



**To Tatau Tairāwhiti
Māhere ā-Tau 2023/24**


**Our Tairāwhiti
Annual Report 2023/24**

***Te Kaunihera o Te Tairāwhiti
Gisborne District Council***

Adopted by Council on 17 October 2024

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Tō tātau tirohanga whakamua Our vision

**Tairāwhiti maranga ake!
E tīmata ana i konei.**

**Tairāwhiti rise up!
It all starts here.**

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

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

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He mihi ki tā mātau Pūrongo ā Tau 2023/24

Welcome to our Annual Report for 2023/24

About this report

The Annual Report provides an overview of our performance during the 2023/24 financial year, the challenges we encountered, and our responses to these challenges. It covers the period from 1 July 2023 to 30 June 2024.

This report is a key tool for keeping our communities informed about how their rates have been utilised. It highlights our successes, identifies areas for improvement, and outlines our future direction.

Included in this report are the major projects, programmes, and services we delivered. It also summarises our progress in recovering from the impacts of several severe weather events and the steps taken in our recovery efforts.

The Annual Report is organised into seven parts:

1. Welcome to the Annual Report
2. The Year that's been
3. Our Direction and Responses
4. Our Performance
5. Our Activities
6. Our Finances
7. Additional Information

Progressing Key Priorities

The 2023/24 Annual Plan was developed in the context of multiple severe weather events, including Cyclones Hale and Gabrielle. Despite these challenges, our key priorities have remained focused on delivering the commitments set out in our 2021-2031 Long Term Plan (LTP), while also scaling up to respond to the impacts of these events.

In the aftermath of Cyclone Gabrielle, our immediate priority was reconnecting communities and restoring critical infrastructure, which included addressing extensive damage to our roading network, water supply, and flood protection systems. As we transitioned from emergency response to recovery, we continued working on strengthening our region's resilience and supporting those most affected.

Throughout this recovery phase, we remained committed to delivering key projects and initiatives outlined in the LTP, alongside our recovery efforts. Major projects and programmes of work over the past year included:

- The opening of the Kiwa Pool Complex, providing a state-of-the-art recreational facility for our community.
- The Waingake Transformation Project, focused on restoring and protecting our region's natural environment.
- Upgrades to our drainage and stopbank networks, enhancing flood protection and resilience across the region.
- The Wastewater Treatment Plant upgrade, ensuring improved water quality and sustainable wastewater management.
- Modeshift and active transport initiatives such as Navigate Tairāwhiti, promoting safer and more accessible transport options.
- Developing the Future Development Strategy (FDS) as a 30-year planning tool to guide housing growth in our region.

These projects and initiatives have been delivered alongside our efforts to address the impacts of Cyclone Gabrielle, which included reinstating roading and establishing temporary access across the region, clearing woody debris from beaches, waterways, and land areas, and implementing stronger forestry practices through a dedicated Forestry Team. Additionally, we have supported affected property owners, including the purchase of Category 3 properties and providing grants to assist with silt and debris cleanup.

A year on from our initial response, we have made significant progress in balancing recovery efforts with the delivery of our planned work. Despite the challenges faced, we have remained financially stable, ensuring the continued delivery of essential services and projects. This report outlines our achievements to date and the ongoing efforts to strengthen our community's resilience and future growth.

We invite you to explore the details of our efforts and the steps we are taking to ensure a safer, more connected future for our region.



E whakapono ana ki to tātau hapori

Being accountable to our community

The following is an overview of our planning and reporting framework and how it integrates with the Annual Report.

Long Term Plan

In accordance with the Local Government Act 2002 (LGA), all councils must outline the activities and services they plan to provide over a ten-year period. Every three years, Gisborne District Council (Council) is required to review and prepare a new Long Term Plan (LTP) by engaging with our community. This process ensures that our community has a say in setting our future direction. The LTP details what we intend to do, how we will finance it, and the implications for rates and debt. It also establishes measures to monitor and evaluate our progress, ensuring that we remain transparent and accountable to our community.

The LTP also serves as an opportunity for Council to outline how we will:

- Execute major capital projects that will deliver long-lasting benefits by providing, upgrading, and enhancing our community spaces.
- Maintain our assets and invest sustainably in our future to ensure the safety, health, and wellbeing of our people.
- Plan, develop, and implement economically sustainable solutions for Te Tairāwhiti, prioritising the needs of our community both now and over the next ten years.

