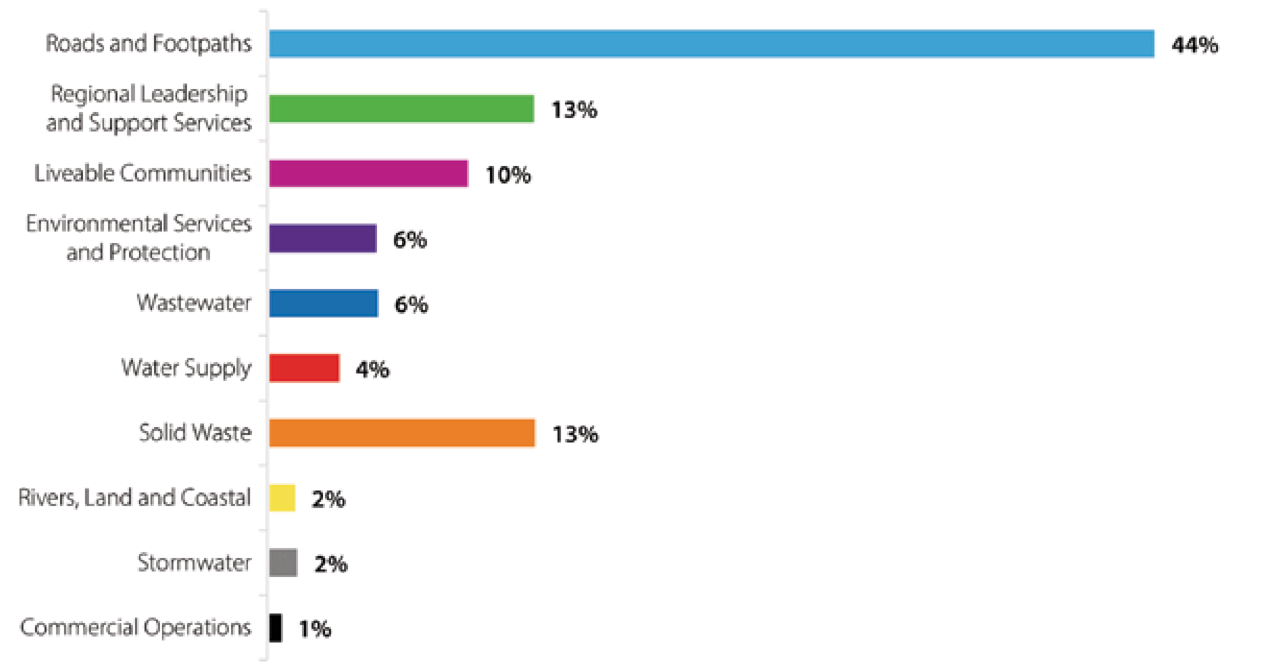
Rates affordability continues to be a significant issue for our district. Council's commitment to minimising rates increases is set out in our Financial Strategy in the 2021-2031 LTP.

The financial strategy focused on increasing revenue from alternative sources to lessen the financial burden on ratepayers. The 2023/24 AP forecasts that on average rates would be 32% of total revenue required. This is less than the LTP forecast of 60% rates revenue. The use of external funding has meant that most of the significant operational expenditure has been sourced from external sources, reducing the reliance of rates.

Council's income



Council's operational expenditure



Capital investment programme

The capital investment for 2023/24 AP is $70.2m, up $30.8m on the LTP. The focus of the AP is both the delivery and key outcomes:

- Final stages of wastewater treatment plant upgrade improving the water quality in Turanganui-a-Kiwa.
- Final stages of Kiwa Pools - externally funded multi-purpose pool facility the whole community can enjoy.
- Water treatment quality and stabilisation of water production, with the Ultra violet processing and the Water Lamella Filtration (more effective filtration aiding water production at Waingake Treatment Plant.
- Better off Funded Wheelie Bins - service delivery for kerbside collection.
- Focus on critical infrastructure (roading, Four Waters) of $48.3m or 69% of the total capital investment programme.

The proposed Capital Programme for 2023/24 is included in Note 14 in the "Our Finances Section".

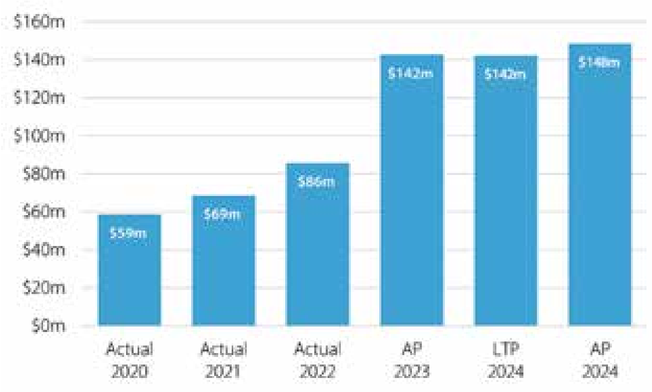
Council's debts

Council's ability to raise loans is not dependent on the quantified debt 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 122% of recurring revenue. This excludes non-recurring revenue such as one-off grants (eg Woody debris and silt grants, Better Off funding and grants relating to specific one off purpose).

The financial strategy acknowledges affordability with a lower threshold limit of 130% compared to covenant threshold of 175%. The lower limit reflects the ability to repay the loan and the impacts of servicing the higher interest costs on our relatively small rating base.

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 2023/24. 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 2023/24 with comparative figures to Year 3 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 2023/24 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 2023/24 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 2024

AP 2023 $000s		Notes	LTP 2024 $000s	AP 2024 $000s
	REVENUE FROM NON-EXCHANGE TRANSACTIONS			
12,885	Grants and Subsidies - Operational		12,795	112,745
44,535	Grants, Donations, Subsidies and Contributions - Capital		13,618	34,496
2,170	Other Non Exchange Revenue		2,149	2,196
24,113	General Rates And Uniform Annual General Charge		26,439	24,276
46,270	Targeted Rates		48,385	51,081
	REVENUE FROM EXCHANGE TRANSACTIONS			
1,622	Development and Financial Contributions		1,658	1,658
11,645	Other Revenue		11,695	12,795
3,594	Targeted Water Rates		3,921	3,771
1,600	Dividends		1,700	1,800
(231)	Other Gains/(Losses) - Profit on Sale of Assets		(315)	(230)
148,205	Total Revenue		122,044	244,588
	EXPENSES			
30,672	Employee Benefit Expenses		28,020	33,428
61,205	Expenditure on Operating Activities		59,126	164,692
24,907	Depreciation and Amortisation		28,181	29,473
4,482	Financing Costs		4,888	6,158
121,266	Total Expenses		120,215	233,751
26,939	Net Surplus/(Deficit) before Taxation		1,829	10,837
600	Subvention Payment from GHL		600	400
27,539	Net Surplus/(Deficit) after Taxation		2,429	11,237
62,321	Gains/(Losses) on Property Revaluation		48,223	48,223
89,860	TOTAL COMPREHENSIVE REVENUE AND EXPENSES		50,652	59,460

[1] Grants and Subsidies (Operational) - Increase mostly due to grant for Woody debris and silt removal, and roading emergency works.

[2] Grants (Capital) - Increase mostly due to Provincial Growth Fund for roading projects. Waingake Water Treatment Lamella filtration, Wheelie bins Better off Funding and other projects that were due to be completed by 30 June 2023 but have now rolled into Year 3.

Prospective statement of financial position as at 30 June 2024

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	CURRENT ASSETS		
19,575	Cash & Bank	9,967	7,798
8,806	Non Exchange Trade and Other Receivables	11,588	11,475
9,182	Exchange Trade and Other Receivables	12,100	20,471
38	Inventories	101	120
0	Derivative Financial Instruments	0	37
80	Non Current Assets Held for Resale	0	80
37,682	Total Current Assets	33,757	39,981
	CURRENT LIABILITIES		
498	Deposits Held	431	535
35,744	Trade and Other Payables	30,047	39,558
2,754	Employee Benefits and Suspense	2,574	3,180
7,100	Borrowings	5,000	5,000
279	Provisions for Other Liabilities	94	85
1,116	Derivative Financial Instruments	1,219	0
47,491	Total Current Liabilities	39,365	48,359
(9,808)	Total Net Working Capital	(5,608)	(8,378)
	NON CURRENT ASSETS		
0	Derivative Financial Instruments	0	861
2,666,688	Property Plant and Equipment	2,666,561	3,030,144
6,548	Intangible Assets	6,427	7,447
2,741	Biological Assets	2,663	1,540
33,893	Investments	33,595	34,387
2,709,870	Total Non Current Assets	2,709,245	3,074,379
	NON CURRENT LIABILITIES		
135,399	Borrowings	137,170	143,444
179	Employee Benefit Liabilities	176	122
2,571	Provisions for Other Liabilities	3,008	2,249
1,618	Derivative Financial Instruments	4,029	0
1,950	Emission Trading Scheme Liabilities	1,950	2,570
141,717	Total Non Current Liabilities	146,334	148,386
2,558,345	Total Net Funds Employed	2,557,302	2,917,615
	EQUITY		
575,479	Accumulated Surplus	595,922	586,304
32,477	Special Funds	20,190	33,554
1,950,389	Revaluation Reserves	1,941,191	2,297,758
2,558,345	Total Equity	2,557,302	2,917,615

[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] Borrowing 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 2024

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	EQUITY OPENING BALANCES		
533,381	Accumulated Funds and Retained Earnings	590,502	564,731
47,036	Special Funds and Reserves	23,181	43,890
1,888,068	Revaluation Reserves	1,892,968	2,249,535
2,468,485	Total Equity Opening Balance	2,506,651	2,858,155
	CHANGES IN EQUITY		
	Accumulated Surplus (Retained Earnings)/ Revaluation Reserves		
89,860	Total Comprehensive Income for the Year	50,652	59,460
14,559	Transfer to/(from) Special Funds and Reserves	2,991	10,336
	Special Funds and Reserves		
(14,559)	Transfer to/(from) Retained Earnings	(2,991)	(10,336)
89,860	Total Changes in Equity	50,652	59,460
	EQUITY CLOSING BALANCES		
575,479	Accumulated Funds and Retained Earnings	595,922	586,304
32,477	Special Funds and Reserves	20,190	33,554
1,950,389	Revaluation Reserves	1,941,191	2,297,758
2,558,345	Total Equity Closing Balance	2,557,302	2,917,615
	Attributable to :		
2,558,345	Gisborne District Council	2,557,302	2,917,615

Prospective statement of cash flow for the year ended 30 June 2024

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	CASH FLOW FROM OPERATING ACTIVITIES		
	Cash provided from:		
68,531	Rates Receipts	73,032	73,499
57,681	Government Grants and Subsidies	26,646	147,518
20,410	Receipts from Activities	20,466	21,451
0	Interest Received	0	0
1,600	Dividends Received	1,700	1,800
600	Subvention	600	400
148,822		122,444	244,669
	Cash provided to:		
91,322	Payments to Suppliers and Employees	86,350	197,791
992	Grants	1,020	1,004
4,495	Interest Paid	4,901	6,169
96,809		92,270	204,963
52,013	Net Cash Inflow/(Outflow) Operating Activities	30,174	39,705
	CASH FLOW FROM INVESTING ACTIVITIES		
	Cash provided from:		
50	Sale of Property Plant and Equipment	50	50
287	Forestry stumpage adjustment	365	561
337		415	611
	Cash provided to:		
99,198	Purchase of Property Plant and Equipment	39,440	70,229
0	Purchase (w/down or sale) of Investments	0	0
99,198		39,440	70,229
(98,861)	Net Cash Inflow/(Outflow) Investing Activities	(39,024)	(69,618)
	CASH FLOW FROM FINANCING ACTIVITIES		
	Cash provided from:		
46,848	Increase/(Decrease) in Borrowings	8,851	29,914
46,848		8,851	29,914
46,848	Net Cash Inflow/(Outflow) Financing Activities	8,851	29,914
0	Net Increase/(Decrease) in Cash	0	0
19,575	Cash at beginning of the year	9,967	7,798
19,575	Cash and Cash Equivalents at Year End	9,967	7,798

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 2024

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
148,205	Operating Revenue	122,044	244,588
121,266	Operating Expenditure	120,215	233,751
600	Subvention Payment	600	400
27,539	Net Operating Surplus/(Deficit) After Taxation	2,429	11,237
	LESS		
1,272	Capital Rates Income	2,002	1,875
44,519	Capital Grants and Subsidies	13,574	34,496
1,638	Other Capital Grants, Donations and Contributions	1,701	1,658
(9,358)	Operations Funded by Reserve Funds	(2,214)	(12,784)
	PLUS		
10,253	Depreciation not Funded	12,233	13,547
279	Increase/(Decrease) in Deficit	401	461
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 2023/24.

