

He pūrongo rā pōti mua ake
Pre-election report
2025



**Tō Reo,
Tō Mana.**
Your Voice,
Your Power.





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Tō Mana.
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Ngā kaupapa Contents

Mō tēnei rīpoata About this report	2	Kupu whakamarama Glossary	33
Nā te pou whakahaere A word from our Chief Executive	3	Kia mōhio i tō Kaunihera Get to know your Council	36
Ngā rā matua pōti-ā-kāinga Key dates for local elections 2025	5	Ā mātau tūnga mahi me ngā ratonga Our roles and services	37
Te whakatere panonitanga Navigating change	8	Te anga ā-mahi Organisation structure	39
Te whakautu ki ngā whakahoutanga Responding to reform	9	Tō tatou rohe me ngā ratonga Our region and services	41
Ō tātau tauwhāinga, o tātau whakautu Challenges and responses	11	Tō tātau aronga rautaki Our strategic direction	44
Ā tātau hinonga Our projects	16	Tō tātau aronga rautaki Our strategic framework	45
A tātau mahi whakaoranga Our recovery projects	17	O tātau tukunga hapori me te oranga Our community outcomes and wellbeings	47
Ngā mahi matua Our major projects	19	Ngā hononga tiriti Treaty partnership and relationships	49
Ētahi atu whakatakanga Other projects	21	Te pou whakarite kaupapa me te whakamōhio Our planning and reporting framework	52
Ngā mahi whakahirahira i te rohe Our district highlights	23	Rautaki Ahumoni Financial Strategy	53
Ngā tāra me ngā hēneti The dollars and cents	28	Rautaki Hanganga Infrastructure Strategy	55
Whakatakinga Introduction	30		

Mō tēnei rīpoata

About this report



Welcome to Gisborne District Council's pre-election report 2025

This report is a legislative requirement under the Local Government Act 2002 (LGA 2002). It must be prepared by the chief executive of each council, independently of the mayor and councillors.

The report outlines key issues that will need to be considered in the next council term. It also provides information on the major projects the Council expects to fund over the next three years.

Potential candidates for the upcoming local body elections, along with residents, are encouraged to read this report to better understand the significant challenges and opportunities facing Council and the region.

Basis of preparation

We have ensured this report remains politically neutral, as required by the LGA 2002. Its primary purpose is to provide information that encourages public discussion about the key issues affecting our district.

Further resources

For more detailed information, visit our website: www.gdc.govt.nz

Key supporting documents

- ◆ 2024–2027 Three Year Plan
- ◆ Annual Plans 2023/24 – 2025/26
- ◆ Annual Reports 2022/23 – 2023/24
- ◆ Tairāwhiti Resource Management Plan

Nā te pou whakahaere

A word from our Chief Executive

Ka hora atu taku mihi ki ngā kōkōru, ngā awaawa, ngā tōpito ātaahua rawa, mai runga, mai raro, mai tuawhenua atu ki ngā hukahuka o Te Tairāwhiti, nau mai, kake mai, tēnā koutou katoa. He wā anō he kaupapa anō, tēnei te ahunga mai o te wā pōtinga i o tātau māngai hei arataki i a tātau i roto i ngā tau kei te eke mai. Kāti, ko wai au hei whakahau i a koutou? Waiho ma koutou ake e whai, e whiri, e whakatau. Ko te mea nui, e tāea ai te kī, "tōku reo, tōku pōti, tō tātau mana", tihei mauri ora!



As Chief Executive of Gisborne District Council, my role is to support effective governance by providing elected members and our community with clear, relevant and timely information. This Pre-Election Report outlines the key issues and choices that will shape the next term of local government.

The next three years will be pivotal. Local government is facing wide-ranging reform and Te Tairāwhiti is already seeing the impact. Proposed changes to Māori ward legislation, the repeal of the Resource Management Act, new climate adaptation law and stricter responsibilities for managing water services all signal a major shift in how councils operate. These changes require bold local leadership, strong partnerships and decisions that reflect the realities of our region.

At the same time, we continue to face the growing effects of climate change, ageing infrastructure and rising costs. Delivering services and maintaining assets is becoming more expensive. Our 2024-2027 Three Year Plan responds by focusing on affordability, resilience and investment in what matters most. We are prioritising road safety, flood protection, water resilience and native biodiversity restoration to support a stronger, more sustainable Tairāwhiti.

We are also planning for the future. Our master planning and spatial strategy work will guide how and where the region grows. This includes opportunities to revitalise our CBD, improve public spaces and support well-planned development that strengthens community wellbeing and regional resilience. Alongside this, we're reviewing the Tairāwhiti Resource Management Plan to enable sustainable land use, increase housing supply including papakāinga and uphold our environmental and Treaty commitments.

Forestry and land use change remain critical. In late 2024, we established the Transition Advisory Group (TAG), a cross-sector team of local experts, landowners, iwi, farmers and foresters. Their task is to develop practical, region-specific guidance for shifting from unsustainable land use to permanent vegetative cover. This work matters. Tairāwhiti has the most severe soft rock erosion in the country and we've seen the consequences during recent weather events. TAG's guidelines will help drive a safer, more resilient approach to land management.

The Government's Local Water Done Well programme sets stricter national standards and requires councils to prepare detailed plans for how we'll deliver drinking water, wastewater and stormwater services. While some councils are forming shared or standalone council-controlled organisations,

we've chosen to keep our services in-house. This keeps decision-making close to our communities and ensures investment reflects the priorities of Tairāwhiti.

Council remains committed to strengthening its partnership with tangata whenua and embedding the principles of Te Tiriti o Waitangi into everyday decision-making. This means creating space for Māori voices, recognising the role of tangata whenua as kaitiaki and building relationships based on trust and shared purpose. As we navigate change, these partnerships will remain central to how we work and who we serve.

For those considering standing for Council, this is your opportunity to understand what's ahead. The decisions you will face are significant. They will require courage, focus and a deep understanding of what matters to the people of Tairāwhiti.

Nāku iti noa, nā



Nedine Thatcher Swann

Chief Executive

Te Kaunihera o Te Tairāwhiti

Ngā rā matua pōti-ā-kāinga

Key dates for local elections 2025

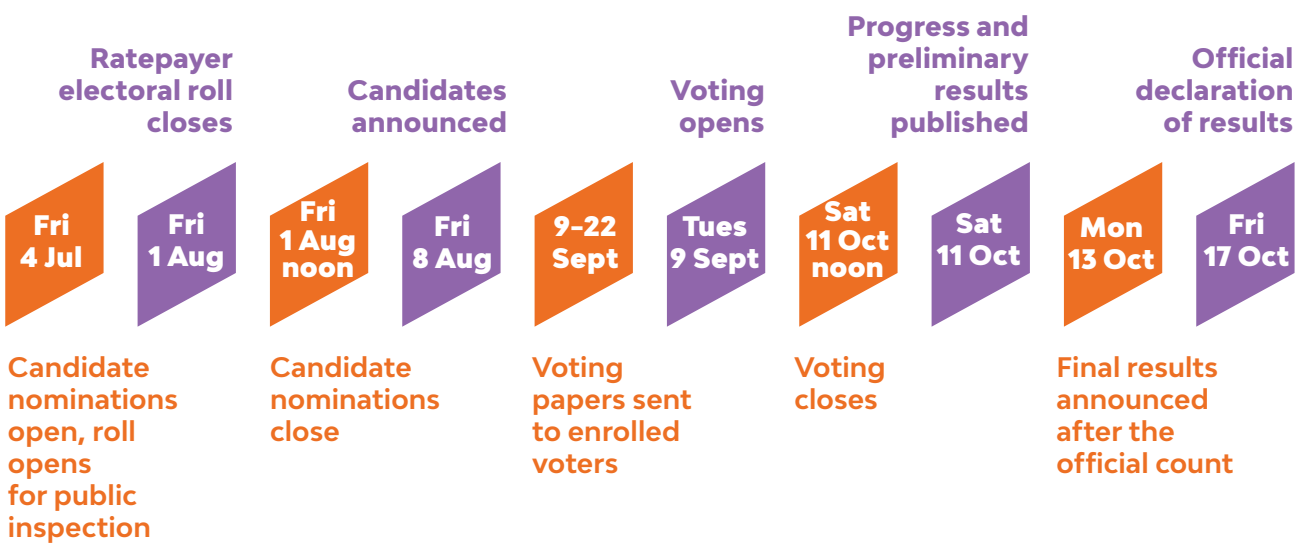
The next local elections in Te Tairāwhiti, where voters choose a mayor and councillors, will be held on Saturday 11 October 2025. These elections are held every three years by postal vote.



For more information see our website: gdc.govt.nz

▶▶ [2025 local body elections | GDC](#)

Key dates for the local elections 2025



How do I enrol to vote?

You can enrol as a resident if you:

- are 18 years or older
- are a New Zealand citizen or permanent resident
- have lived in Aotearoa New Zealand continuously for 12 months or more at some time in your life.

If you're enrolled to vote for the parliamentary elections, then you're automatically enrolled for council elections too.

To check if you're enrolled or to update

your details

- Visit vote.nz
- Phone 0800 36 76 56
- Freetext your name and address to 3676 to enrol to vote or to update your details.







Te whakaterere panonitanga

Navigating change

Te whakautu ki ngā whakahoutanga

Responding to reform

Te Tairāwhiti, like many regions, is experiencing significant central government reforms that are reshaping how councils plan, deliver services and meet community needs. This section outlines the key changes influencing our region.

The reforms

Major legislative and structural changes are placing new demands on councils. To meet these, we are adapting quickly, providing strong local leadership and working closely with our communities. We are keeping people informed and focused on achieving the best possible outcomes for Te Tairāwhiti.