However, the LTP is more than just a planning document – it is also a blueprint for our shared vision of Te Tairāwhiti. Under the LGA, the purpose of Local Government includes promoting the four aspects of community wellbeing, social, economic, environmental, and cultural. This framework allows us to collaborate as a community to assess how the activities and services Council plans to undertake will impact the wellbeing of our community and achieve our community outcomes. The LTP is our primary tool for realising this vision.

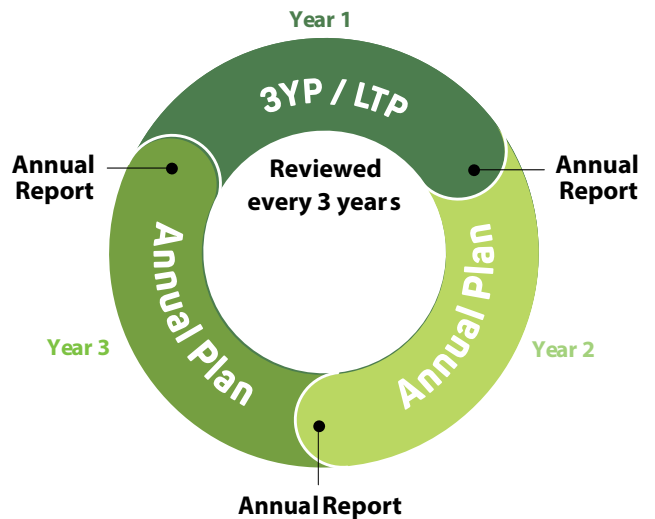
Annual Plan

In the second and third years of the LTP, we prepare an Annual Plan. The Annual Plan outlines what we aim to achieve, including major projects, activities, services, and financial information for that specific year. Crucially, the Annual Plan details the costs involved, how we plan to fund them, and the impact on rates and Council’s finances. When significant changes or variations from the LTP occur, we consult with our community and incorporate these changes into the Annual Plan.



Annual Report

The Annual Report is the key accountability document that Council is required to produce each year. It details our performance against the Annual Plan and the current Long Term Plan (LTP). The Annual Report provides a financial summary of our performance over the past financial year and serves as a crucial tool for informing our communities about how rates have been utilised. It also highlights our successes, identifies areas for improvement, and provides context for our future direction. This Annual Report is the last to cover the LTP 2021-2031 before we transition to reporting on our new 2024-2027 Three Year Plan.



Three Year Plan

Following the severe weather events of 2023, an Order in Council was issued under the Severe Weather Emergency Recovery Legislation Act 2023. This allows us to develop a three-year, recovery-focused plan in place of the standard ten-year plan, recognising that cyclone damage has created uncertainty around costs, funding, and timing. The extent of work ahead also impacts our ability to deliver previously planned projects.

We adopted our 2024-2027 Three Year Plan (3YP) on 27 June 2024, with the primary goal of “Healing Our Region for Our Future.” This plan outlines our commitments to deliver the activities, services, and infrastructure essential for our region’s recovery and long-term resilience. It details what we intend to do, how we will fund these efforts, and the implications for rates and debt. Additionally, it includes measures to monitor and evaluate our progress.



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

Mai Pōtikirua ki Te Paritū, huri whakaroto ki ngā pae maunga o Te Ao Parauri, hoki atu ki ngā hukahuka o te moana, ko tēnei hoki te mihi o Te Tairāwhiti ki a koutou katoa. Piki mai, kake mai, nau mai ki ngā mahi a Te Kaunihera o Te Tairāwhiti i te tau kua hori, i ngā rā kua hipa. Rokohanga te mamae me ngā tauwhāinga, ko te pakiritanga o o tātau hapori me ngā tāngata katoa te mea whakawehi ia te rā haere ake nei. Tairāwhiti māia mai! Tairāwhiti, tō nui, tō rahi! Tairāwhiti tōku manawa e! Tihei mauri ora!

This Annual Report for 2023/24 reflects on the commitments made in our 2023/24 Annual Plan, set against a year marked by significant challenges and change. Throughout the year, we have focused on addressing the impacts of the severe weather events of 2023, while laying the foundations for our region's long-term recovery. It has been a mammoth effort!