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.
- Loan fund some operational costs including
  - Tairawhiti Regional Management Plan, Freshwater Plan
  - Enterprise Solutions Project
- Reserve fund some operational costs including
  - Some higher interest costs over what was provided within the LTP for the Wastewater Treatment Plant.
- Fund depreciation costs for revalued Three water assets to the extent that was provided within the LTP and to the extent of meeting renewals.

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.

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 asset.

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.

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

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

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

Paōkahu

As former operator of the Paōkahu 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 Paōkahu 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.

Waiapū

As operator of the Waiapū 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 Waiapū 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 2023/24 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

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	EXPENSES		
1,756	Commercial Operations	1,733	1,918
12,288	Environmental Services & Protection	11,797	13,018
3,331	Land, Rivers & Coastal	3,349	3,554
19,801	Liveable Communities[1]	21,515	23,579
22,422	Regional Leadership & Support Services[2]	17,754	31,257
34,318	Roading[3]	36,635	103,373
4,699	Solid Waste[4]	4,840	31,389
3,216	Urban Stormwater	3,282	3,819
11,996	Wastewater	11,704	13,197
7,439	Water Supply	7,606	8,646
121,266	Total Expenses	120,215	233,751
	REVENUE FROM EXCHANGE TRANSACTIONS		
1,947	Commercial Operations[5]	2,007	1,438
4,977	Environmental Services & Protection	4,447	5,199
285	Land, Rivers & Coastal	292	292
2,522	Liveable Communities[6]	2,982	3,623
2,355	Regional Leadership & Support Services	2,462	2,592
48	Roading	49	124
232	Solid Waste	211	234
535	Wastewater	512	536
3,708	Water Supply	4,038	4,098
16,608	Total Revenue From Exchange Transactions	17,001	18,136
	REVENUE FROM NON-EXCHANGE TRANSACTIONS		
1,170	Environmental Services & Protection	1,149	1,196
174	Liveable Communities	0	854
1,000	Regional Leadership & Support Services	1,000	9,677
12,711	Roading[7]	12,795	76,815
0	Solid Waste[8]	0	26,400
15,055	Total Revenue From Non-Exchange Transactions	14,944	114,941
89,602		88,270	100,674

1. Liveable Communities - Increase due mostly to externally funded expansion of Integrated Catchment Management activity supporting Freshwater Farm Plans and complying with Freshwater Reform requirements.

2. Regional Leadership & Support Services - Increase due mostly to a change in accounting treatment of the Enterprise Solutions project that was moved from capital to an operational expense. Also, the rephasing and timing of the Plans (Tairawhiti Regional Management Plan, Freshwater Plan) which have been rolled into the Annual Plan, from Year 2.

3. Roading - Includes $67.5m of emergency roading reinstatement work after Cyclones Gabrielle and Hale.

4. Solid Waste - Increased expenditure due to clean up of woody debris and silt, focusing on waterways, beaches and areas threatening our infrastructure.

5. Commercial Operations - Reduced revenue due to timing of forestry harvest proceeds.

6. Liveable Communities - External Funding for increased land management services within the Integrated Catchment Activity.

7. Roading - Grants from Waka Kotahi relating to emergency works reinstatement.

8. Solid Waste - Grant for woody debris and silt clean up.

Note 3: Rates revenue

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
73,979	Rates Revenue	78,745	79,128
	Rates revenue consists of:		
7,083	General Rates	8,380	8,015
17,031	Uniform Annual General Charge	18,058	18,174
46,270	Targeted Rates	48,385	49,168
3,594	Metered Water Rates	3,921	3,771
73,979	Rates Revenue	78,745	79,128
	Less		
620	Remissions	633	633
73,359	Net Rates Revenue	78,112	78,495

Forecast rating base information

	Rating units	2023/24 forecast capital value $000	2023/24 forecast land value $000	Forecast growth
Rateable units	22,337	16,609,148	9,694,950	
Non-rateable units	1,372	343,465	213,966	0.57%
Total	23,709	16,952,613	9,908,916	

Note 4: Revenue from grants and subsidies

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Revenue from Grants and Subsidies		
23,088	Central Government Grants & Other Grants and Subsidies	1,134	50,484
34,332	NZ Transport Agency Roading Subsidies	25,280	96,757
57,420	Total Revenue from Grants and Subsidies	26,413	147,241

[1] Central Government Grants/Other - mostly relates to Better Off FUnding (Wheelie Bins) grant for cleaning up Woody debris and silt, Waingake restoration, recovery co-ordination centre IAF funding for water supply upgrades and insurance revenue for reinstatement of water supply.

[2] NZ Transport Agency Waka Kotahi - Roading subsidies - the increase is du to the provision of emergency reinstatement works after Cyclones Gabrielle and Hale.

Note 5: Revenue from operating activities

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Revenue from Operating Activities		
1,622	Development Contributions	1,658	1,658
1,000	Rates Penalties	1,000	1,000
12,450	Activity Revenue	12,479	13,626
1,600	Dividends	1,700	1,800
365	Petroleum Tax	365	365
17,038	Total Revenue from Operating Activities	17,201	18,448

Note 6: Revenue from other gains/(losses)

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Revenue from Other Gains		
50	Gain / (Loss) on Disposal of Property, Plant and Equipment	50	50
(281)	Gain / (Loss) on Changes in Fair Value of Non-Current Receivables / Investments	(365)	(280)
(231)	Total Revenue from Other Gains	(315)	(230)

Note 7: Employee benefit expense

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Employee Benefit Expense		
33,741	Salary and Wages	29,517	39,592
877	Defined Contribution Plans Expense	778	927
(3,946)	Less Recharged to Other Expense Categories**	(2,275)	(7,091)
30,672	Total Employee Benefit Expense	28,020	33,428

[1] 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 Regional Management Plan, Freshwater Plan, Waingake Restoration). In addition, there are new costs relating to externally funded projects - such as the Recovery Co-Ordination Centre and the Integrated Catchment Management activity.

Note 8: Depreciation and amortisation expense

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Depreciation and Amortisation Expense		
681	Commercial Operations	659	807
47	Environmental Services & Protection	39	63
225	Land, Rivers & Coastal	205	237
2,393	Liveable Communities	3,395	3,592
1,642	Regional Leadership & Support Services	1,847	1,813
12,906	Roads & Footpaths	14,772	14,110
272	Solid Waste	314	418
1,107	Urban Stormwater	1,119	1,486
2,951	Wastewater	3,128	3,624
2,684	Water Supply	2,703	3,322
24,907	Total Depreciation and Amortisation Expense	28,181	29,473
24,907	Total Depreciation as per Note 24	28,181	29,473
24,907		28,181	29,473

Note 9: Expenditure on operating activities

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Expenditure on Operating Activities		
2,408	Administration Expenses	2,575	2,612
369	Audit Fees - Financial Reporting	295	369
1,755	Consultants and Professional Services	2,139	1,981
890	Elected Members and Director's Fees	946	946
154	Indirect Employment Costs	208	152
992	Grants and Donations	1,020	1,004
1,491	Insurance Costs	1,546	1,782
2,115	Rental and Operating Leases	2,038	2,037
13,021	Repairs and Maintenance	13,594	13,173
1,013	Bad Debts Written Off - Rates	906	972
(97)	Bad Debts Written Off - Other	(78)	(84)
185	Change to Impairment of Receivables	172	172
170	IRD Compliance Costs	174	174
1,977	Litter Bins and City Cleaning	2,028	2,028
2,093	Emergency Works	2,156	69,656
32,667	Other Operating Expenditure*	29,407	67,717
61,205	Total Expenditure on Operating Activities	59,126	164,692

[1] Emergency works - increase due to provision for roading reinstatement works after Cyclones Gabrielle and Hale.

[2] Other operating expenditure - includes items such as electricity, operational contracts, treatment plants, pump stations, internal interest costs, vegetation planting contracts, facilities contracts. Increase in budgets over the LTP due mostly to clean up in woody debris and silt removal.

Note 10: Finance costs

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Finance Costs		
3,075	Interest on Debentures and Interest Rate Swaps	2,680	3,510
1,347	Interest on Bank Borrowings and Commercial Paper	2,148	2,588
60	Line Fee	60	60
4,482	Total Finance Costs	4,888	6,158

Note 11: Development contributions revenue

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	Development Contributions Revenue		
44	Reserves & Open Spaces	45	45
357	Roading	364	364
180	Water Supply	182	182
829	Wastewater	850	850
212	Stormwater	216	216
1,622	Total Development Contributions Revenue	1,658	1,658

Note 12: Movements in reserves

	Opening balance 1 July 2023 $000s	Transfers to reserves $000s	Transfers from reserves $000s	Closing balance 30 June 2024 $000s
Special Funds and Other Reserves				
Waipaoa River Flood Control Scheme	719	13	66	666
Civil Defence Disaster Relief	416	7	128	294
Capital Development Fund	2,325	46	0	2,371
Quarry Rehab	1,231	24	0	1,255
Olympic Pool Development	31	1	0	32
Reserves Contributions	123	2	0	126
Land Transport - Urban Development Contributions	15	368	0	383
Water Supply - Urban Development Contributions	39	184	38	185
Wastewater - Urban Development Contributions	1,327	877	34	2,169
Stormwater - Urban Development Contributions	(727)	190	348	(885)
Reserves - District Development Contributions	384	38	628	(206)
HMNZ Blackpool Scholarship Fund	7	0	0	7
GHL Forestry Reserve	6	(1)	75	(70)
Pamoa Restoration Reserve	2,879	301	580	2,600
Roading FAR Reserve	1,670	0	0	1,670
Land Subdivision	369	7	0	376
Parking	50	50	0	100
Organisation Development Reserve	3,136	0	1,652	1,485
Depreciation	29,739	29,523	38,416	20,846
Water Demand and Water Preservation	150	0	0	150
Total Special Funds and Other Reserves	43,890	31,629	41,965	33,554