Māori ward reform

In 2024, the Government introduced new legislation requiring councils that established Māori wards since 2021 without a binding poll to now hold one to retain or reinstate these wards.

For Gisborne District Council, the Tairāwhiti Māori Ward ensures critical Māori representation. We remain committed to Te Tiriti o Waitangi and to strengthening tangata whenua participation in governance.

We are:

- Engaging with iwi, hapū and Māori communities on future representation.
- Monitoring legislative developments and preparing for any changes to upcoming elections.
- Advocating for representation structures that reflect the rights of Māori and the makeup of our region, where over half our population is Māori.

We will continue balancing legislative requirements with ongoing kōrero about what fair and effective governance looks like in Te Tairāwhiti.

Resource Management Reforms

The Resource Management Act (RMA) has guided environmental management and development for more than 30 years. It no longer meets the scale of today's challenges,

such as climate change and sustainable growth. The Government is replacing the RMA with three new laws:

- The Natural and Built Environments Act** - sets out how we must protect, enhance and use our environment, including land, air, freshwater, coastal and marine areas.
- The Strategic Planning Act** - requires 30-year regional spatial planning, jointly led by councils, iwi/Māori and central government.
- The Climate Change Adaptation Act (CAA)** - addresses the legal and technical complexities of managed retreat and climate resilience.

These reforms will impact Council activities, the way we plan for growth and our environment.

Compliance, Monitoring and Enforcement (CME)

Under the new system, councils will place greater emphasis on compliance and monitoring once activities are underway, rather than front-loading approvals at the consenting stage.

Central government is reviewing how councils deliver CME functions and environmental monitoring. We expect major changes to our responsibilities, with further detail due later in 2025.

Tairāwhiti Resource Management Plan review

Development pressure, population growth and environmental limits are increasing across our region. We are reviewing the Tairāwhiti Resource Management Plan to support sustainable resource use, give effect to our Treaty responsibilities and protect the region for future generations.

The TRMP is a combined unitary plan under the RMA. It governs how we manage land and natural resources. Through the 2024–2027 Three Year Plan, we have allocated \$7.7 million in local funding to support this review.

Why it matters: The TRMP affects nearly everyone in Te Tairāwhiti. A modern, fit-for-purpose plan helps us:

Improve housing supply and enable affordable housing for Māori, including papakāinga.

- ▣ Allocate water fairly and align with the principles of Te Mana o te Wai.
- ▣ Support sustainable land use and productive whenua Māori.
- ▣ Protect what we value - ecosystems, air and water quality, biodiversity, heritage and the coast.
- ▣ Build resilience to climate change and natural hazards.

We are progressing four workstreams as part of the TRMP review:

- ▣ Te Kaupapa Tauākī ā-Rohe / Regional Policy Statement - This will set out the region's overarching direction for resource management. We plan to notify the statement in early 2026.
- ▣ Te Whakamahere Wai Māori / Freshwater Planning - This workstream will ensure our freshwater policies align with Te Mana o te Wai and reflect the values and priorities of our communities.
- ▣ Te Whakawhanake me te Whakarahi Taone / Urban Growth and Development Planning - We are preparing the first urban plan change to support future growth. Notification is scheduled for 1 July 2025.
- ▣ Te Whakahou Mahere Hauhake Ngahere / Forestry Plan Changes - This work includes two changes fast-tracked due to cyclone damage:
 - ▣ The first focuses on harvest provisions and will be notified in 2025, pending Ministerial exemption.
 - ▣ The second will cover mapping and a broader review of forestry-related provisions, with notification expected after 2026.

Remaining changes to regional plan provisions (e.g. coastal, air) and district plan provisions (e.g. rural land use) are scheduled for notification in 2028. We will update the programme as national policies and legislation evolve.



For more information see our website gdc.govt.nz

▸ [Review of the Tairāwhiti Resource Management Plan | GDC](#)



Ō tātau tauwhāinga, o tātau whakautu

Challenges and responses

We are responding to a complex mix of legislative reform, climate impacts, infrastructure demands and rising service costs. This section outlines the actions we are taking to meet these challenges while keeping pace with regional needs.

Adapting to new legislation

The challenge:

Government reforms are driving major changes to how we operate, particularly through national strategies aimed at strengthening infrastructure and addressing the growing impacts of climate change. These shifts are prompting us to rethink how we deliver essential services such as water and waste management, creating both challenges and opportunities for Te Tairāwhiti.

Our response:

We're staying ahead of these shifts by advocating for the needs of Tairāwhiti, protecting local decision-making and planning for transition.

Our strategy includes:

- Preparing a Water Services Delivery Plan to meet new national standards under Local Water Done Well.
- Representing local priorities in national housing and infrastructure policy discussions.
- Maintaining a financial buffer to absorb emerging costs and adapt to legislative change.

Transitioning to sustainable land use

The challenge:

Te Tairāwhiti is known for its severe soft rock erosion – on a scale and severity greater than any other part in New Zealand. Our region contains 25% of the North Island's most severely eroding land. Over the past decade, extreme weather events have shown the serious risks posed by sediment loss and woody debris movement, resulting in widespread environmental damage. The Government's Ministerial Inquiry into Land Use (MILU) has also highlighted these problems and emphasises the need for better land management.

Our response:

We are leading a regional effort to protect our land, waterways and communities – laying the foundation for a more sustainable and resilient future. Key initiatives include:

- **Forestry plan change:** A plan change is underway to strengthen rules around forestry harvest and earthworks on erosion-prone land. The proposed provisions would introduce more stringent provisions than the National Environmental Standards for Commercial Forestry (NES-CF).
- **Land overlay framework:** A spatial layer developed through expert analysis and stakeholder input identifies the most erosion-prone land with a high risk of sediment reaching our waterways. This tool aims to determine land where forestry is no longer suitable and reversion to permanent, sustainable vegetation is required.
- **Transition advisory group (TAG):** A cross-sector group was established to guide the transition of erosion-prone land to permanent vegetation cover. TAG has developed practical guidelines for landowners and is leading the development of a regional business case to support investment in long-term, sustainable land use solutions. TAG was also formed in direct response to Recommendation 16 of MILU, which calls for land at extreme erosion risk to be transitioned to permanent canopy cover.
- **Standard forestry consent conditions:** New consent conditions have been introduced following more than a year of engagement with industry stakeholders. Designed to improve environmental outcomes and reduce risk across erosion-sensitive catchments, these standards are already in place ahead of broader planning changes.

Ongoing collaboration with communities, iwi and landowners remain central to ensuring solutions are locally relevant and deliver lasting outcomes for both people and the environment.

Responding to climate change

The challenge:

Climate change poses serious and growing risks to Te Tairāwhiti. It affects the wellbeing of our communities, the health of our environment and the strength of our regional economy. These impacts are not abstract or distant. We are already living with the consequences.

We are seeing:

- An increase in the frequency and intensity of extreme weather events, including cyclones, heavy rainfall, flooding and prolonged drought. These events are damaging homes, roads, crops and infrastructure, while placing greater pressure on emergency response systems.
- Rising sea levels and accelerating coastal erosion, which are placing vulnerable communities, ecosystems and key transport routes at risk.
- Worsening land degradation, which reduces productivity on erosion-prone land and makes it harder for rural communities to sustain livelihoods.
- Growing pressure on freshwater sources, as prolonged dry periods affect both drinking water supply and irrigation.
- A clear need for better forward planning, supported by coordinated investment and regulatory alignment, to ensure our region is protected and prepared.
- Responding to these challenges requires consistent, deliberate action across all parts of Council and our communities.

Our response:

We are actively responding to climate change through targeted planning, direct investment and partnership approaches. Our aim is to protect people, ecosystems and infrastructure, while building long-term resilience across the region.

- **Regional Climate Risk Assessment:** We are using asset-level climate modelling and

social vulnerability analysis to identify which communities face the highest risk from natural hazards and climate impacts. This work supports targeted adaptation planning and protects critical infrastructure. Projects such as the Waipaoa Flood Control and Rooding Resilience programmes are already underway.

- **Enhancing Biodiversity:** We are restoring native forests, improving ecosystem health and strengthening regional biodiversity through initiatives like the Waingake Transformation.
- **Undertaking a regional climate risk assessment:** Includes asset-level modelling and social vulnerability analysis to identify risks to infrastructure and people. Results will guide adaptation investment. Projects like the Waipaoa Flood Control upgrade and roading resilience improvements are already underway.
- **Investing in biodiversity and ecosystem restoration:** The Waingake Transformation project is restoring native forest to reduce erosion, improve water quality, and support biodiversity. This boosts environmental resilience and delivers climate and economic co-benefits.
- **Developing a regional emissions reduction plan:** A full greenhouse gas inventory for Te Tairāwhiti is underway to identify key emission sources and shape a regional response aligned with national targets.
- **Managing Council's operational emissions:** We're reviewing our organisational footprint and targeting reductions through fleet efficiency, waste reduction and lower-emissions infrastructure, aiming for net-zero operations long term.
- **Partnering for impact:** We work with iwi, hapū, government and local partners to drive sustainability efforts in waste reduction, environmental protection, climate education and low-emissions transport.

Together, these actions form a coordinated and evolving response to one of the most urgent challenges of our time. Our goal is to build a Tairāwhiti that is safer, more sustainable and better prepared to meet the realities of a changing climate.

Local Water Done Well

The challenge:

The way councils deliver drinking water, wastewater and stormwater services is changing. Under the Government's Local Water Done Well programme, councils must now meet new national standards and submit a formal Water Services Delivery Plan. These changes aim to improve long-term service quality and environmental performance, but they also bring new regulatory requirements, higher expectations for investment and clearer accountability for outcomes.