In the first half of the 2023/24 financial year, our immediate priority was reconnecting communities, addressing critical needs, and assessing the extensive damage to our roads and vital infrastructure. As the year progressed, we maintained these efforts while planning for the substantial work ahead, with an estimated \$1.1 billion primarily needed for restoring our roading infrastructure. Of this, \$465 million is required to return our roading network to its previous state, whereas \$725 million is needed to rebuild it to a more resilient standard.

Our recovery efforts have focused on restoring critical infrastructure, including our roading network and flood protection systems. At the start of the 2023/24 financial year, more than 3,000 faults had been identified on local roads, and

37 roads remained closed. By 30 June, we had reopened 31 and spent over \$69 million in emergency repairs, addressing slips, bridge repairs, and the removal of over 412,000 tonnes of woody debris from beaches and waterways. We repaired and strengthened the damaged flood stopbanks on the Waipaoa River, extending them by an additional 16km. This brings the total length of upgraded stopbanks to 48km along the Waipaoa River. A dedicated forestry team was also established to improve practices and outcomes relating to the forestry sector.

The impacts of Cyclone Gabrielle have been devastating for many, with flooding, silt inundation, and land erosion causing significant damage across the region. In response, we initiated a comprehensive programme to purchase Category 3 properties under a 50% joint agreement with the Crown, which was formally finalised on 1 November 2023, following community consultation and the adoption of the buyout policy. This programme allows affected property owners to relocate to safer areas. So far, 23 properties have been settled, with ownership transferred to Council. Additionally, grants were given to 173 groups and commercial entities to support the clean-up of silt



and debris in impacted land areas. Further support, including house lifting and flood mitigation for Category 2 homes, is planned for 2024/2025.

These initiatives have been crucial in addressing our community's immediate needs. Our commitment to working with tangata whenua and engaging with our communities, particularly through the development of our 2024 - 2027 Three Year Plan, has remained a key focus.

Despite these tremendous challenges, we have continued to deliver on key projects outlined in our 2021-2031 Long Term Plan. The opening of Kiwa Pools, largely funded by Central Government, has provided our community with a state-of-the-art aquatic centre. The Wastewater Treatment Plant Upgrade and Township Upgrades have stayed on track, while major projects such as the Waipaoa Flood Control Climate Change Resilience Project, Walking and Cycling Projects, and the Tairāwhiti Resource Management Plan (TRMP) Review are ongoing. Notwithstanding planned work, significant progress has been made in implementing recommendations from the Ministerial Inquiry into Land Use (MILU).

We have remained financially stable, both in terms of our debt management and overall financial performance. This year, rates revenue made up 32% of our operating revenue, which is well below the ten-year forecast of 60%. This means that the bulk of our funding has come from grants and insurance proceeds, making your money go further. Our current net debt is \$157.8 million, which aligns with the financial cap set in the 2021-2031 Long Term Plan (LTP).

We have also navigated Central Government political and legislative changes, including those affecting freshwater management, the future of local government, resource management reforms, and the Three Waters Reform. Along with Ministerial Advisors, Central Government's decision to repeal Three Waters and replace it with "Local Water Done Well," an alternative solution that leaves the management of drinking water, stormwater and wastewater in the hands of local Councils, means we will continue to own and deliver water services in our region.

For a small Unitary Authority we are proud of what we have delivered to our community, and as we look ahead, we acknowledge the significant amount of work that lies before us. However, our vision and goals for healing our region and building resilience for the future remain our focus.

We invite you to read our Annual Report, recognising the challenges we have faced as a community and celebrating the progress we've made on our recovery journey so far.

Kia kaha Tairāwhiti,

Mayor Rehette Stoltz

Chief Executive
Nedine Thatcher Swann



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INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF GISBORNE DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Gisborne District Council (the District Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Stuart Mutch, using the staff and resources of Ernst & Young, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 23 October 2024. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 137 to 186 and pages:
 - present fairly, in all material respects:
 - the District Council and Group's financial position as at 30 June 2024;
 - the results of the operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards;
- the funding impact statement on page 187, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- the statement of service provision referred to as "our activities" on pages 63 to 133:
 - presents fairly, in all material respects, the levels of service for each group of activities for the year ended 30 June 2024, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;

- the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand; and
- the statement about capital expenditure for each group of activities on pages 188 to 197, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council's annual plan; and
- the funding impact statement for each group of activities on pages 188 to 197, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 184 to 186, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's and Group's audited information and, where applicable, the District Council's long-term plan and annual plans.