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

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	RECONCILIATION OF REVENUE		
	Sources of operating funding		
101,997	Total operating funding (A) as per Funding Impact Statement	106,718	208,384
	Add Sources of capital funding		
44,535	Subsidies and grants for capital expenditure	13,618	34,496
1,622	Development and financial contributions	1,658	1,658
50	Profit / (Loss) on Sale of Assets	50	50
0	Lump sum contributions	0	0
148,205		122,044	244,588
148,205	As per Prospective Statement of Comprehensive Income - Total Operating Income	122,044	244,588
	RECONCILIATION OF EXPENDITURE		
	Applications of operating funding		
96,359	Total applications of operating funding (B) as per Funding Impact Statement	92,035	204,278
24,907	Add depreciation and amortisation expense	28,181	29,473
121,266		120,215	233,751
121,266	As per Prospective Statement of Comprehensive Income - Total Operating Expenditure	120,215	233,751
	RECONCILIATION OF TOTAL COMPREHENSIVE INCOME		
44,535	Add subsidies and grants for capital expenditure	13,618	34,496
5,638	Surplus/(deficit) of operating funding (A-B)	14,684	4,106
600	Add Subvention Payment	600	400
50	Add Profit / (Loss) on Sale of Assets	50	50
1,622	Add development and financial contributions	1,658	1,658
(24,907)	Add depreciation and amortisation expense	(28,181)	(29,473)
62,321	Add gains/(loss) of property revaluation	48,223	48,223
89,860		50,652	59,460
89,860	As per Prospective Statement of Comprehensive Income - Total Comprehensive Income	50,652	59,460

Note 14: Capital expenditure 2023/24

Description	Level of service	LTP 2024 $000s	AP 2024 $000s	Variance
COMMERCIAL OPERATIONS				
Commercial Property - Staff Housing Upgrades	Maintain	74	74	0
Community Housing - Upgrades	Maintain	210	210	0
Total		284	284	0
LAND, RIVERS & COASTAL				
Waipaoa River Flood Control Scheme Resilience Improvements	Increase/Maintain	3,186	4,186	(1,000)
Mahanga Stream Improvements	Increase	0	86	(86)
Total		3,186	4,272	(1,086)
LIVEABLE COMMUNITIES				
Waingake Restoration (pamoa)	Increase	2,629	2,879	(250)
Titirangi To Tuamotu	Increase	11	11	0
Flooring Replacement Wmt	Maintain	11	11	0
Amenities	Maintain	247	547	(300)
Peel St Toilets	Maintain	0	120	(120)
Parks and Reserves	Increase/Maintain	452	554	(102)
Parks & Reserves - Land Improvements (dc's)	Growth	181	628	(446)
Parks - Kopututea Private Reserve - Co-Governance	Maintain	16	16	0
Sportsground Facilities Upgrades and Renewals	Maintain	0	190	(190)
Street Trees Planting	Increase	79	130	(51)
Signage	Maintain	21	21	0
Land Remediation (asbestos Contamination On Reserve Land)	Maintain	79	79	0
Waihirere Domain Development	Increase/Maintain	79	239	(160)
Community Strategy Implementation Capex	Increase	2,630	2,630	0
Cemeteries Renewals	Maintain	82	139	(56)
Jetties And Boat Ramps	Maintain	53	53	0
Star Of Canada Renewals	Maintain	263	263	0
Lysnar House Renewals	Maintain	0	257	(257)
Redevelopment Of Olympic Pool Complex	Increase/Maintain	0	1,090	(1,090)
Hawaiki Turanga	Increase	0	810	(810)
Public Art	Maintain	53	93	(40)
Viewing Platform	Increase	0	1,456	(1,456)
Aquatic Facilities Renewals (external)	Maintain	21	21	0
Library Books, Furniture & Fittings	Maintain	196	237	(40)
Library Books Ex Book Trust	Maintain	20	20	0
Total		7,122	12,491	(5,369)
REGIONAL LEADERSHIP & SUPPORT SERVICES				
Orthophoto Regeneration - Aerial Photography	Maintain	41	41	0
Existing Core Hardware & Software Renewals	Maintain	798	1,102	(305)
Digitisation Of Records- Capex	Increase	649	849	(200)

Description	Level of service	LTP 2024 $000s	AP 2024 $000s	Variance
Business Analytics	Increase/Maintain	139	139	0
Bore Drilling And Renewals	Increase	0	408	(408)
Groundwater Abstraction Device	Increase	63	63	0
Freshwater Improvement Fund	Increase	0	662	(662)
Telemetry And Hydrological Equipment	Maintain	90	90	0
Air Quality And Noise Monitoring Equipment	Maintain	21	21	0
Vehicle and Minor plant renewals	Maintain	428	428	0
Total		2,229	3,805	(1,576)
ROADING				
Roading Renewals	Maintain	13,323	15,623	(2,300)
Minor Improvements Projects	Maintain	1,420	1,420	0
Resilience Improvement	Increase/Maintain	484	484	0
Gisborne City Carpark Facility	Maintain	22	22	0
Taruheru River Walkway And Cycling	Increase	2,188	2,188	0
Streetlight Upgrades To Led	Increase/Maintain	250	250	0
Footpath Replacements - Funded	Maintain	84	84	0
Pgf - 50 Max	Increase/Maintain	650	650	0
Pgf - Route Security (east Cape)	Increase	0	5,400	(5,400)
Pavement Maintenance-Forestry	Increase	500	500	0
IAF - Back Ormond & Hanson Rds	Growth/Maintain	0	753	(753)
Total		18,923	27,376	(8,453)
SOLID WASTE				
Waiapu Landfill - Stage 3	Maintain	42	42	0
Paokahu Closed Landfill	Maintain	0	120	(120)
Solid waste renewals	Maintain	80	80	0
Heritage Landfill Remediation	Maintain	191	191	0
Tokomaru Trnsfr Stn Relocation	Maintain	0	750	(750)
BOF - Waste Resilience	Increase/Maintain	0	2,765	(2,765)
Total		313	3,948	(3,635)
URBAN STORMWATER				
Stormwater Pipeline Renewals	Maintain	1,765	3,077	(1,311)
Integrated Catchment Plan	Growth/Increase/Maintain	27	27	0
Total		1,792	3,103	(1,311)
WASTEWATER				
Wastewater renewals and Urban upgrades	Growth	2,454	2,966	(512)
Wastewater Treatment Plant Further Treatment	Growth/Increase	0	820	(820)
Mortuary Waste Drain Field	Increase	0	157	(157)
Total		2,454	3,943	(1,489)
WATER SUPPLY				
Water supply renewals and upgrades	Maintain	1,854	2,491	(637)

Description	Level of service	LTP 2024 $000s	AP 2024 $000s	Variance
Rural Reticulation Renewal	Maintain	456	781	(325)
IAF Water Supply Upgrades	Growth	0	784	(784)
Waingake - Lamella Filtration	Maintain	0	5,500	(5,500)
Total		2,310	9,556	(7,246)
TOWNSHIPS				
Township Upgrades	Increase/Maintain	76	751	(675)
Township Subsidised Improvements	Increase/Maintain	750	700	50
Total		826	1,451	(625)
Grand Total		39,440	70,229	(30,789)

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)	75,360	75,357	Yes
- quantified limit on rates increase (per LTP) [1]	6.5%	6.5%	Yes
Debt affordability benchmark			
- quantified limit on borrowing	<130%	122%	Yes
Balanced budget benchmark >100% [2]	100%	104%	Yes
Essential services benchmark >100%	100%	212%	Yes
Debt servicing benchmark <10% (borrowing costs/revenue)	10%	3%	Yes

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

[2] Higher balanced budget benchmark is due to Roading emergency reinstatement works.

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 than10% of it planned revenue.

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 2023/24 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 $70.2m planned for capital projects in the 2023/24 Annual Plan (after project prioritisation). Of this, $34.5m 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
- Pātūtahi 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.

Council funds depreciation costs for revalued Three water assets to the extent that was provided within the LTP and to extent of meeting its renewals.

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.

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 2023 and ending 30 June 2024.

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.

AP 2023 $000s		LTP 2024 $000s	AP 2024 $000s
	SOURCES OF OPERATING FUNDING		
25,113	General rates, uniform annual general charges, rates penalties	27,439	25,276
49,865	Targeted rates	52,306	54,852
12,885	Subsidies and grants for operating purposes	12,795	112,745
10,598	Fees and charges	10,816	11,422
1,600	Interest and Dividends from Investments	1,700	1,800
1,936	Local authorities fuel Tax, fines, infringement fees and other receipts	1,663	2,288
101,997	Total Operating Funding (A)	106,718	208,384
	APPLICATIONS OF OPERATING FUNDING		
91,895	Payments to staff and suppliers	87,165	198,141
4,464	Finance costs	4,869	6,137
0	Other operating funding applications	0	0
96,359	Total applications of operating funding (B)	92,035	204,278
5,638	Surplus/(deficit) of operating funding (A-B)	14,684	4,106
	SOURCES OF CAPITAL FUNDING		
44,535	Subsidies and grants for capital expenditure	13,618	34,496
1,622	Development and financial contributions	1,658	1,658
23,716	Increase/(decrease) in debt	2,161	8,097
50	Gross proceeds from sale of assets	50	50
0	Lump sum contributions	0	0
69,923	Total sources of capital funding (C)	17,487	44,301
	APPLICATIONS OF CAPITAL FUNDING		
	Capital expenditure		
3,442	- to meet additional demand	893	2,789
48,035	- to improve level of service	14,117	26,431
47,722	- to replace existing assets	24,430	41,009
(23,636)	Increase/(decrease) in reserves	(7,269)	(21,822)
0	Increase/(decrease) of investments	0	0
75,562	Total applications of capital funding (D)	32,171	48,407
(5,638)	Surplus/(deficit) of capital funding (C-D)	(14,684)	(4,106)
0	Funding balance ((A-B)+(C-D))	0	0

Whakamāramatanga rēti
Rating information

This year Council will collect $86.6m including GST or $75.4m excluding GST.

Overview

The Revenue and Financing policy outlines the choices Council has made in deciding the appropriate sources for funding its operating and capital expenditure. One of these sources are rates.

There are three broad categories of rates:

1 A general rate under section 13 of the Local Government (Rating) Act 2002 (**LGRA**). These are set on all rateable land in the district, at a set rate in the dollar of the rateable value of land. The Council sets a uniform general rate based upon the capital value of the land.

2 A uniform annual general charge (UAGC) under section 15 of the LGRA for all rateable land within the district. This may be set per "rating unit" or per "separately used or inhabited part of a rating unit" (SUIP). The Council sets its UAGC per SUIP.

3 Targeted rates under section 16 of the LGRA. Targeted rates may be set on all rateable land within the district or on certain identified categories of land and are used to fund identified activities or groups of activities.

Under section 18 of the LGRA, targeted rates may be calculated based upon different factors of liability. These are set out under Schedule 3 and include:

- capital value
- land value
- number of SUIPs
- number of water closets and urinals (pans).

The Council does not invite sum contributions in respect of its targeted rates.

Differentials and factors of liability

The general rate and targeted rates may be set differentially, with different categories of land attracting a different level of rate. The matters that may be used to define different categories of land are set out in Schedule 2 of the LGRA, and include:

- The use of the land.
- The area of the land.
- The provision or availability to the land of a service provided by, or on behalf of, the Council.
- Where the land is situated.

The Council uses different categories of rateable land to set rates differentially. These include categories of property use, Differential Rating Areas (DRAs) and Drainage Scheme Areas.