Our response:

We are responding with a locally grounded plan that keeps water services in-house. This reflects strong community support for local control, transparency and accountability, as well as confidence in the people who manage and maintain our water systems.

We are:

- ▀ Preparing a comprehensive Water Services Delivery Plan that outlines how we will meet national requirements, manage costs sustainably and maintain safe, reliable services for all users.
- ▀ Continuing to invest in our three waters infrastructure through the Three Year Plan and Long Term Plan, with a focus on system resilience, long-term renewals and future-proofing for population growth and climate impacts.
- ▀ Strengthening internal processes to monitor service performance, respond to issues quickly and report progress publicly.

We are also working with central government and sector partners to ensure that smaller and more isolated communities are not disadvantaged by a one-size-fits-all model. Many of our local networks operate in rural or geographically dispersed settings and we will continue to advocate for practical approaches that reflect these realities.

Strengthening economic and infrastructure resilience

The challenge:

Te Tairāwhiti continues to face challenges with infrastructure, access and safety. These pressures are being intensified by climate-driven events such as flooding, heavy rain and coastal erosion. As our population grows and our assets age, it is essential that our infrastructure remains strong, reliable and able to support the needs of all communities.

Our response:

We are prioritising investment that strengthens core infrastructure, supports safety and improves regional access.

We are:

- ▀ Investing in road safety improvements, with a focus on high-risk areas, to reduce harm and support safe travel across the network.
- ▀ Upgrading key infrastructure to improve resilience against severe weather and natural hazards, including targeted flood protection and coastal works.
- ▀ Expanding access to safe, low-emissions transport by improving walking and cycling connections and exploring better public transport options.

These actions are part of our long-term strategy to build a connected, climate-ready Tairāwhiti that can meet the needs of today and the future.







**Ā tātau
hinonga**

Our projects

A tātau mahi whakaoranga

Our recovery projects

Our recovery plan focuses on rebuilding infrastructure to be stronger and more resilient in preparation for future events. The estimated cost of this work is \$1.1b over several years. In November 2023, we secured \$204m government cyclone support package to fund specific regional recovery projects. We have introduced new levels of service and performance measures to monitor our progress in delivering these projects.

Flood protection

\$50.6m external funding \$5.6m Council funding

\$56.2m total funding - 3YP budget

Plans for the next three years

Focus on removing silt and debris, enhancing stopbanks, addressing flooding in the Waipaoa River area, clearing rural drainage networks and repairing the Mangahauini River stopbank to protect vulnerable communities from future flooding.



Future of Severely Affected Land

\$8.9m external funding \$12.9m Council funding

\$21.8m total funding - 3YP budget

Plans for the next three years

Demolish unsafe Category 3 properties, mitigating risks for Category 2 properties through measures like house lifting and ensuring the safety and resilience of affected communities.



Large woody debris

\$19m external funding \$2.7m Council funding

\$21.7m total funding - 3YP budget

Plans for the next three years

Prioritise the removal of woody debris from critical catchments and beaches, protecting infrastructure and natural environments and developing long-term strategies for effective debris management.



Roads to recovery

\$85m external funding

\$0.0m Council funding

\$85m total funding - 3YP budget

Plans for the next three years

Repair damaged and destroyed bridges, addressing risks on Tiniroto Road and major slips and collaborating with iwi to improve the resilience of roading infrastructure.



Community-led recovery plans

\$2m external funding

\$2.3m Council funding

\$4.3m total funding - 3YP budget

Plans for the next three years

Continue supporting 25 communities to develop tailored recovery plans, prioritising resilience for vulnerable groups and integrating community input to guide and adapt recovery efforts effectively.



For more information see our website: gdc.govt.nz

▶▶ [Recovery|GDC](#)

Ngā mahi matua

Our major projects

Our major projects are designed to deliver meaningful benefits that align with our vision and our community outcomes. These projects are backed by significant investments, combining Council funding with government grants and subsidies.

DrainWise

\$0.0m external funding	\$14.1m Council funding
\$14.1m total funding - 3YP budget	

Plans for the next three years

Address wastewater and stormwater issues through private property inspections, upgrade public stormwater infrastructure and renewing aging pipelines to prevent wastewater overflows and structural damage.



Kiwa Pools

\$3.5m external funding	\$3m Council funding
\$6.5m total funding - 3YP budget	

Plans for the next three years

Develop an outdoor play space with water play, hydro slides, basketball courts and expanded recreational areas for community wellbeing and enjoyment.



Waingake transformation

\$3.5m external funding	\$2.3m Council funding
\$5.8m total funding - 3YP budget	

Plans for the next three years

Restore the Waingake ecosystem by transitioning from pine to indigenous forest, enhancing biodiversity and ensuring water security while creating meaningful employment opportunities.



Waipaoa flood control

\$0.0m external funding \$10.1m Council funding

\$10.1m total funding - 3YP budget

Plans for the next three years

Upgrade 28km of stopbanks on the western Waipaoa River to provide 100-year flood protection, accounting for climate change impacts like heavier rain and rising sea levels.



Walking and cycling network

\$0.75m external funding \$2.5m Council funding

\$3.3m total funding - 3YP budget

Plans for the next three years

Extend the Taruheru River shared path, improving walking and cycling networks to encourage active travel and safer outdoor movement.



Waste minimisation

\$11.6m external funding \$1.4m Council funding

\$13m total funding - 3YP budget

Plans for the next three years

Implement Phase 2 of the Resource Recovery Centre, develop a new Waste Management and Minimisation Plan and provide community education to achieve waste reduction and recycling targets.



For more information see our website: gdc.govt.nz

▶▶ [Major projects | GDC](#)

Ētahi atu whakatakanga

Other projects

Tairāwhiti Resource Management Plan Review

\$0.0m external funding	\$7.7m Council funding
\$7.7m total funding - 3YP budget	

Plans for the next three years

Focus on completing Phase 1 with key updates for freshwater, forestry, urban development and regional policies, while initiating Phase 2 to address evolving regional demands. The plan will integrate scientific research and extensive collaboration with iwi/hapū, government agencies and community organisations.



Indoor Multipurpose Centre

\$0.0m external funding	\$2.5m Council funding
\$2.5m total funding - 3YP budget	

Plans for the next three years

Undertake feasibility studies, design and planning to bring the development to an investment-ready stage. With committed funding, the Council aims to maintain momentum for this key community facility in partnership with contractors, Central Government, iwi/hapū and other stakeholders.