The basis for our opinion is explained below and we draw attention to other matters. In addition, we outline the responsibilities of the Council and our responsibilities relating to the audited information, we comment on other information, and we explain our independence.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the "*Responsibilities of the auditor for the audited information*" section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council's responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.



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The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council and the Group or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's annual plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Council and Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision referred to as "our activities", as a reasonable basis for assessing the levels of service achieved and reported by the District Council.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District Council and the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the audited information of the entities or business activities within the Group to express an opinion on the consolidated audited information. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 62, 134 to 136 and 198 to 203, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the District Council and Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board.



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In addition to our audit of the Council and Group and where required, subsidiaries, and our report on the disclosure requirements, we have carried out an engagement to audit the Councils debt register and provide debenture trustee reporting, which are compatible with those independence requirements. Other than these engagements we have no relationship with, or interests in, the District Council or its subsidiaries and controlled entities.

A handwritten signature in blue ink, appearing to be 'Stuart Mutch', written over a faint horizontal line.

Stuart Mutch
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand







Ko te tau kua taha The year that's been

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Te oranga o te hapori Our community wellbeings

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

Social.....



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

Cultural.....



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

Environmental.....



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

Economic.....



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



Tō tātau anga rautaki

Our strategic framework

Our Strategic Framework outlines the priorities that guide our focus, investments, and activities to achieve community outcomes. Although the 2024-2027 Three Year Plan updates these outcomes and priorities, the 2023/24 Annual Report remains aligned with the 2021-2031 Long Term Plan (LTP). Therefore, the Annual Report reflects the direction and initiatives set in the 21-31 LTP.

Ō tātau putanga hapori / 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.



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.

Ngā matua rautaki / Our strategic priorities



Te taiao

We will protect and enhance our environment and biodiversity.



Te hanganga

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



Ngā tikanga āwhina tāngata

We will efficiently deliver quality services that enable our communities.

Ngā mahi whakahirahira i te rohe Our district highlights

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

During 2023/24 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 [\(more on page 16\)](#)



Social



Cultural



Environmental



Economic



1.3 tonnes of rubbish cleaned up by the community

The community clean-up along Centennial Marine Drive was an event organised between Waste Management and Gisborne District Council. More than 100 people picked up 1.3 tonnes of rubbish from the sand dunes and beach along the 'Mad Mile'.



Waters of Kiwa Pools will connect us all

Kiwa Pools was warmly welcomed in Tairāwhiti with two special ceremonies. A pre-dawn blessing and karakia whakawātea by tangata whenua, attended by students and project affiliates, cleared the path for the new building. Later, around 500 people gathered for the pōwhiri and ribbon cutting to officially open the complex.



1000-year bridge project started

Construction work has begun on the long-awaited 1000-year bridge connecting Tītirangi/Kaiti Hill and Puhi Kai Iti/Cook Landing site. The open-air pedestrian bridge, 6.3m above Kaiti Beach Road, will be shaped like a waka and feature a Te Mārō viewing platform. It will offer views of Tūranganui-a-Kiwa/Poverty Bay Flats where navigators arrived by waka, and ship over the past 1000 years.



Tairāwhiti tops the country for ShakeOut again

Tairāwhiti had the highest participation rate in New Zealand for ShakeOut 2023, with 24% of the community signing up. This annual earthquake and tsunami drill saw Tairāwhiti, leading with 12,415 individuals, 70 businesses, 63 schools, and 269 households participating. This marks the third consecutive year Tairāwhiti has topped the scoreboard.



Te Ārai 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 Manutūke community.



Spartina spraying on the Taruheru

Spartina grass on the mudflats of the Taruheru River from the Peel Street Bridge to the Marina boat ramp was sprayed as a trial in January. It's the first stage of a Council project, in collaboration with mana whenua, to get rid of the invasive Spartina weed from the inner-city waterway.



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. The project earned a Gold Award for its exceptional quality and execution.



Commercial Silt Grants awarded

Funded by Central Government, the Sediment and Silt Recovery Fund provided crucial support for commercial properties affected by sediment and debris. In 2023/24, we awarded 173 Commercial Silt Grants, totalling \$12.3m to aid businesses in processing and disposing of sediment, helping them return to profitability.



New Emergency Coordination Centre officially opened

The new Emergency Coordination Centre (ECC) Te Manawa Whakarauora was officially opened on Potae Avenue. Around 100 people, including representatives from iwi, hapū, Police, St Johns, Fire and Emergency NZ, and Gisborne District Council, attended the opening. Anglican Ministers Ruawhaitiri Ngatai Mahue and Haumoana Kopua-Irwin blessed the building before the ribbon-cutting ceremony.