Rating Category Definitions

Residential, Lifestyle and Other

This is a general rating category. It includes residential, lifestyle, arable, utilities network and other properties units, as well as any other properties that do not fall into the Horticulture, Pastoral, Commercial, Industrial and Forestry (exotic)categories. Native forests and vacant forest land are rated in this category. A horticultural or pastoral property that is less than 5 hectares (ha) is rated in this category. There is a weighting of 1.0 for subsidised, and flood damage and emergency reinstatement roading rates.

Horticulture

Horticultural properties that are 5 ha or greater in area. There is a weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates.

Pastoral

Properties that are pastoral and are 5 ha or greater in area. There is a weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates. Where 20ha or more of the property is planted in exotic forestry, the area will be rated with the forestry weighting of 12.5 for subsidised, and flood damage and emergency reinstatement roading rates.

Forestry

Properties that are Exotic forestry. There is a weighting of 12.5 for subsidised, and flood damage and emergency reinstatement roading rates. The roading forestry differential weighting is based on industry specific forecast forestry maintenance costs, updated with AP 2023/24 planned roading expenditure. [Stantec April 2020 report].

Where 20ha or more of the property is planted and used for pasture, the area will be rated with the pastural weighting of 1.5 for subsidised, and flood damage and emergency reinstatement roading rates.

Properties that are native forests or vacant forestry land are included for rating in the Residential, Lifestyle and Other general category. There is a weighting of 1.0 for subsidised, and flood damage and emergency reinstatement roading rates

Commercial and Industrial

Properties that have a commercial, industrial or utilities use other than where it is a utilities network. There is a weighting of 2.0 for subsidised, and flood damage and emergency reinstatement roading rates.

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 as set out on the map at the end of this section. 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 on residential properties per separately used or inhabited part of a property 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 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 12.5. The remaining portion is collected as part of the Uniform Annual General Charge.

Subsidised Roading Rate - 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.

Subsidised Roading Rate - Horticulture properties - Have horticulture use and are 5 hectares (ha) or greater in area.

Subsidised Roading Rate - Pastoral properties - Have pastoral use 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.

Subsidised Roading Rate - Forestry exotic properties - Have a forestry use. 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.

Subsidised Roading Rate - Commercial and industrial properties - Have a commercial and industrial and utilities use 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, Waiapū, Te Karaka, Whatatūtū and Matawai. This includes the cost of cartage to Waiapū 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.

Waiapū 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 as defined in the Water Supply Bylaw 2015. 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 2023/24 is $914.43, inclusive of GST

Activities funded by UAGC 2023/24

- Cemeteries
- HB Williams Memorial and rural libraries
- Subsidised local roads
- Civil Defence
- Litter bins and cleaning public areas
- Strategic planning and customer engagement
- District civil and corporate expenses
- Managing solid waste and transfer stations
- Tairāwhiti Museum
- Economic development and tourism
- Mayor and Councillor representation costs
- Environmental and public health protection
- Public toilets - cleaning and 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 how many 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 2024

The rates will be set by Council for the financial year commencing 1 July 2023 and ending June 2024. This year Council will collect $86.6m including GST or $75.4 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	Due date	Date penalty added
Invoiced quarterly		
Instalment 1	21 Aug 2023	25 Aug 2023
Instalment 2	20 Nov 2023	24 Nov 2023
Instalment 3	20 Feb 2024	26 Feb 2024
Instalment 4	20 May 2024	24 May 2024

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.

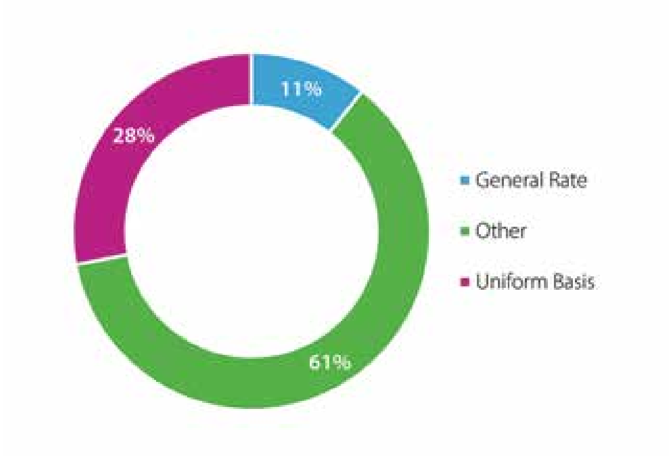
Month of invoice	Due date	Date penalty added
Invoiced six-monthly		
Jun 2023	20 Jul 2023	26 Jul 2023
Dec 2023	22 Jan 2024	26 Jan 2024
Jun 2024	22 Jul 2024	26 Jul 2024
Invoiced quarterly		
Jun 2023	20 Jul 2023	26 Jul 2023
Sep 2023	20 Oct 2023	26 Oct 2023
Dec 2023	22 Jan 2024	26 Jan 2024
Mar 2024	22 Apr 2024	26 Apr 2024
Jun 2024	22 Jul 2024	26 Jul 2024
Invoiced monthly		
Jun 2023	20 Jul 2023	26 Jul 2023
Jul 2023	21 Aug 2023	25 Aug 2023
Aug 2023	20 Sep 2023	26 Sep 2023
Sep 2023	20 Oct 2023	26 Oct 2023
Oct 2023	20 Nov 2023	24 Nov 2023
Nov 2023	20 Dec 2023	21 Dec 2023
Dec 2023	22 Jan 2024	26 Jan 2024
Jan 2024	20 Feb 2024	26 Feb 2024
Feb 2024	20 Mar 2024	26 Mar 2024
Mar 2024	22 Apr 2024	26 Apr 2024
Apr 2024	20 May 2024	24 May 2024
May 2024	20 Jun 2024	26 Jun 2024
Jun 2024	22 Jul 2024	26 Jul 2024

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 2023/24 is 26.7%. 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 2023/24



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.

Rate changes for 2023/24

The Revenue and Financing policy is in the 2021-2031 Long Term Plan, This policy determines when debt and rates will be used as a funding source. This includes targeted rates for the cost of an activity or service that should be paid for by particular groups or ratepayers who benefit from the activity or service. The Revenue and Financing policy can be found on our website.

This year Council will collect $75.4m in rates or ($86.6m, including GST). This is an increase of 6.5%* (*excluding growth) in overall rates revenue over the 2022/23 rates. This is in line with Year 3 of our 2021-2031 Long Term Plan Financial Strategy.

Individual ratepayers could pay more or less depending on:

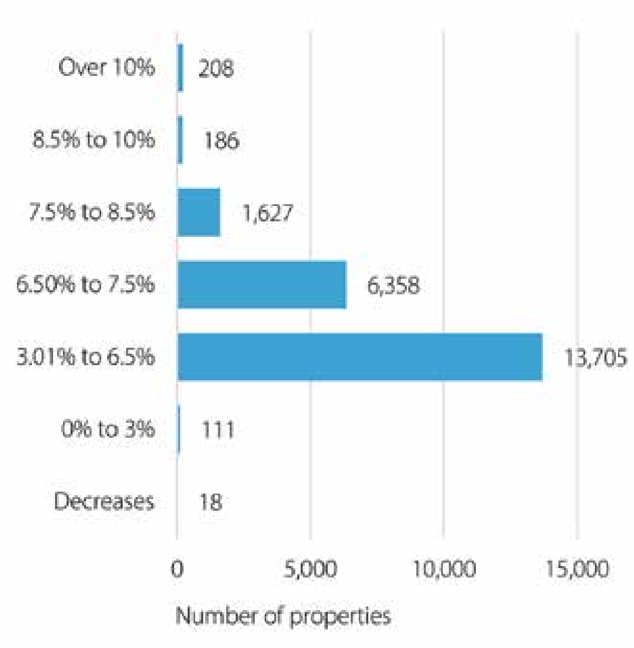
- the capital value of the property
- increases in some fixed service related targeted rates that apply to some properties
- eligibility for rate remissions.

There are increases in services such as reticulation of wastewater and water supply as set out in the LTP. The targeted rating system means those that receive a service can expect to pay more. City residents have more reticulated services than elsewhere in the community. In rural areas increase in rates have been driven mostly by unsubsidised roading and resource consents.

The majority of ratepayers will have increase in rates of 6.5% or less. In dollar terms over 85% of ratepayers, will have an increase of $225 or less.

The graph shows the impacts in percentage terms, consistent with the Long Term Plan.

Rates movements for properties 2023/24



Rate examples 2023/24

Including GST	Capital value (at Sep 2020)	2022/23 GDC rates	2023/24 GDC rates proposed	$ change	% change
City - Residential Low Value	330,000	3,112	3,301	189	6.1%
City - Residential Mid Value	560,000	3,478	3,689	212	6.1%
City - Residential High Value	1,185,000	4,581	4,875	294	6.4%
Rural Town - Te Karaka/Whatatutu	188,000	1,765	1,862	97	5.5%
Rural Town - Other	152,000	1,639	1,736	97	5.9%
Commercial - with more than 10 Toilet Pans	1,315,000	12,966	13,662	696	5.4%
Commercial	530,000	3,681	3,891	210	5.7%
Industrial	1,300,000	4,596	4,866	270	5.9%
Rural - Lifestyle	1,230,000	3,245	3,480	235	7.2%
Rural Horticulture - with G3 Kiwifruit*	13,310,000	26,386	28,285	1,899	7.2%
Rural Horticulture - Other	1,945,000	6,033	6,470	437	7.2%
Rural Pastoral - Large Farm	31,800,000	72,353	77,533	5,179	7.2%
Rural Pastoral - Medium Farm	2,025,000	4,808	5,170	362	7.5%
Forestry	851,000	7,907	8,417	510	6.5%
Forestry	9,880,000	69,057	74,806	5,749	8.3%

*does not include Permanent Crop Remission

Statement about District Rating Revaluation for 2023

Every three years Councils must value all properties in their district for rating purposes. The last district wide revaluation was carried out in 2020 by Councils Valuation Service Provider Lewis Wright Limited. There will be a district wide rating revaluation this year. The Valuations will be a snapshot of the market at 1 August 2023 and are calculated using mass appraisal techniques.

The district was impacted by Cyclone Hale and Cyclone Gabrielle earlier this year. Our valuers will work to identify and value the properties that were damaged in the cyclones as much as possible and reflect their physical condition as part of the revaluation.

The new valuations will be sent out in December 2023 and will be used for rating purposes from July 2024. If you disagree with the valuation, you can lodge an objection. The objection process will be a good way to pick up the weather impacted properties if you consider that your property values have been overstated.