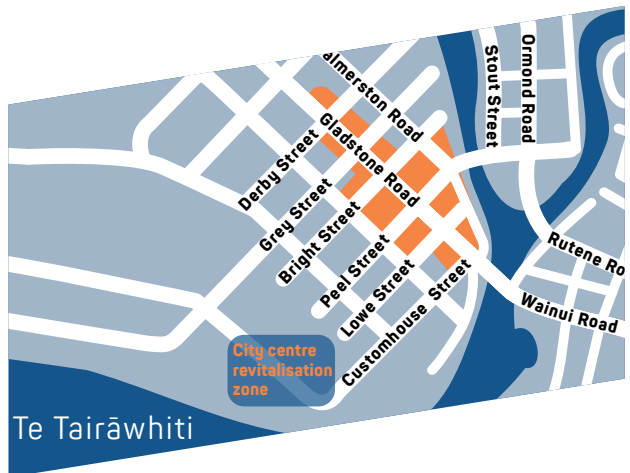


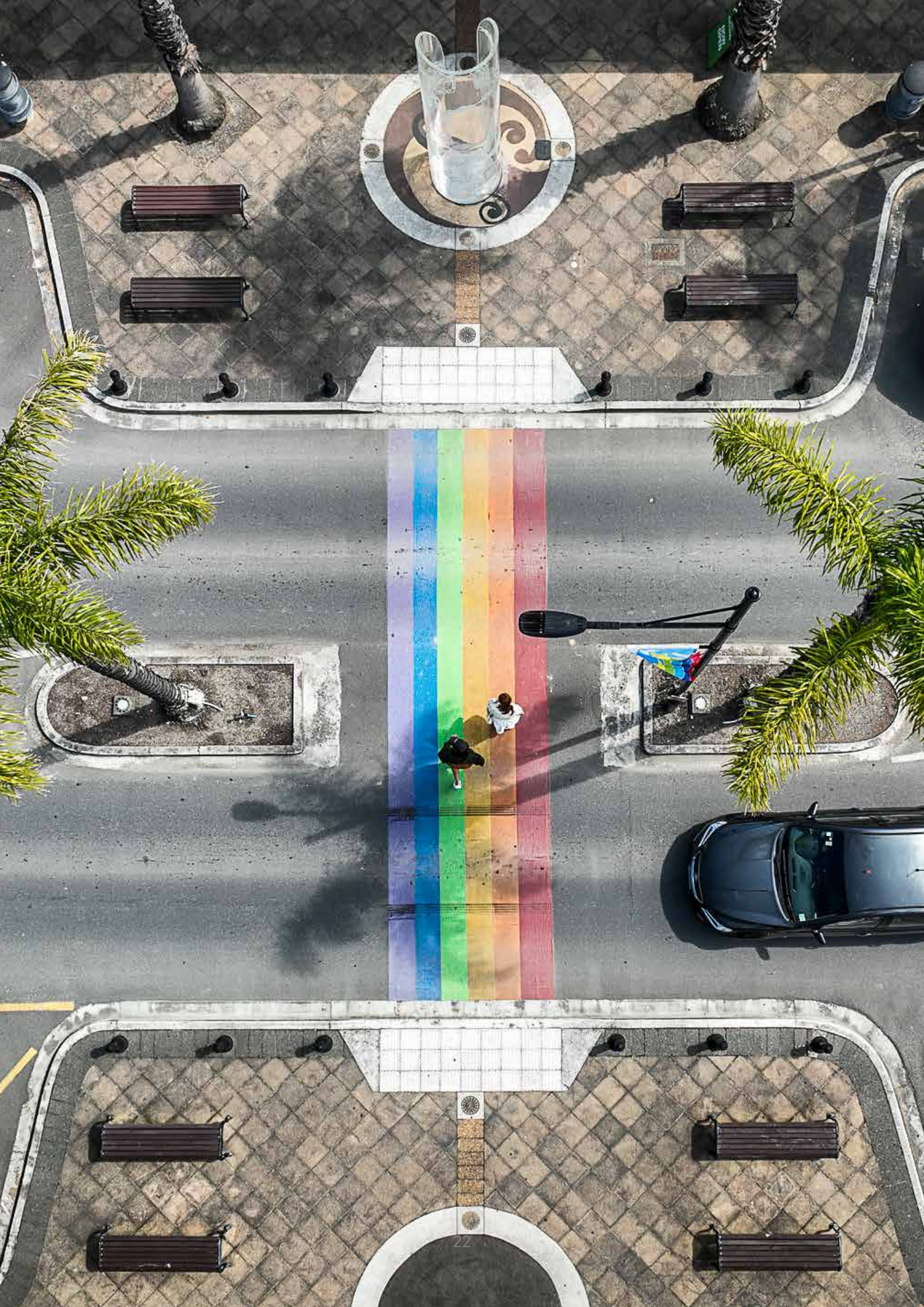
City Centre Revitalisation

\$0.34m external funding	\$2.66m Council funding
\$3m total funding - 3YP budget	

Plans for the next three years

The project will focus on refreshing the CBD with a strategy developed alongside Trust Tairāwhiti and community input. Key initiatives will include streetscaping, planting and infrastructure upgrades to improve vibrancy and make the city centre a more attractive and functional space.





Ngā mahi whakahirahira i te rohe

Our district highlights

Our community's aspirations for our region's future are enhanced by a combination of social, cultural, environmental and economic factors.

During 2024/25 Council carried out and supported many initiatives around Te Tairāwhiti that contributed to improving our community's wellbeing. Some of our achievements are highlighted here.

Community wellbeings



Social



Cultural



Environmental



Economic



Te Tairāwhiti receives \$23.6m for Cyclone Gabrielle recovery

Government announced \$23.6 million in funding to accelerate the removal of silt and woody debris in Tairāwhiti. Of this, \$18 million was allocated to continue woody debris removal, while \$5.6 million was set aside for applicants of the Tairāwhiti Sediment and Debris Fund.



Te Tairāwhiti acknowledged in a joint win for Cyclone Gabrielle volunteers

At the New Zealander of the Year awards in Auckland, every volunteer who helped after Cyclone Gabrielle was recognised. In the Community of the Year category, judges awarded a joint win to all volunteers nationwide who assisted in the aftermath of the cyclone, which severely impacted Te Tairāwhiti and Hawke's Bay on 13 and 14 February 2023.



Everyday SuperHeroes acknowledged at special award evening

The War Memorial Theatre hosted the Tairāwhiti SuperHero Awards, celebrating everyday heroes who performed extraordinary acts during Cyclone Gabrielle. Nearly 300 attendees honoured around 150 award recipients.





Te Arai swing bridge is back in action!

The Te Ārai swing bridge reopened after being closed since November 2023 due to damage from a fallen tree. The bridge has been repaired with new sway cables, timber boards, hangers and transoms. A small opening ceremony was held with council staff, iwi and members of the Manutūkē community.



AI game-changer for woody debris

Council's Large Woody Debris Programme has transformed its approach by integrating high-resolution aerial imagery and AI, enabling rapid and cost-effective debris detection. This advanced method has replaced slower, traditional techniques, significantly improving the speed and accuracy of identifying hazardous woody debris. The initiative, supported by substantial government funding, sets a new standard for proactive environmental management.



Salvaged treasures recycled

Council worked with local not-for-profits to recover and reuse materials from Category 3 homes damaged by Cyclone Gabrielle. Since October 2024, items like piping, bathtubs and kitchenware have been salvaged and resold to support recovery efforts, reduce waste and provide affordable goods to the community.



1000-year bridge project started

Construction work was completed on the long-awaited 1000-year bridge connecting Titirangi/Kaiti Hill and Puhī Kai Iki/Cook Landing Site. The open-air pedestrian bridge, 6.3m above Kaiti Beach Road, is shaped like a waka. It offers views of Tūrangānui -ā-Kiwa/Poverty Bay Flats where navigators arrived by waka and ship over the past 1000 years.





Double win for Kiwa Pools

Kiwa Pools picked up not one but two prestigious accolades at the 2024 New Zealand Commercial Project Awards - celebrating excellence in commercial construction, innovation and workmanship. A Gold Award for the project's exceptional quality and execution.



Joining forces

Maraetaha Incorporated and the Council have partnered to support the wellbeing of Maraetaha descendants and the wider Te Tairāwhiti community. The partnership recognises the cultural significance of local whenua including Waingake, Pamoā and Mangapoike. A key milestone includes the commissioning of a historical research inquiry to better understand the acquisition of Maraetaha whenua.



Tiniroto Community Recovery

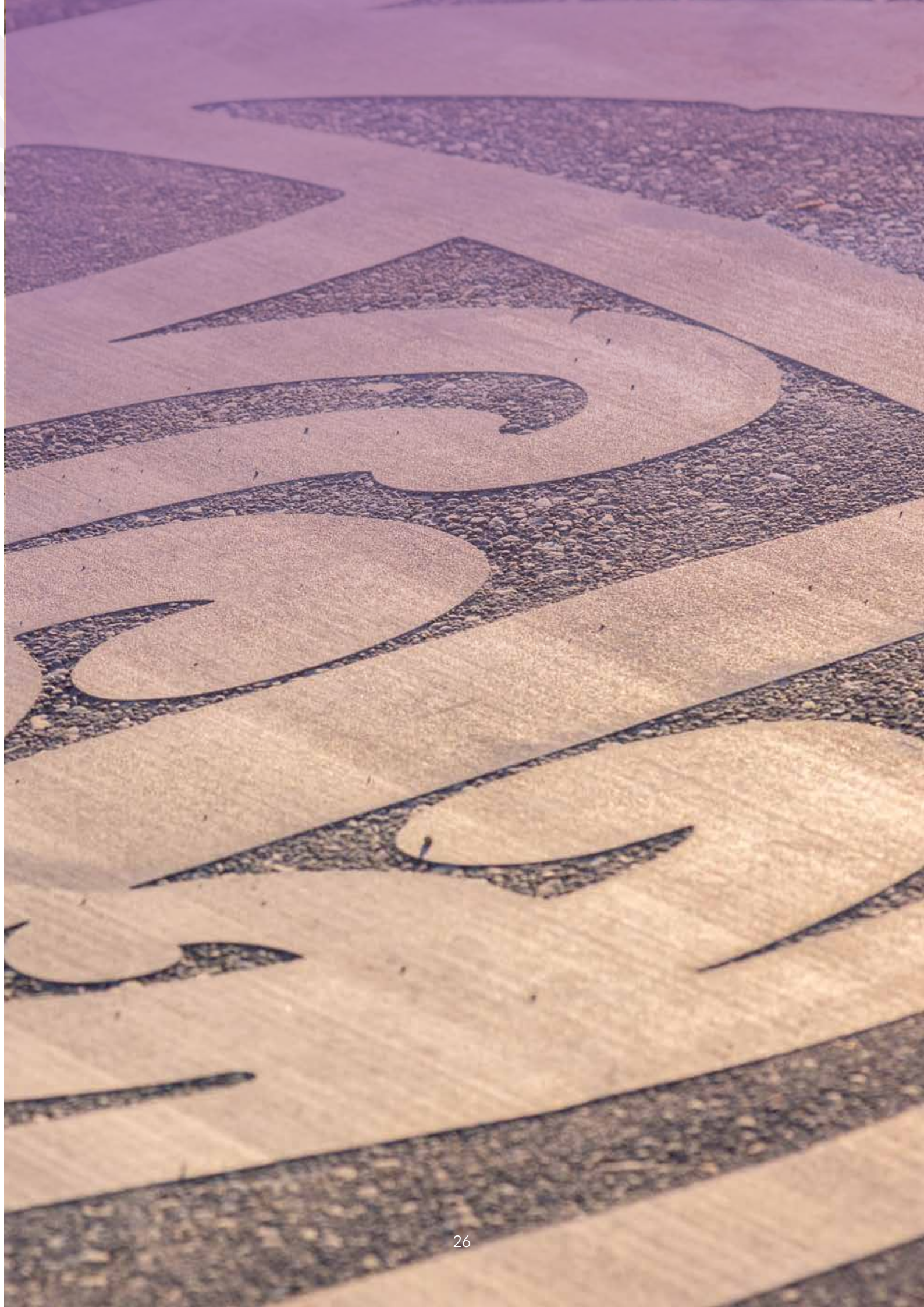
After Cyclone Gabrielle, the Tiniroto community led their recovery plan with Council support. Wins include \$80,000 for a school bus, a solar-powered emergency hub and a strengthened waterway catchment plan. Council has committed to bypassing Hangaroa Bluffs and long-term road and bridge repairs remain a focus. The community's achievements showcase resilience, self-sufficiency and strong local collaboration.



Council cadet programme success

Three Te Tairāwhiti locals successfully completed the Council's cadet programme, reflecting our commitment to local talent development.