Hollywood opening in Tairāwhiti

The original 1957 Hollywood Bridge collapsed during Cyclone Gabrielle due to the Hangaroa River's raging torrent of water. It has been replaced by New Zealand's longest three-span Bailey bridge. The 71m long, 124-tonne bridge with over 5000 parts was officially opened by the Mayor, Council representatives, contractors, and the 16 residents who will benefit most from it.



Specialist emergency equipment

Nineteen communities in the region have received specialist emergency equipment, enabling them to initiate a community-led response if isolated after a catastrophic event. Led by Tairāwhiti Emergency Management (TEMO), the kits include water treatment units for salt or compromised water, mass first aid kits, and hybrid solar energy units, among other items.





Funding announced to accelerate the removal of silt and woody debris.

In February 2024, Prime Minister Christopher Luxon and Emergency Management Minister Mark Mitchell announced an additional \$23.6m in funding to continue the removal of silt and woody debris. This funding is in addition to \$53.5m already provided by Central Government to assist in the cleanup.



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 honored around 150 award recipients.



Community event to acknowledge Cyclone Gabrielle impacts

We hosted a free community event at the Gisborne Soundshell to mark the one-year anniversary of Cyclone Gabrielle and celebrate our collective resilience. Performers included Tami Neilson, Scribe, and Oceanspace. The event, Tū Whitia, featured face painting, train rides, bouncy castles, and a free sausage sizzle.



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 Tairāwhiti and Hawke's Bay on 13 and 14 February last year.





Ngā mahinga manawarū whakarauora

Our recovery highlights

This year's recovery efforts delivered crucial repairs and improvements across the district. From road and infrastructure repairs to flood protection and debris removal, these actions have restored essential services and strengthened our community's resilience.

Roading restoration and resilience:



2,444
unsealed potholes repaired across the district

2,965
sealed potholes fixed to improve road safety



2,054
traffic signs replaced or repaired for clearer guidance

100,407 m²
of sealed roads repaired post cyclone



56 bridges repaired
4 Bailey bridges installed
57 bridges in detailed design
18 bridges in construction



1,102 m²
of footpaths repaired for safer pedestrian access



Flood watch 24/7
Real time flood monitoring implemented for key rivers.

Riverbank protection
reconstructed 51m of sheet pile wall to reinforce and protect



Drains cleared
45km of silted drainage cleared to prevent flooding

Stopbanks upgraded
in 2023/24, 16km of stopbanks along Waipaoa were upgraded, with 48 km of the 64 km completed to date.



1,931
culverts repaired to restore drainage efficiency

68
new culverts installed to prevent further flooding



Land use revamp
new land use classification maps and erosion control plans developed with landowners

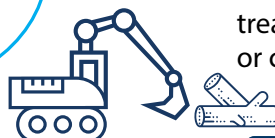
Erosion in check
spatial data created to target erosion control efforts



Forestry monitoring
74 ground and 7 aerial inspections completed across 47 forests

Sediment & Debris Recovery
173 agricultural and horticultural businesses, covering between 1 to 6,659 hectares, successfully applied for recovery support