Rates funding impact statement

Rates funding source	Categories of rateable land	Category	Factors	Factor used	Revenue sought 2023/24 $ (Includes GST)
Category = (Sch 2) s14, 17 Local Govt (Rating) Act 2002 Factors = (Sch 3) Local Govt (Rating) Act 2002					
General Rate	Capital value on all Rateable land.			Capital Value	9,217,096
Uniform Annual General Charge		All rateable land.		Separately Used or Inhabited Part of a Rating Unit (SUIP)	20,900,402
Targeted Rate					
Environmental Services and Protection					
Animal Control	A uniform targeted rate on Residential properties: DRA1, DRA1A and Residential Rural Townships in DRA3, DRA4 and DRA5.	6	7	Separately Used or Inhabited Part of a Rating Unit	696,484
Building Services	Differential targeted rate on Inner Zone 85% of Revenue Sought.	6	2	Capital Value	798,875
	Differential targeted rate on Outer Zone 15% of Revenue Sought.	6	2	Capital Value	140,979
Noise Control	A uniform targeted rate on Inner Zone Residential Properties.	6	7	Separately Used or Inhabited Part of a Rating Unit	60,628
Resource Consents And Planning	A uniform targeted rate on all rateable land.	6	3	Land Value	4,341,719
Land, Rivers and 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.	6	5	Per hectare	16,994
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.	6	5	Per hectare	715,470
Te Karaka Flood Control	A differentiated targeted rate on Non Residential properties based on Capital Value. See map at end of this section.	5 & 6	2	Capital Value	6,684

Rates funding source	Categories of rateable land	Category	Factors	Factor used	Revenue sought 2023/24 $ (Includes GST)
	A differentiated targeted rate on Residential properties based on Capital Value. See map at end of this section.	5 & 6	2	Capital Value	29,738
Waiapu River Erosion Protection Scheme	Direct Beneficiaries within the defined area on Capital Value. See map at end of this section.	5 & 6	2	Capital Value	19,734
	Indirect Beneficiaries within the defined area on Capital Value. See map at end of this section.	5 & 6	2	Capital Value	4,751
	Contributors within the defined area per hectare. See map at end of this section.	6	6	Per hectare	4,751
Waipaoa River Flood Control Scheme	Waipaoa River Flood Control Scheme classes A - F. See map at end of this section.	5 & 6	2	Capital Value	343,557
Liveable Communities					
Aquatic And Recreation Facilities	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	1,651,811
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	212,843
Parks And Reserves	Differential targeted rate on Inner Zone 85% of revenue sought.	6		Per Rating Unit	6,080,616
	Differential targeted rate on Outer Zone 15% of revenue sought.	6		Per Rating Unit	1,073,050
Pests & Plants	A differential targeted rate on Inner Zone (20%).	6	3	Land Value	139,581
	A differential targeted rate on Outer Zone (80%).	6	3	Land Value	558,327
Soil Conservation-Advocacy And Land Use	A differential targeted rate on Inner Zone (20%).	6	3	Land Value	439,930
	A differential targeted rate on DRA3 & DRA4 (30%).	6	3	Land Value	659,895
	A differential targeted rate on DRA5 (50%).	6	3	Land Value	1,099,826
Theatres	Differential targeted rate on Inner Zone 1.0 weighting.	6	2	Capital Value	775,788
	Differential targeted rate on Outer Zone 0.3 weighting.	6	2	Capital Value	99,949
Water Conservation	Differential targeted rate on Inner Zone 70% of revenue sought.	6	3	Land Value	1,779,678
	Differential targeted rate on Outer Zone 30% of revenue sought.	6	3	Land Value	762,719
Regional Leadership and Support Services					
Business Area Patrols	Commercial Properties within the CBD Area: Non-residential properties on both sides of the	1,2 & 6	2	Capital Value	101,425

Rates funding source	Categories of rateable land	Category	Factors	Factor used	Revenue sought 2023/24 $ (Includes GST)
	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. See map at end of this section.				
Economic Development Including Tourism	All Industrial, Commercial retail and Accommodation Properties.	1 & 2	2	Capital Value	466,586
Roads and Footpaths					
Flood Damage And Emergency Reinstatement	Residential and Lifestyle Properties weighting of 1.0.	1,2 & 4	2	Capital Value	277,924
	Industrial and Commercial weighting of 2.0.	1,2 & 4	2	Capital Value	83,789
	Horticulture and Pastoral farming weighting of 1.5.	1,2 & 4	2	Capital Value	219,717
	Forestry weighting of 12.5.	1,2 & 4	2	Capital Value	200,129
Non-Subsidised Local Roading	Differential targeted rate on Outer Zone 50% of Revenue Sought.	6	2	Capital Value	86,576
	Differential targeted rate on Inner Zone 50% of Revenue Sought.	6	2	Capital Value	86,575
Passenger Transport	DRA1 Residential.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	311,629
Subsidised Local Roads	Residential and Lifestyle blocks weighting of 1.0.	1,2 & 4	2	Capital Value	4,060,925
	Industrial and Commercial weighting of 2.0.	1,2 & 4	2	Capital Value	1,224,290
	Horticulture and Pastoral farming weighting of 1.5.	1,2 & 4	2	Capital Value	3,210,416
	Forestry weighting of 12.5.	1,2 & 4	2	Capital Value	2,924,205
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	1,237
Waste Management Gisborne District	Within scheme refuse collection areas - Residential properties in Gisborne City and environs and Ruatoria. See map at end of this section	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	1,822,602
Rural Transfer Stations	Within 15km radius scheme area. See map at end of this section.	5 & 6	7	Separately Used or Inhabited Part of a Rating Unit	468,323
Urban Stormwater					

Rates funding source	Categories of rateable land	Category	Factors	Factor used	Revenue sought 2023/24 $ (Includes GST)
Stormwater	A differential targeted rate. DRA1 and DRA1A all Commercial and Industrial properties.	6	2	Capital Value	539,225
	A differential targeted rate. All Rural Towns in DRA3,DRA4 and DRA5 and also Manutuke and Patutahi.	6	7	Separately Used or Inhabited Part of a rating unit	183,957
	A differential targeted rate. DRA1 and DRA1A Residential properties.	6	7	Separately Used or Inhabited Part of a rating Unit	2,871,654
Wastewater					
Gisborne City Wastewater	Wastewater charge per water closet or urinal connection.	5 & 6	12	Per water closet or urinal	10,707,750
	Te Karaka Wastewater charge per water closet or urinal. See map at end of this section.	5 & 6	12	Per water closet or urinal	104,150
Water Supply					
Water - Availability	Within scheme areas, where service can be supplied but is not supplied (being a rating unit within 100 metres of any part of the waterworks).	5 & 6	7	Separately Used or Inhabited Part of a rating unit	48,796
Water - Connection	Within scheme areas where the service is supplied and connected.	5 & 6	7	Separately Used or Inhabited Part of a rating unit	4,027,005
Subtotal					**86,660,760**
Metered Water Rates 1	Extraordinary and Rural Domestic users.		8		4,337,070
Subtotal					**90,997,830**
Rates Penalties					1,000,000
Net Rates Revenue					**91,997,830**
OTHER FUNDING SOURCES					
Grants and Subsidies					169,327,655
Development and Financial Contributions					1,906,174
Other Revenue					15,824,584
Dividends and Interest					1,800,000
TOTAL FUNDING					280,856,243

Rating definitions

Note: Differential Rating Areas (DRAs) such as DRA1, DRA2, DRA3, DRA4 and DRA5 and Inner and Outer zones are categorised based upon location under the Local Government (Rating) Act 2002 schedule 2 and are shown on the map on the next page.

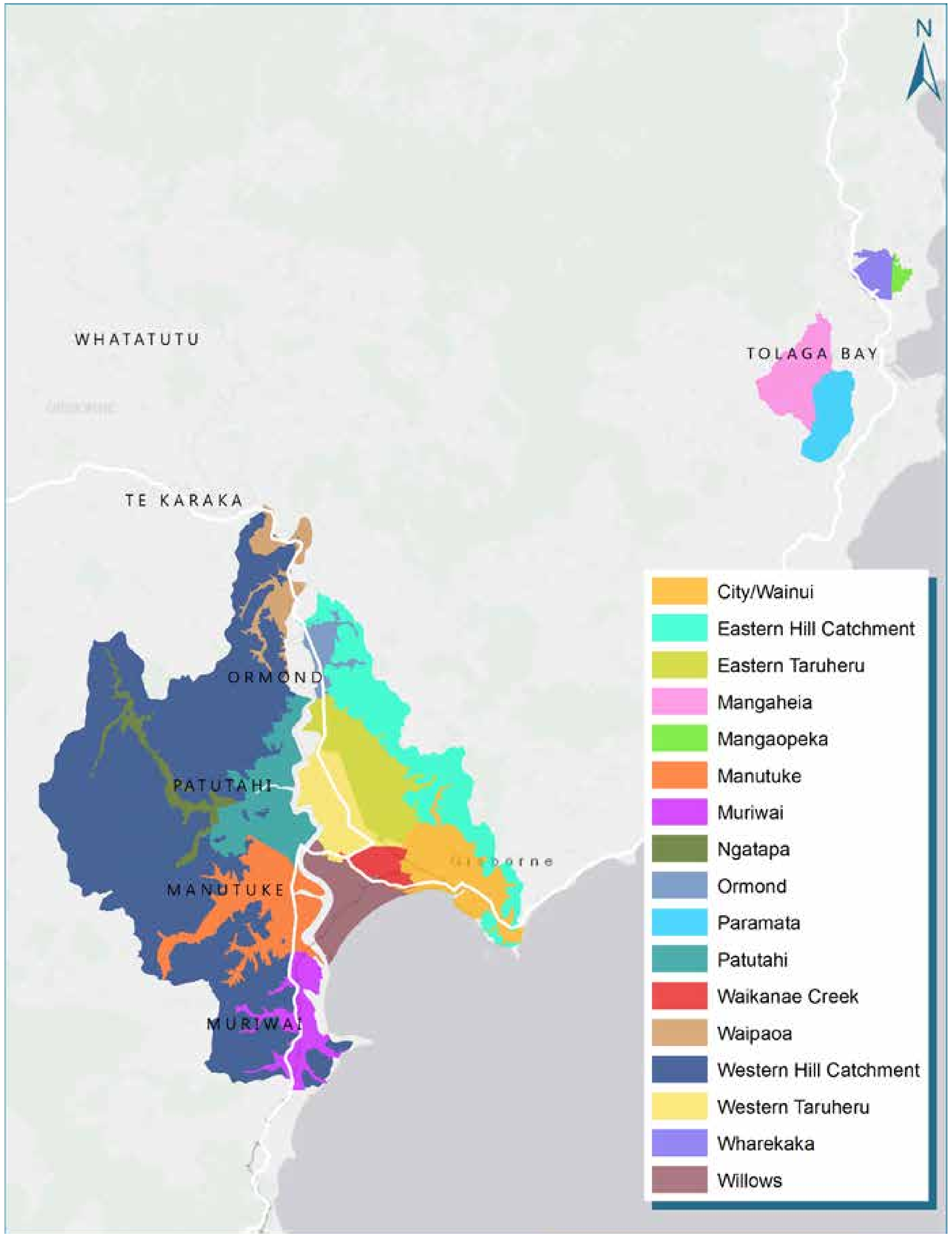
Short title	Areas covered	Categories
DRA1	Former Gisborne City Council boundaries, excluding Rural Farm Land.	Residential, lifestyle, commercial, industrial and other properties
DRA1A	All Rural Farm Land within the previous Gisborne City Boundaries and the area surrounding the City, including Wainui and Makaraka.	Residential, lifestyle,rural, commercial and industrial and other properties
DRA2	Turanganui-a-Kiwa/Poverty Bay Flats including fringe hill properties; Muriwai, Ormond, Waihirere, Waerenga-a-hika, Bushmere, Manutuke and Patutahi.	Residential,lifestyle, rural and, 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 as above
Outer Zone	The total land area of DRA3, DRA4 and DRA5.	All other properties as above