Ngā tāra me ngā hēneti

The dollars and cents

This section includes our Funding Impact Statement and our Statement of Financial position. In these statements we will cover the financial information about how all council activities will be funded, where the funding comes from, how those funds will be applied and what council owns and owes at the end of the financial year.



Whakatakinga

Introduction

This section includes our Funding Impact Statement and our Statement of Financial position. These statements explain how all Council activities are funded, where the funding comes from, how those funds are applied and what Council owns and owes at the end of the financial year.

The financial statements in this report have been prepared to meet the specific requirements of Section 99A of the Local Government Act 2002. They include:

- Actual results from the audited Annual Reports for 2023 and 2024
- Estimates for 2025
- Forecasts for the financial years 2025-2027

Please note that forecasts may be significantly influenced by external events beyond Council's control. The 2025 estimates are based on the best available information at the time of preparing this report. There may be differences between these interim figures and the final year-end results.

One complexity of this **Pre-Election Report** is that the 2025/26 financial year is the second year of the 2024–2027 Three Year Plan (3YP). As a result of updated information, a number of changes have been made. These are detailed in the final **2025/26 Annual Plan**.

The Funding Impact Statement identifies how Council funds our activities. It shows where the funding comes from (including rates) and how those funds will be applied.

Retrospective:

- Funding Impact Statement for 2022/23 (Source: 2022/23 Annual Report)
- Funding Impact Statement for 2023/24 (Source: 2023/24 Annual Report)
- Estimated Funding Impact Statement for 2024/25
- Summary Statement of Financial Position for 2022/23 (Source: 2022/23 Annual Report)
- Summary Statement of Financial Position for 2023/24 (Source: 2023/24 Annual Report)
- Estimated Summary Statement of Financial Position for 2024/25

Prospective:

- Summary Statement of Financial Position for 2026/27 3YP
- Funding Impact Statement 2026/27 3YP

The Financial Position shows what Council owns (its assets) and what it owes (its liabilities) at the end of a financial year.

Funding impact statement

	AR 2023 \$000s	AR 2024 \$000s	Estimate* 2025 \$000s	Draft AP* 2026 \$000s	3YP 2027 \$000s
SOURCES OF OPERATING FUNDING					
General rates, uniform annual general charges, rates penalties	24,638	26,927	30,106	34,575	40,162
Targeted rates	49,140	52,051	58,049	63,026	65,579
Subsidies and grants for operating purposes	80,487	103,771	61,178	27,074	25,891
Fees, charges and targeted rates for water supply	9,580	10,974	12,030	13,597	13,729
Interest and Dividends from Investments	1,180	2,940	2,205	2,300	2,500
Local authorities fuel Tax, fines, infringement fees and other receipts	3,766	(377)	2,234	2,671	2,792
Total Operating Funding (A)	168,792	196,286	165,802	143,243	150,652
APPLICATIONS OF OPERATING FUNDING					
Payments to staff and suppliers	159,968	195,122	151,165	121,150	118,587
Finance costs	4,880	9,006	10,472	8,039	8,851
Other operating funding applications	0	0	0	0	0
Total applications of operating funding (B)	164,848	204,127	161,637	129,189	127,438
Surplus/(deficit) of operating funding (A-B)	3,944	(7,842)	4,165	14,054	23,214
SOURCES OF CAPITAL FUNDING					
Subsidies and grants for capital expenditure	42,919	55,790	76,846	105,717	92,543
Development and financial contributions	1,864	626	1,089	1,878	1,888
Increase/(decrease) in debt	21,648	19,258	22,349	12,783	9,781
Gross proceeds from sale of assets	(3,024)	(4,452)	249	850	950
Lump sum contributions	0	0	0	0	0
Total sources of capital funding (C)	63,406	71,222	100,533	121,227	105,162
APPLICATIONS OF CAPITAL FUNDING					
Capital expenditure					
- to meet additional demand	2,620	1,012	320	2,164	3,516
- to improve level of service	39,599	41,607	43,749	46,751	40,217
- to replace existing assets	41,344	48,430	62,173	100,869	89,199
Increase/(decrease) in reserves	(16,212)	(27,669)	(1,544)	(14,503)	(4,556)
Increase/(decrease) of investments	0	0	0	0	0
Total applications of capital funding (D)	67,350	63,380	104,698	135,281	128,375
Surplus/(deficit) of capital funding (C-D)	(3,944)	7,842	(4,165)	(14,054)	(23,214)
Funding balance ((A-B)+(C-D))	0	0	0	0	0

* Differences between current estimates and the final year-end results are expected. The Annual Plan 2026 is currently approved in draft form and changes will be made prior to final adoption by Council in June 2025.

Prospective statement of financial position as at 30 June 2025

	AR 2023 \$000s	AR 2024 \$000s	Estimate* 2025 \$000s	Draft AP* 2026 \$000s	3YP 2027 \$000s
CURRENT ASSETS					
Cash & Bank	28,728	21,551	0	14,522	28,728
Term Deposit		20,000	-	-	-
Non Exchange Trade and Other Receivables	24,505	28,741	33,068	28,945	24,908
Exchange Trade and Other Receivables	24,212	22,475	17,721	22,640	24,540
Inventories	45	104	104	104	45
Current Investments	81	711	711	711	81
Derivative Financial Instruments	770	694	(172)	694	770
Non Current Assets Held for Resale	80	80	80	80	80
Total Current Assets	78,421	94,356	51,511	67,695	79,152
CURRENT LIABILITIES					
Deposits Held	573	362	411	362	573
Trade and Other Payables	34,528	30,745	43,212	74,916	72,599
Income in advance	39,999	45,148			
Employee Benefits and Suspense	3,604	4,082	4,769	4,032	3,503
Borrowings	15,000	30,000	10,000	0	15,000
Provisions for Other Liabilities	468	560	560	560	468
Total Current Liabilities	94,172	110,897	58,952	79,869	92,143
Total Net Working Capital	(15,751)	(16,540)	(7,441)	(12,174)	(12,991)
NON CURRENT ASSETS					
Derivative Financial Instruments	958	334	0	334	958
Property Plant and Equipment	2,642,803	2,838,720	2,914,273	3,201,476	3,239,858
Intangible Assets	6,480	6,459	5,930	6,440	6,462
Biological Assets	1,543	924	924	924	1,263
Investments	35,294	35,911	36,956	35,911	35,294
Total Non Current Assets	2,687,078	2,882,349	2,958,084	3,245,086	3,283,836
NON CURRENT LIABILITIES					
Borrowings	109,800	147,800	185,000	223,973	219,586
Employee Benefit Liabilities	111	89	89	89	111
Provisions for Other Liabilities	2,002	1,925	1,926	2,039	2,226
Derivative Financial Instruments			983		
Emission trading scheme liabilities	795	812	812	812	795
Total Non Current Liabilities	112,708	150,625	188,809	226,912	222,718
Total Net Funds Employed	2,558,619	2,715,183	2,761,835	3,005,999	3,048,126
EQUITY					
Accumulated Surplus	534,082	541,192	593,732	740,215	828,702
Special Funds	53,188	60,718	54,916	35,409	31,365
Revaluation Reserves	1,971,349	2,113,273	2,113,187	2,230,375	2,188,059
Total Equity	2,557,619	2,715,183	2,761,835	3,005,999	3,048,126

* Differences between current estimates and the final year-end results are expected. The Annual Plan 2026 is currently approved in draft form and changes will be made prior to final adoption by Council in June 2025.

Kupu whakamarama

Glossary

Annual Plan: A plan that sets out what the Council will be working on to achieve in twelve months, how it will spend its money, the level of service to be provided and the level of rates and other revenue required. Councils are required to prepare an Annual Plan in year two and year three of the Three Year Plan cycle.

Annual Report: Councils are required to produce a report to tell the community how they performed in relation to the Three Year Plan and the Annual Plan.

Budget: The itemised estimate of expected income and expenditure for a given period.

Capital expenditure: Money spent replacing/upgrading/acquiring assets such as water or roading infrastructure and buildings. Council funds its capital expenditure through:

- ▀ Financial contributions and development contributions
- ▀ Grants and subsidies
- ▀ Cash surpluses
- ▀ Loans (borrowing)
- ▀ Depreciation funding on renewals.

Funding expenditure: Council has two types of expenditure: operating and capital expenditure. Different sources of funding are used, depending on the services it delivers.

Funding Impact Statement: Combines information from different groups of activities and sets out in a single statement the sources of both operating and capital funding. It shows how Council intends to fund its activities, both operational and capital, in the future.

Grants and subsidies: Funds received from other agencies, particularly the government.

Three Year Plan (3YP): Replacing the Long Term Plan, the Three Year Plan sets out the Council's priorities, vision, activities, projects and budgets over a three-year period. It focuses on key initiatives like repairing critical infrastructure and supporting recovery efforts after natural disasters, while balancing affordability for the community. It is a key planning tool that

outlines what the Council aims to achieve, how it will be funded and how it impacts the community.

Major project: A project with significant capital investment or community impact.

Operating expenditure: The costs of Council's normal business operations, excluding depreciation. Council funds this mainly from:

- ▀ Council levies, targeted rates or fees and charges on the basis of direct user pays
- ▀ Grants and subsidies received largely from central government
- ▀ Operating revenue such as interest and dividends received and rent received
- ▀ A general rate where there is deemed general benefit across the city.

Rates: Taxes on properties. Some rates are based on property value, while others are spread equally across groups of ratepayers. Councils may use different types of rates.

Statement of Financial Position: A report showing what the Council owns (its assets) and owes (its liabilities) at the end of a financial year.