415,470 tonnes
of debris cleared, 90% treated through burning or chipping



Tairāwhiti āianeī

Tairāwhiti today

Our population by location

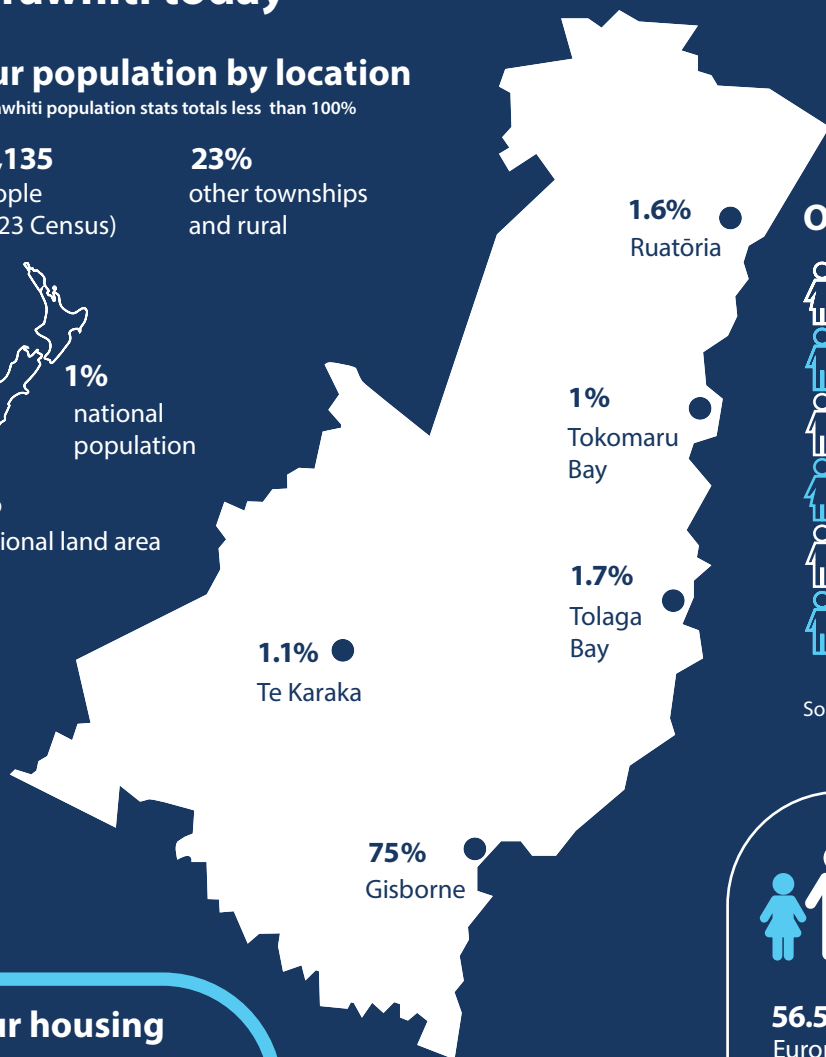
Tairāwhiti population stats totals less than 100%

51,135
people
(2023 Census)

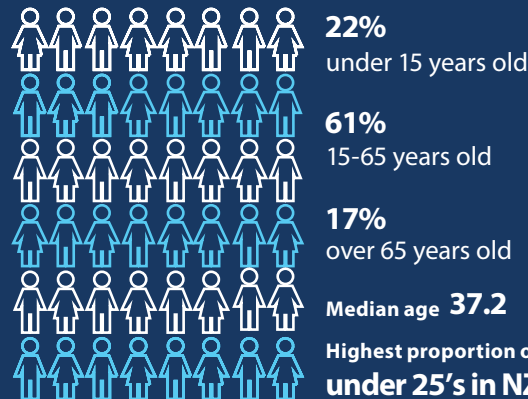
23%
other townships
and rural

1%
national
population

3%
national land area



Our population age



Source: Stats NZ – 2023

Our housing



\$790,000 ↗ **3.1%**
national median

\$619,000
Tairāwhiti median

↗ **7.7%**
Tairāwhiti house price
increase

(As of year on year
to March 2024)

Source: infometrics.co.nz

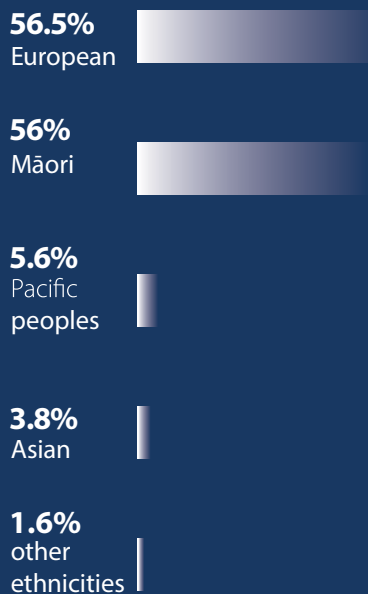


Our tangata whenua

- 4** regional iwi
- 71** operational marae
- 16%** te reo Māori speakers
- 4x** national percentage of te reo Māori speakers



Our ethnicities



Multiple ethnicities possible so totals more than 100%.