Rates funding impact statement maps

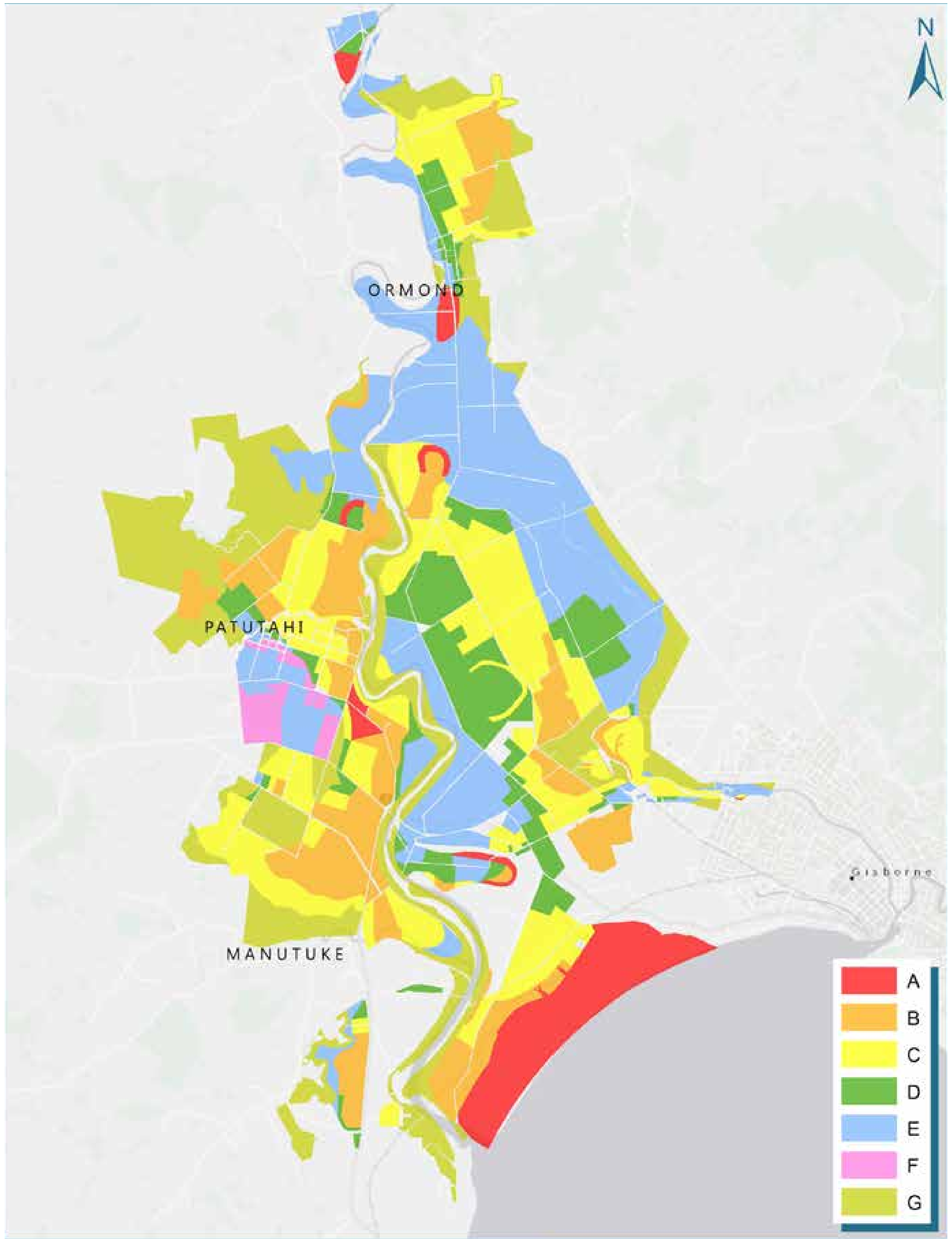
These maps display the differential rating areas in the district, and targeted rating zones for certain rates as set out in the in the Rates Funding Impact Statement.