4

**Kia mōhio i
tō Kaunihera**

**Get to know
your Council**

Ā mātau tūnga mahi me ngā ratonga

Our roles and services

Gisborne District Council is one of just six unitary authorities (also called unitary councils) in Aotearoa New Zealand. This means we carry out the responsibilities of both a territorial authority and a regional council. Our work spans everything from managing roads, water and waste services to protecting the environment, responding to natural hazards and supporting community wellbeing. With this wider scope comes a unique opportunity to help shape the future of Tairāwhiti across a broad range of issues that affect people and place.



Biosecurity

Including control of regional plant and animal pests.



Civil defence

Including natural disasters, marine oil spills.



Regional land transport

Including planning and contracting of passenger services.



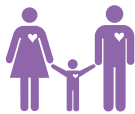
Resource management

Including quality of water, soil, coastal planning.



River management

Including flood control and mitigation of erosion.



Community wellbeing and development

Including advocacy, funding, partnerships and long term planning.



Environmental health and safety

Including building control and environmental health matters.



Infrastructure

Including roading and transport, sewerage, water/ stormwater.



Recreation and culture

Including parks, aquatics and community facilities.



Resource management

Including land-use planning and development control.

Responsibilities

Council has two key responsibilities outlined under [Section 10](#) of the LGA 2002, which are:

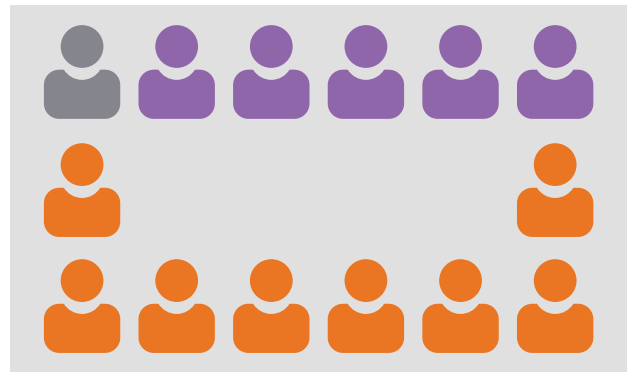
- to enable democratic decision-making and action by and on behalf of communities
- to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future.

Councils are responsible for providing good quality local infrastructure, local public services and performance of regulatory functions. The four wellbeings (on page 43) also recognise the major role councils play in enhancing community wellbeing and supporting overall quality of life.

Our governance structure

Gisborne District Council is currently made up of a Mayor and 13 Councillors, all elected by the community for a three-year term. The Deputy Mayor is appointed either by the Mayor or by a decision of the Council.

- Mayor
- Māori ward (5)
- General ward (8)



2025 Māori and General wards map

The Tairāwhiti Māori Ward elects five councillors and the Tairāwhiti General Ward has eight councillors. While councillors are elected from their respective wards, they are required to act in the best interests of the district as a whole.

- Māori ward
- General ward



Te anga ā-mahi

Organisation structure

Council has one appointed employee, the Chief Executive, who is responsible for implementing and managing Council’s policies and objectives within the budgetary constraints established by the Council.

Our hub structure

Council’s management team leads 508 staff across six hubs and the Office of the Chief Executive. Together, these teams carry out the day-to-day operations of our activities and provide strategic advice to the Council.

Chief Executive

The Chief Executive (CE), Nedine Thatcher Swann, is supported by five directors and a Chief Financial Officer (CFO), who together make up Council’s management team. They oversee a wide range of activities that contribute to the social, cultural, environmental and economic wellbeing of our communities.



Nedine Thatcher Swann

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



Names and titles are correct as at time of production.



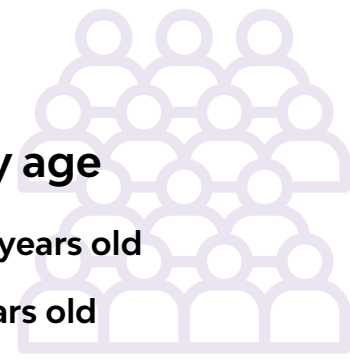
Tō tatou rohe me ngā ratonga

Our region and services

Te Tairāwhiti has a young, growing population with strong Māori ties and close community connections. We serve both urban and rural areas, providing essential services like waste collection, public toilets, parks, pools and playgrounds. This snapshot reflects the scale and diversity of our rohe.

Our population by age

- 22% under 15 years old
- 61% 15–65 years old
- 17% over 65 years old
- 36.7 average age
- 39% under 25's (highest proportion in Aotearoa New Zealand)



Our population by location

- 51,135 people (+7.6% since 2018 census)
- 73% urban living in Gisborne
- 13% rural and townships in Te Tairāwhiti
- 1% national population of Aotearoa New Zealand
- 3% national land area of Aotearoa New Zealand



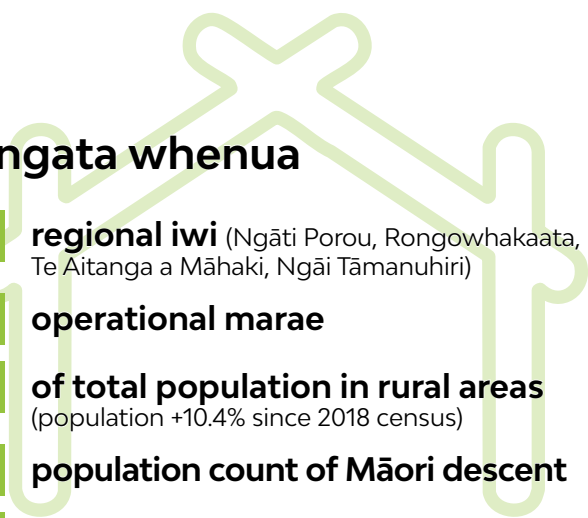
Our ethnicities

- 56.5% European
- 56% Māori
- 5.6% Pacific peoples
- 3.8% Asian
- 1.6% other ethnicities



Our tangata whenua

- 4 regional iwi (Ngāti Porou, Rongowhakaata, Te Aitanga a Māhaki, Ngāi Tāmanuhiri)
- 71 operational marae
- 56% of total population in rural areas (population +10.4% since 2018 census)
- 28,656 population count of Māori descent
- 16% te reo Māori speakers (40% of national percentage of te reo Māori speakers)



Community facilities

- 13 cemeteries
- 53 public toilets
- 40 playgrounds
- 35 sport parks
- 2,500m³ gardens
- 4,000 street trees
- 1 library
- 1 Kiwa Pools
- 2 theatres
- 9 boat ramps
- 9 rural transfer stations

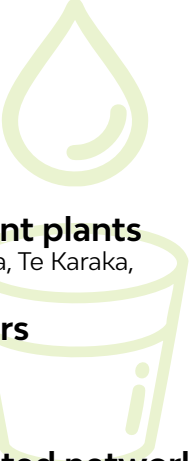


Services




56	parking meters
590	litter bins
14,851	houses on kerbside collection

Drinking water



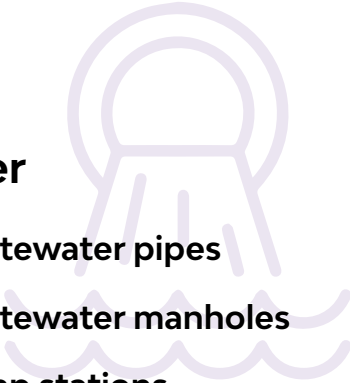
4	water treatment plants (Waingake, Waipaoa, Te Karaka, Whatatutu)
7	water reservoirs
304km	water pipes
72%	on the reticulated network

Stormwater



172km	stormwater pipes and drains
6,390	sumps
32km	channels and swales

Wastewater



328km	wastewater pipes
3,007	wastewater manholes
46	pump stations
2	wastewater networks

Regulatory services



1,524	building and resource consents
176	LIMs processed
9,800	registered dogs

Roads and footpaths



1,899km	roads
413	bridges
3703	streetlights
239km	footpaths
10.9km	cycleway shared paths
21	roundabouts

Flood protection



277km	rural land drains
303km	rivers and streams
77km	stopbanks





**Tō tātou aronga
rautaki**

**Our strategic
direction**

Tō tātau aronga rautaki

Our strategic framework

Our Strategic Framework sets out the strategic priorities that determine what is important to focus on, invest in and deliver to achieve our community outcomes.



Ō tātau putanga hapori



O tātau tukunga hapori me te oranga

Our community outcomes and wellbeings

Our community outcomes and wellbeings guide the long-term direction of our work, helping us focus on what matters most to the people of Te Tairāwhiti now and into the future.

Our community outcomes

A driven and enabled community

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



Resilient communities

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



Vibrant city and townships

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



Connected and safe communities

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



Our four wellbeings

Environmental wellbeing

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



Economic wellbeing

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



We take sustainability seriously

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



We celebrate our heritage

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



A diverse economy

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



Delivering for and with Māori

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



Social wellbeing

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



Cultural wellbeing

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





 DOYLE

Ngā hononga tiriti

Treaty partnership and relationships

Giving effect to Te Tiriti

Te Tiriti o Waitangi is a founding document of Aotearoa and a core pillar of local governance in Te Tairāwhiti. Upholding the rights of Māori as tangata whenua is not optional. It is a legal, cultural and leadership responsibility. For prospective elected members, understanding this responsibility is essential to serving effectively in this region.

While the Local Government Act 2002 outlines obligations to Māori, our role as a Council goes further. Te Tiriti provides the foundation for strong relationships, shared decision-making and equitable outcomes for our communities. It shapes how we govern, how we plan and how we respond to the needs and aspirations of our people.

Māori make up more than half of our region's population. We place Te Tiriti principles at the heart of our work to ensure decisions are fair, effective and grounded in local context.

Treaty relationships are built on more than policy. They are grounded in long-standing commitments to ahi kā, marae, hapū, iwi, Māori landowners, trusts and Treaty partners. These relationships bring depth, history and accountability to our work. They are not always simple, but they are critical. They guide decisions that affect the entire region.

Council's commitment to Te Tiriti is not symbolic. It is woven through our plans, our engagement and our leadership approach. Strengthening these relationships is a key part of delivering real outcomes for Te Tairāwhiti.

Treaty partnership in action

Council applies a Treaty-based framework to embed tangata whenua voices at the heart of decision-making and to uphold transparency and accountability across our organisation.

Tairāwhiti Piritahi, our policy for fostering Māori participation, provides guidance and tools to help staff build respectful and lasting

relationships with iwi, hapū, marae and Māori organisations. It sets clear expectations for engagement and helps ensure tangata whenua voices are present and heard across all stages of policy development, planning and service delivery.

Te Matapihi, introduced in 2019, supports Council and staff to align strategy, policy and planning with tangata whenua priorities. It includes practical resources, iwi narratives and internal guidance to help us navigate complex issues, engage meaningfully and strengthen our relationships. It remains a core tool for ensuring that our work reflects local tikanga, values and aspirations.

Building on this foundation, Council adopted Te Tiriti Compass in 2022. The Compass is a structured evaluation tool designed to embed Treaty principles into everyday decisions and operations. It allows Council to assess, monitor and report on how well we give effect to Te Tiriti across all areas of work, including policy, planning, resourcing and delivery.

The formal launch of Te Tiriti Compass at Pahou Marae in August 2024 marked a significant milestone in our Treaty journey. Since then, the Compass has improved internal accountability, lifted the quality of our governance and helped drive more consistent alignment with Treaty expectations. It is now a core part of how we evaluate and refine our decisions.

We are proud of this progress, but we are not finished. Key governance roles allocated for iwi, such as positions on the Emergency Management Committee and the Tairāwhiti Resource Management Plan governance group, remain vacant. These gaps reflect the need for continued investment in capability, relationships and shared governance.

Council continues to work closely with marae and hapū across a wide range of kaupapa, including climate resilience, recovery, freshwater and planning reform. These relationships are not peripheral to our work. They are essential to how we lead in this region.

Principles guiding our work

We ground our Treaty partnership in four core principles that shape how we lead, decide and engage across all of Council's work:

- ▣ **Tika** – We commit to doing what is right, ensuring fairness and respect in every decision.
- ▣ **Pono** – We act with honesty, integrity and good faith to build trust and maintain transparency.
- ▣ **Manaakitanga** – We uplift the mana of our relationships, fostering dignity and mutual respect.
- ▣ **Kete Mātauranga** – We recognise and reflect the deep knowledge and expertise of tangata whenua in our decision-making.

We apply these principles not as a checklist, but as a foundation for strong, values-based partnerships that deliver real outcomes for Te Tairāwhiti.

Looking ahead

Council will continue to build on its commitment to Treaty partnership by strengthening relationships with iwi and hapū and ensuring their voices are central to how we plan, prioritise and deliver for the region.

We have made meaningful progress through tools like Tairāwhiti Piritahi, Te Matapihi and Te Tiriti Compass. These have created stronger foundations for accountability and partnership across the organisation. Embedding Treaty principles consistently across strategy, policy, operations and governance remains a core focus.

We continue to refine the Tairāwhiti Piritahi policy using structured assessments and regular feedback. This ensures the framework stays practical and relevant and helps us improve how we support tangata whenua participation in real decision-making.

This work is not static. As we move forward, Council remains committed to growing its capability, strengthening partnerships and holding itself accountable to a Treaty-based approach that reflects the values and priorities of Te Tairāwhiti.



For more information see our website: gdc.govt.nz

▶▶ [Engaging Māori | GDC](#)



Te pou whakarite kaupapa me te whakamōhio

Our planning and reporting framework

This section outlines how our key planning and reporting documents work together to ensure transparency, accountability and alignment with the priorities set in the 2024–2027 Three Year Plan.



For more information see our website: gdc.govt.nz

▶▶ [Plans, Policies and Bylaws | Gisborne District Council](#)

2024–2027 Three Year Plan (3YP)

The 3YP is our key strategic planning document. It sets out the activities and projects we intend to deliver over the next three years, including their costs and how we plan to fund them. The 3YP also includes: A 30-year Infrastructure Strategy for managing critical infrastructure and a Financial Strategy to support the long-term, sustainable management of the region’s assets.

Annual Plan

An Annual Plan is prepared in years two and three of the 3YP cycle. It details Council’s budget for the year, including major projects, services and activities. The Annual Plan also highlights yearly costs and funding sources and the impact on rates and Council finances. If there are any significant changes from the 3YP, we will consult with the community and reflect these changes in the Annual Plan.

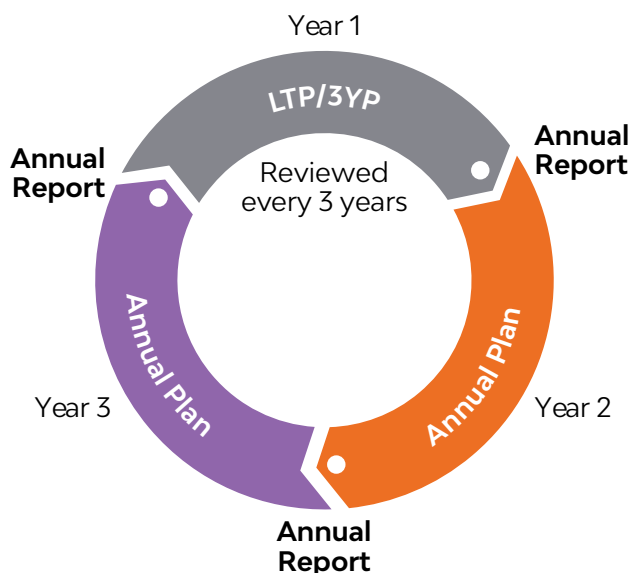


Quarterly reporting


We publish quarterly reports to provide a snapshot of our progress and performance during the financial year.

Annual Report

The Annual Report is our primary accountability document. It evaluates our performance against the 3YP and Annual Plan, detailing how rates and funding were used, what was achieved, challenges encountered, areas for improvement and our future direction.



Rautaki Ahumoni Financial Strategy



Refer to Volume 2 of the **2024-2027 Three Year Plan** for the full Financial Strategy

▶▶ [3YP|GDC](#)

We are managing the cost of Cyclone Gabrielle recovery while continuing to deliver core services, protect our environment and plan for a financially sustainable future for Te Tairāwhiti.

What we're facing

Cyclone Gabrielle struck when our infrastructure was already vulnerable, following seven severe weather events since 2021. We now face nearly \$1.1 billion in recovery costs, with most relating to our damaged roading network. At the same time, rising business costs including interest, depreciation and inflation have made rates increases unavoidable. The loss of dividends from our Council Controlled Trading Organisation has added further pressure.

Our response and focus areas

Council's Three-year Plan for 2024-2027 is already underway. It is built on a recovery budget that prioritises maintaining essential services, building resilience and progressing long-term regional priorities. During this period, we are continuing to:

- ▀ Deliver resilient and healthy waters
- ▀ Support safe and healthy communities
- ▀ Rebuild our damaged roading network through a staged and sustainable programme
- ▀ Maintain effective regulatory functions

We have capped rates increases at a maximum of 11.4 percent over the life of the plan. We know these increases will disproportionately affect people already facing hardship, particularly in a district with some of the highest deprivation levels in Aotearoa New Zealand. Rather than applying a blanket reduction, we have expanded our rates remission provisions and continue to work directly with affected households. This targeted approach supports those most in need now and helps prevent unsustainable financial strain on future generations.

We are funding the \$438 million capital programme, more than 90 percent of which addresses infrastructure and recovery, through a forecast increase in Council debt to \$234 million. This is up from \$150 million in the

2021 to 2031 Long Term Plan. It represents 158 percent of revenue and remains within our revised debt limit of 175 percent.

Our strategy

Our Financial Strategy sets the overall direction for how we manage our finances and make spending decisions. It outlines the sources of funding for our capital and operational costs and the flow-on impacts for rates, debt, service levels and investments.

The Strategy also shapes future funding decisions and, alongside the Infrastructure Strategy, informs our Three Year Plan delivery. The current plan reflects a no-frills recovery approach, focused on maintaining core services while staying aligned with long-term strategic goals.

How we pay for our activities

Our activities are funded partly through property rates and revenue from fees and charges for the services we provide. Additional income comes from Council-owned asset returns, investment dividends, government subsidies, borrowing and grant funding. How we raise and allocate these funds is outlined in our Financial Strategy and agreed to in the Three Year Plan.

Investment returns from our CCTO

Performance measure	Target	Actual 2023	Actual 2024
Improve the investment return level in order to grow the return from 2% of Council revenue to 4%	2-4%	2.8%	0.8%

The lower return in 2023/24 was mostly driven by not receiving a dividend from our CCTO - GHL, after the impacts of Cyclone Gabrielle on farming operations.