Map showing the area in each differential rating area

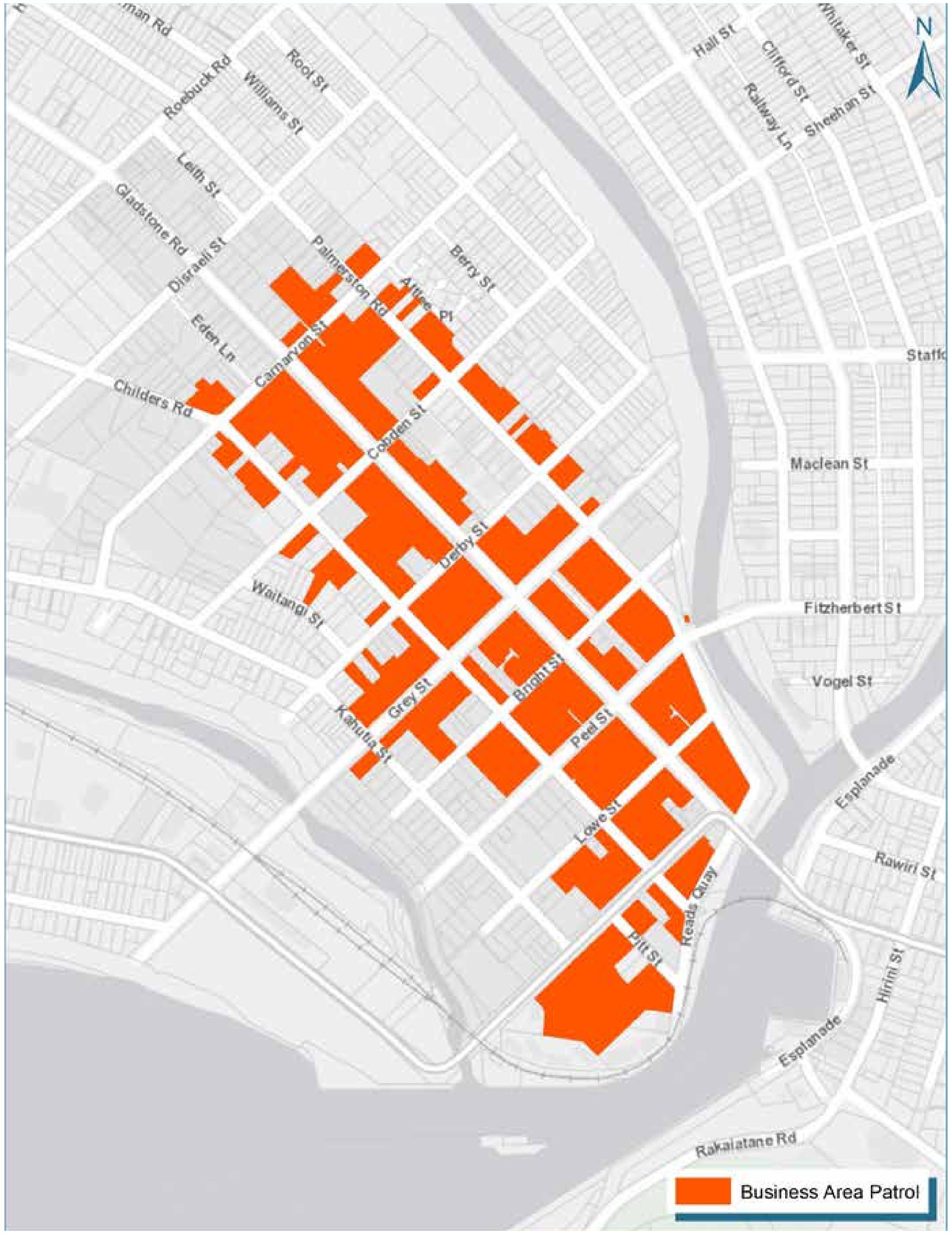
Drainage schemes



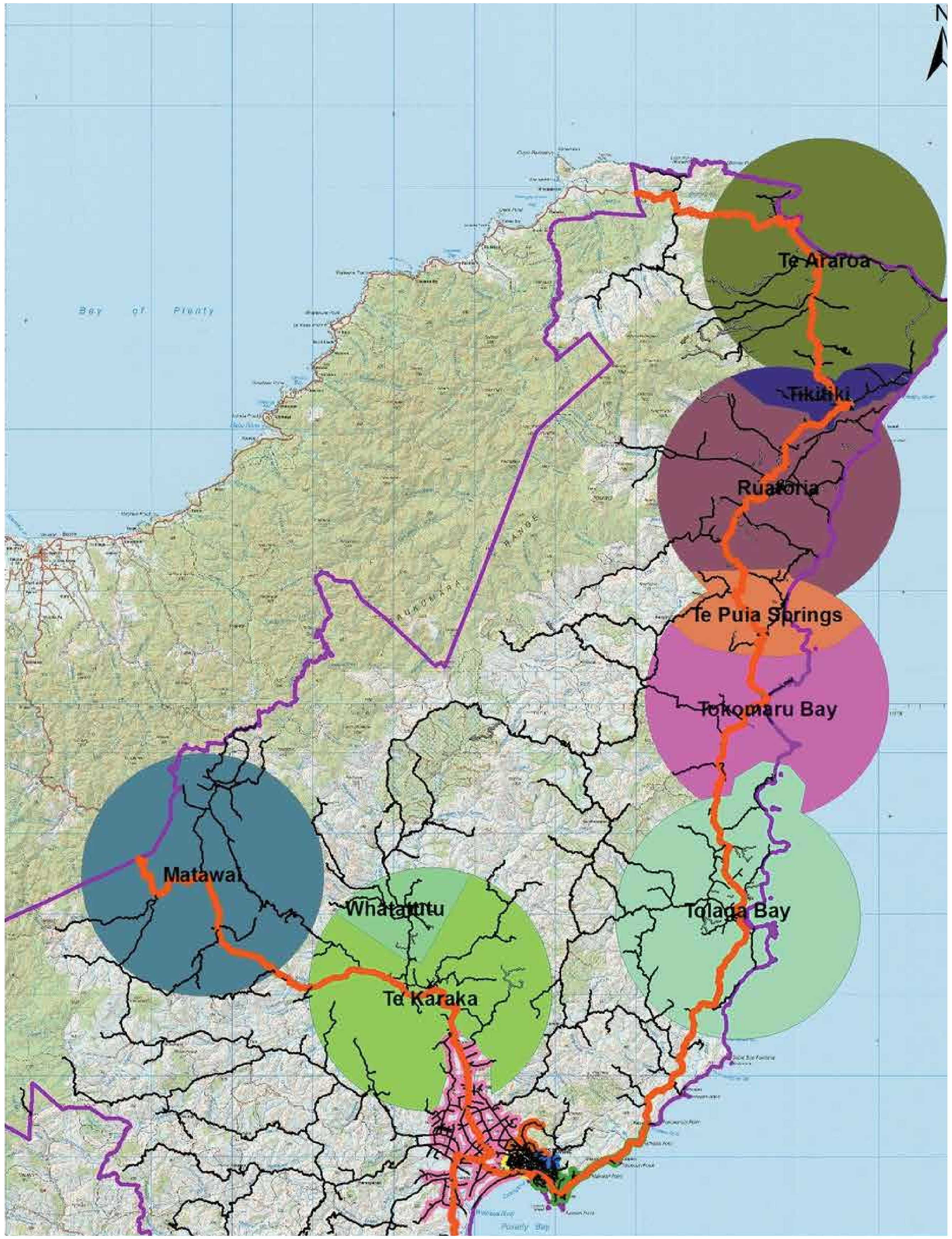
Waipaoa River flood control scheme



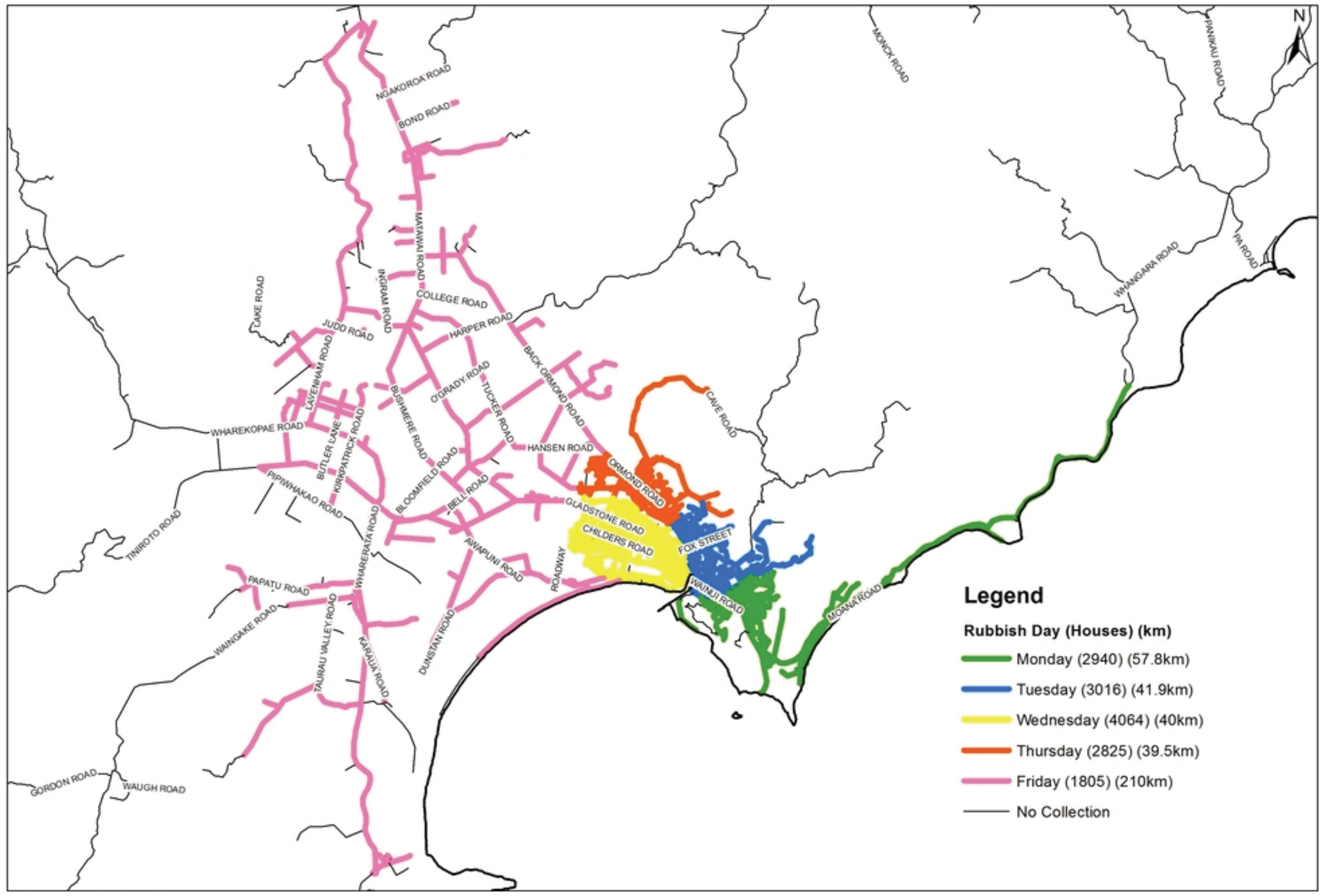
Business area patrols



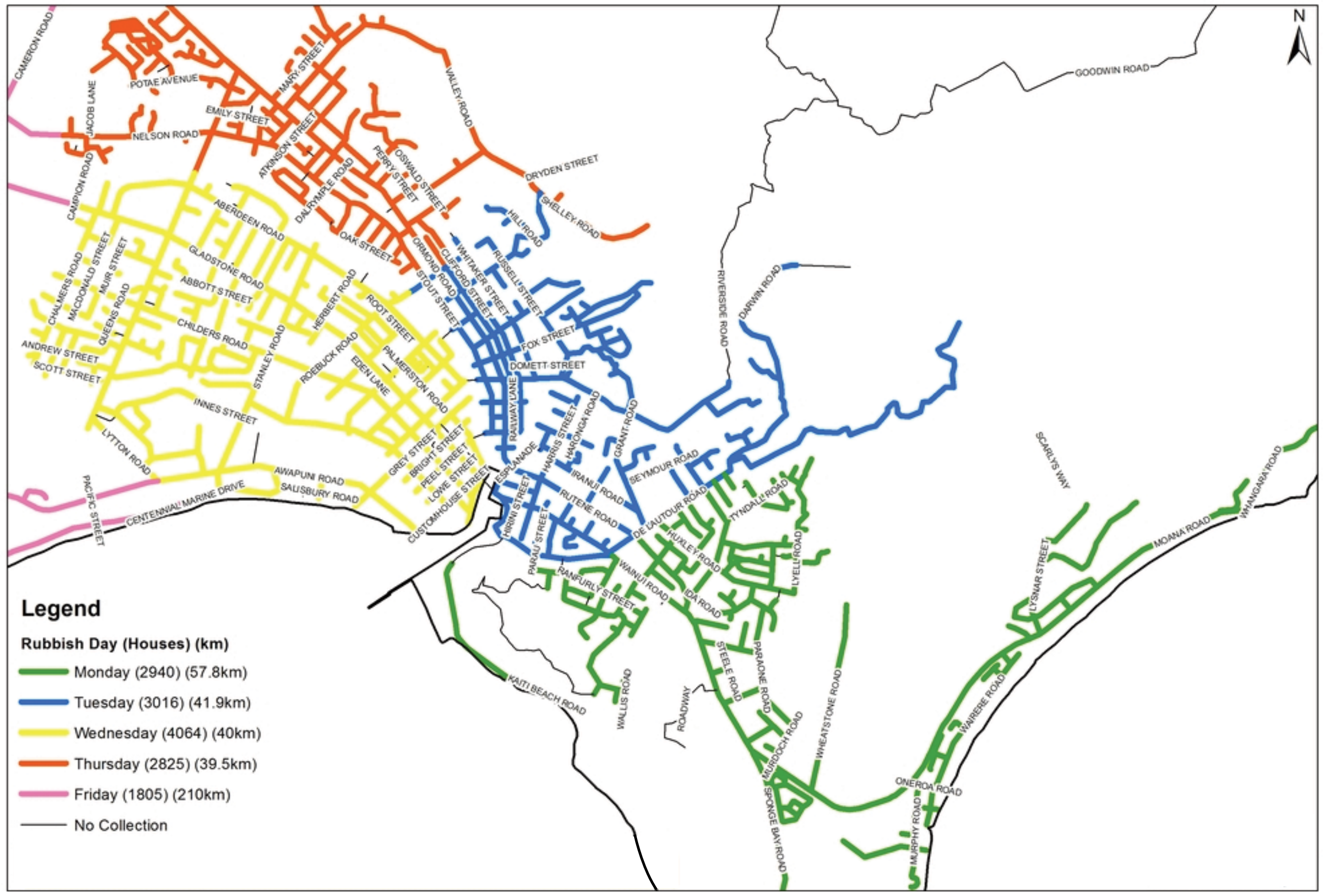
Rural transfer stations



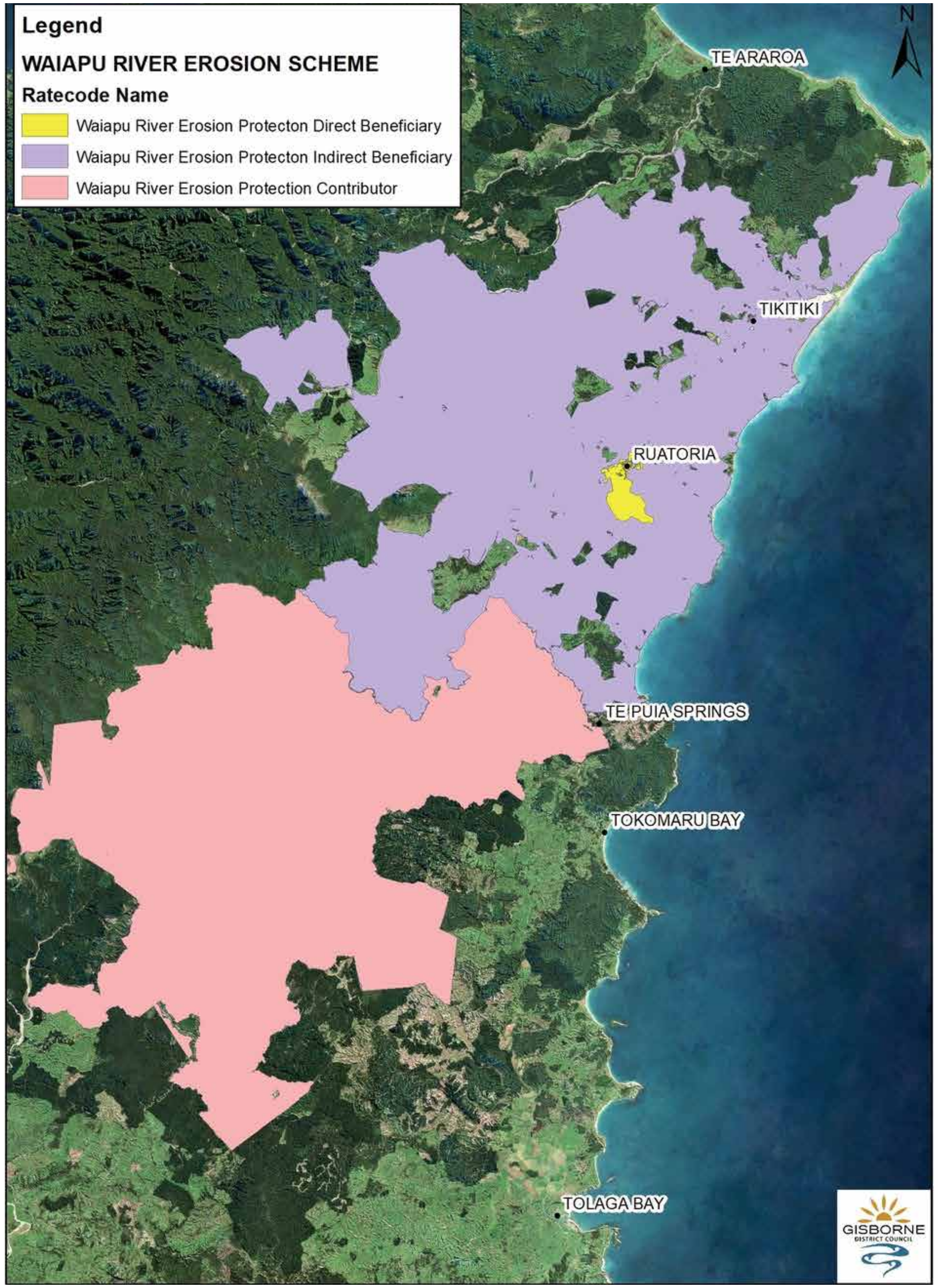
Rural refuse and recycling collection



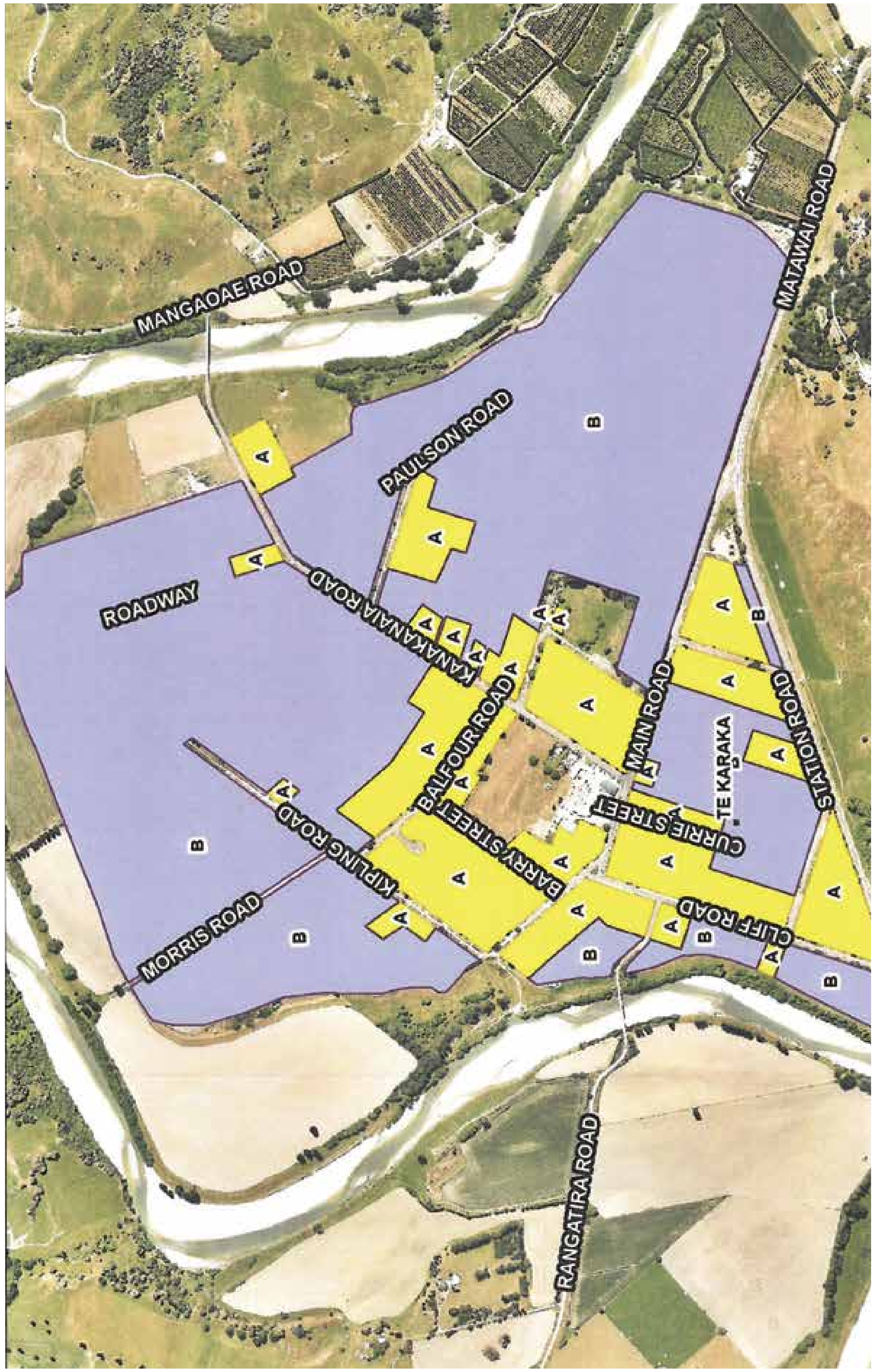
Urban refuse and recycling collection



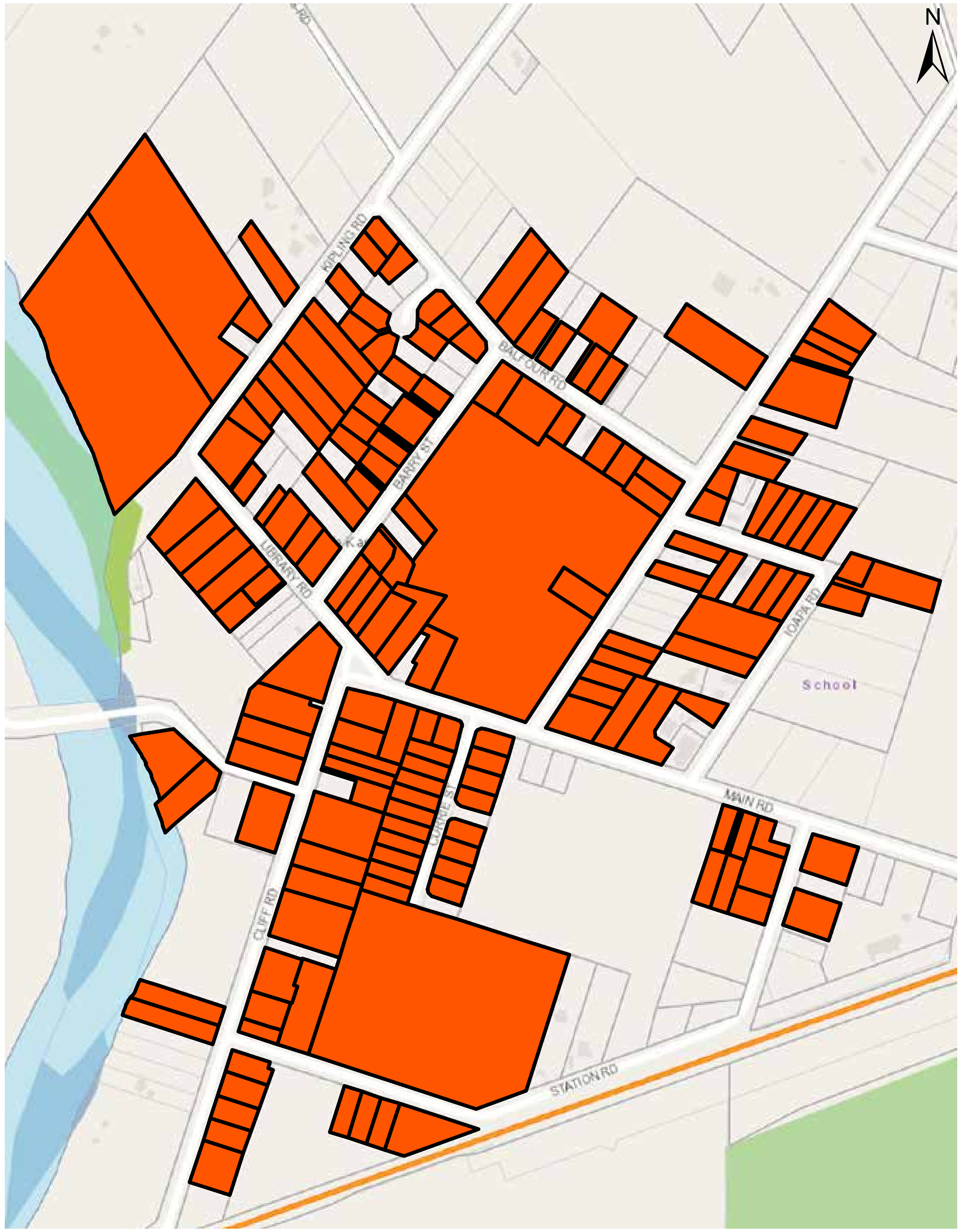
Waiapu River erosion scheme



Te Karaka Flood Control



Te Karaka Wastewater Scheme



He whakamārama anō
Additional information

Ngā kaupapa
Contents

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

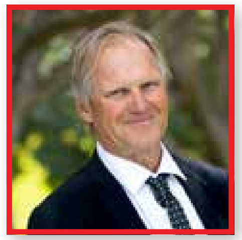
Mayor

Rehette Stoltz - Mayor
mayor@gdc.govt.nz
(06) 868 5382 | 021 279 7948

General Ward

Josh Wharehinga - Deputy Mayor
josh.wharehinga@gdc.govt.nz
027 512 5195

Colin Alder
colin.alder@gdc.govt.nz
021 149 0729



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Andy Cranston
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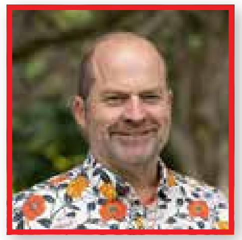

Tony Robinson
tony.robinson@gdc.govt.nz
022 085 0902

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Māori Ward

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Nick Tupara
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Ani Pahuru-Huriwai
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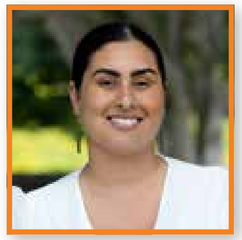
(06) 868 4186 | 021 885 602



Rawinia Parata
rawinia.parata@gdc.govt.nz
021 351 075

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.

Six directors are employed by the chief executive and make up our management team COR (Central Organising Rōpū). This includes 395 employed staff employed by the chief executive, that carry out the day-to-day operations of Council activities and provide advice to the Council.

Our management team
COR (Central Organising Rōpū)

Chief Financial Officer
Finance and Affordability

Pauline Foreman

(06) 869 2899

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

(06) 869 2356

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
- Building Services
- Harbour Master

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 Internal Partnerships

James Baty

(06) 869 2881

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
- Legal Services
- Information Services - Information Technology, Information Management, Land Information, Business Solutions and Business Analytics
- Risk and Assurance
- Compliance, Monitoring and Enforcement

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

Chief Executive

Nedine Thatcher Swann

(06) 869 2414 | ceo@gdc.govt.nz

The Chief Executive is supported by five 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
- Finance and Affordability
- Engagement and Māori Responsiveness

Director Engagement and Māori Responsiveness

Anita Reedy-Holthausen

(06) 869 2647

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 Te 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

(06) 867 2049

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
- Cultural Activities (Library and Theatres)

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

(06) 869 2720

joanna.noble@gdc.govt.nz

Strategy and Science are responsible for:

- Strategic Planning
- Environmental Monitoring and Science
- Resource Consents

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** 85 Tristram Street, Hamilton			
Auditors	**Ernst & Young** 21/100 Willis St, Wellington (on behalf of the Auditor General)			

Whakapā mai
Contact us

Phone us

06 867 2049 or freephone 0800 653 800

Our phones are monitored 24 hours a day, 7 days a week.

Email us

service@gdc.govt.nz

Facebook message us

www.facebook.com/GisborneDC

Visit us

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

We also have a service centre in Te Puia Springs – 4746 Waiapu Road, Te Puia Springs.

Our business hours are 9am - 4pm Monday to Friday.

Send us a letter

PO Box 747, Gisborne 4010, New Zealand

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

0800 653 800

service@gdc.govt.nz

www.gdc.govt.nz

@GisborneDC

15 Fitzherbert Street,
Gisborne 4010, New Zealand

2023/24 Annual Plan
Content correct as of 28 June 2023