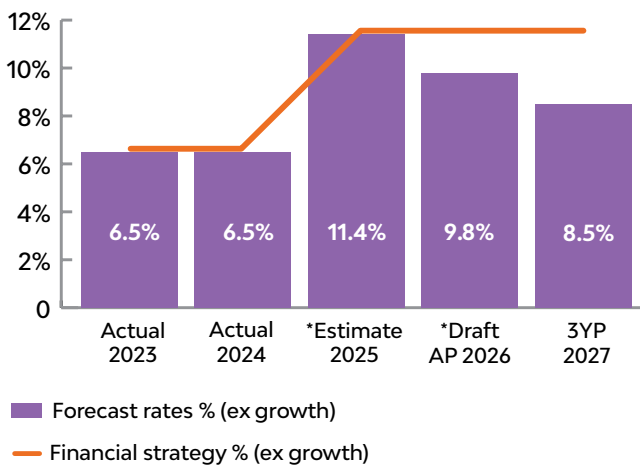
Key financial limits

The Financial Strategy has set two key financial limits:

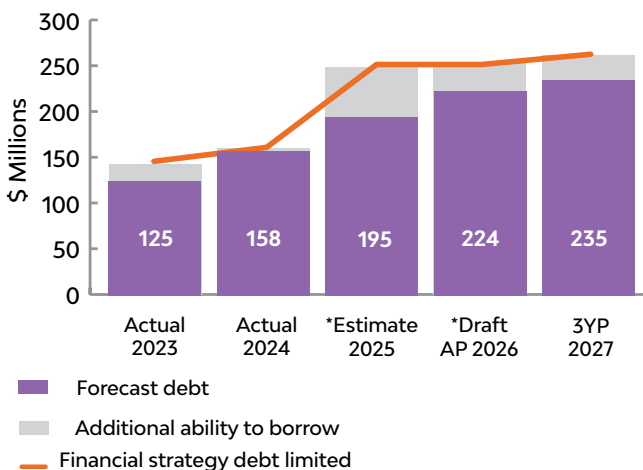
- ▮ Total Rates Revenue (excluding growth) will not exceed 11.4%. This comprises of a 7.9% increase to do our normal business and 3.5% for addressing our recovery needs. The average rates increases are set at the lowest level possible to manage our day to day core services, while also responding to our significant recovery issues.
- ▮ A debt limit - increase to 175% of our revenue.



Forecast total rates revenue



Forecast debt levels



Six key directions for managing our finances

The Strategy further provides six key directions for the management of our finances over years one to three of this 3YP:

- Keep rates as affordable as practicable - while recognising the need to fund critical activities and infrastructure and keep the region functioning well.
- Increase and diversify revenue - by optimising alternative funding sources such as partnerships, targeted contributions and investment income.
- Manage debt prudently - by raising debt levels within responsible limits to spread the cost of delivering key infrastructure projects over years one to three of the 3YP, in accordance with our financial policies.
- Prioritise critical activities and infrastructure - focusing on initiatives that meet community needs and support climate change resilience during the 3YP and beyond.
- Ensure those who benefit from services contribute to their costs - using tools such as user levies, targeted rates and development contributions.
- Grow and enable by encouraging economic activity without triggering additional costly capital projects or unnecessarily expanding Council's infrastructure footprint.

Strategic links

The Financial Strategy provides top-down direction for and is implemented through a variety of financial policies as outlined below:

- ▮ **Revenue and Financing Policy:** Sets out when to use debt or rates, including targeted rates for services that benefit specific ratepayer groups.
- ▮ **Development Contributions Policy:** Identifies growth-related infrastructure and the charges to be recovered from developers.
- ▮ **Investment Policy:** Describes Council's investment mix, how we manage associated risks, and our reporting procedures.
- ▮ **Liability Management Policy:** Covers debt repayment, credit exposure, interest rate risk and liquidity. It supports intergenerational equity decisions made in the Revenue and Financing Policy.
- ▮ **Rate Remission and Postponement Policy:** Remission and postponement policies are primarily used to address any inequities as a result of setting of the rates and provide assistance to those who are affected more than others.

Rautaki Hanganga Infrastructure Strategy



Refer to Volume 2 of the **2024-2027 Three Year Plan** for the full Infrastructure Strategy

▶▶ [3YPI GDC](#)

We are managing the cost of infrastructure recovery while continuing to deliver essential services and plan for the long-term resilience and sustainability of Te Tairāwhiti.

What we're facing

The impacts of Cyclones Hale and Gabrielle in early 2023 severely damaged our infrastructure, which was already under pressure from repeated weather events since 2021. Recovery is expected to cost \$275 million over the 2024-2027 Three Year Plan period, with the majority of funding needed for our damaged roading network.

At the same time, we are responding to growing expectations around environmental performance, stricter regulatory requirements, increased population pressures and the impacts of climate change. Affordability remains a major challenge, with rising living costs and economic hardship affecting many parts of our region. We must continue to deliver services and maintain infrastructure without placing unsustainable costs on future generations.

Our response and priorities

Our Three Year Plan focuses on recovery, resilience and affordability. We have prioritised critical infrastructure, deferred lower-priority capital projects and are leveraging external funding where possible to ease the pressure on ratepayers.

Between 2024 and 2027, we are investing more than \$330 million across four key focus areas:

- ▶ **Recovery:** We are rebuilding infrastructure damaged by Cyclones Hale and Gabrielle. Where possible, we are also improving resilience through the rebuild process. Investment across this period totals approximately \$275 million.
- ▶ **Te Taiao:** We are delivering projects that protect natural systems, meet regulatory standards and reflect our community's environmental expectations. Investment totals \$25.5 million.

- ▶ **Future readiness:** We are planning and preparing for climate change, population growth and long-term development. Investment totals \$29.3 million.
- ▶ **Affordability:** We are focusing on essential infrastructure and using co-funding and strategic deferrals to manage costs.

We have chosen to spread recovery costs across the district rather than basing them on property value. This reflects the region-wide nature of the damage and the shared benefit of the response and rebuild.

Our infrastructure approach

We manage over \$2.6 billion in assets, including \$2.2 billion in core infrastructure such as roads, water, wastewater, stormwater, rivers, land and coastal protection, alongside social infrastructure like community facilities and waste management services.

Our Infrastructure Strategy ensures we:

- ▶ Meet legal and regulatory obligations
- ▶ Maintain critical services
- ▶ Protect environmental and community wellbeing
- ▶ Plan responsibly for population growth and climate change
- ▶ Deliver within financial limits

We are continuing to prioritise investment in high-need areas and deferring or scaling back projects that are not essential. Where possible, we are securing co-funding and partnerships to reduce pressure on our rates base.

Supporting affordability

Our approach to affordability is designed to deliver essential infrastructure and service levels

while maximising alternative funding sources to provide better value for ratepayers. It also supports a clearer understanding of community priorities when planning and funding infrastructure.

Affordability is a key consideration when setting rates. While we aim to keep rates as low as possible, this must be balanced against the need to maintain critical assets and avoid passing unsustainable costs on to future generations.

Critical infrastructure and essential planning have been prioritised for delivery. Other capital projects, unless externally funded, will be delayed or deferred to prevent massive spikes in expenditure.

We have distributed the majority of recovery response costs across Tairāwhiti opting to spread the costs rather than applying a rate based on capital value. This acknowledges that the costs and benefits (after the benefits of impacted property owners are considered) are district wide, unable to be easily differentiated between different groups.

We recognise that affordability is a significant challenge in our region and the ability to pay varies across our communities. Some areas face high levels of deprivation, while others continue to experience hardship after multiple significant weather events. To address these inequities, we have increased our provisions for rates remissions, offering targeted support to those facing hardship.

Balancing our recovery and future needs

In this Strategy, we are committed to balancing immediate recovery needs with long-term priorities by:

- Investing more in water supply resilience so we can recover more quickly after severe weather events until the land stability in the area has improved.
- Repairing and replacing assets across all infrastructure areas due to the cumulative impacts of severe weather events in recent years.
- Completing projects to support residential growth in the Taruheru block and initiating further developments to enable expansion in other parts of the city.
- Expanding the Waipaoa River Flood Control project to enhance community protection, resilience to flooding and climate change - safeguarding both economic development and wellbeing. This work will also raise the current level of service.

- Investigating and implementing further flood protection options for our rural communities and the city.
- Protecting our water supply, restoring cultural values and enhancing biodiversity by progressing the Waingake Transformation programme.
- Taking a more proactive role in managing historic landfills and progressing a regional resource recovery service.

We've had to make difficult decisions about which projects to prioritise and fund in order to stay within our financial limits over the next three years. While we expect some government support for recovery, it won't cover all costs and we will need to allocate Council funding to ensure these critical projects are delivered.

Outcomes over the next three years

We will repair most of the key infrastructure damaged during Cyclones Hale and Gabrielle and progress the critical infrastructure needed to support our region's future.

We will:

- Complete research, modelling and planning for futureproofing our region, including the roading network strategic review, alternative water supply research and flood protection investigation.
- Continue work on reducing stormwater infiltration into our wastewater network to ensure our wastewater infrastructure overflows much less frequently.
- Provide a water supply with high-quality and compliant drinking water and improve our ability to respond to the impacts of future adverse weather events on the water supply network.
- Improve our natural buffers around riparian and coastal reserve areas; complete rationalising our extensive network of public conveniences and play spaces to ensure we have the right asset in the right place for resilience; progress renewing and revitalising our city's CBD; and, with the help of external grant funding, complete the second stage of our Kiwa Pools outdoor area.
- Make progress on a new Regional Recovery Centre to enable more sorting and disposal of our waste streams, reducing the overall waste volumes that need to go to landfill; and identify options and complete future plans on how best to process waste across and within the district.



Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

- 📮 PO Box 747
Gisborne 4040 NZ
- 📍 15 Fitzherbert Street, Gisborne
Waiapu Road, Te Puia Springs
- ☎ 06 867 2049
0800 653 800
- ✉ service@gdc.govt.nz
- 🌐 www.gdc.govt.nz
- 📘 @GisborneDC
- 📲 Antenna app