Source: Stats NZ – 2023

Council services



9998
registered dogs

40
playgrounds



35
sports parks

12
basketball and netball
courts and hoops



13
skateparks and pumptracks



1899km of
roads of which
almost

87% are rural
roads

239km
of footpaths



18.5km
cycle lanes/
shared paths

72
public conveniences



38,300m³
of water capacity
stored in
7 reservoirs



77 km
of stopbanks



Household income

\$127,423
national median

\$113,711
Tairāwhiti median

11 %
less than national median

Source: MBIE –www.mbie.govt.nz/



Employment

68% working-age employed

6% unemployment rate

14% self-employed

24,650 jobs, mainly in
1. Agriculture, forestry and fishing
2. Healthcare and social assistance
3. Construction



GDP

\$2,540.9 million ↑ 7%

\$51,883 per capita

0.7% national contribution



Gisborne Airport

228,639 ↑ 9%
passenger movements

Gisborne Port

2.4m tonnes of cargo left
our port



21 cruise ships
carrying nearly
10,000 passengers.



Source: Eastland Group
www.eastland.nz
Annual Report 2024

Ngā mahi matua

Our 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.

Legend

Community wellbeing icons

For detailed descriptions please see [page 16](#).



Social



Environmental



Cultural



Economic

Community outcome icons

For detailed descriptions please see [page 17](#).



A driven and enabled community



We take sustainability seriously



Resilient communities



We celebrate our heritage



Vibrant city and townships



A diverse economy



Connected and safe communities



Delivering for and with Māori

Waipaoa flood control climate change resilience project

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. The project aims to increase the level of flood protection of the Waipaoa River, accounting for climate change impacts (sea level rise and larger rain events) out to the year 2090.

Dollars and cents

2023/24 BUDGET \$4.2m

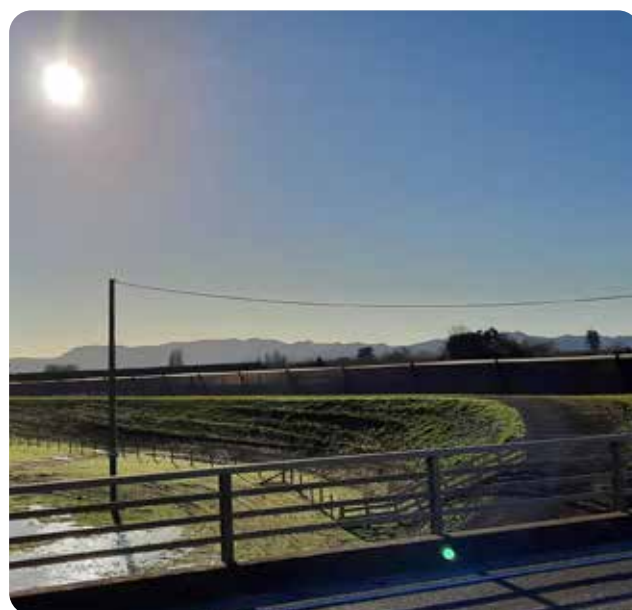
2023/24 ACTUAL \$8.7m ↑

LTP FY 2021-31 BUDGET \$33.6m

A CIP (Crown Infrastructure Project) \$20.46m funding application was formally approved in Feb 2024 for the Waipaoa Project. The works are progressing as planned with \$8.7m spent out of which \$5.15m has been funded by CIP.

Project highlights 2023/24

- Stopbank upgrade construction was completed in the Ormond Township area, (eastern side) to complete the stopbank improvements in the area and tie into the new \$2 million Mahunga Floodgates also just completed. The completion of these works in Ormond resulted in all 25.23km of the eastern (City) side stopbank being fully upgraded.
- Significant stopbank upgrade construction was completed on the western side of the Waipaoa River between Te Ārai River (Near Manutūkē Township) and the Whakaahu River near the Patūtahi Township.
- A total of 22.27km of stopbanks have now been upgraded on the western side of the Waipaoa River, making a total of 47.5km of stopbanks successfully upgraded since construction first started in February 2019.
- There are approximately 16.5km left to be upgraded to fully complete the Waipaoa Stopbanks upgrade works. In addition, there are significant rock armouring works, large culvert renewals, floodgate installations and other minor works also planned to be completed.
- Installation of two large rock groynes downstream of the KiwiRail Bridge (close to Karaua Stream near Manutūkē, western side).
- There was successful retreat and rebuild of about 200m of the Waipaoa stopbank just downstream of the Railway Bridge near Karaua Stream. This work was in conjunction with the two large rock groynes also installed in that area.
- Detailed design was completed of side hinge floodgate across the railway corridor scheme low point (close to Karaua Stream near Manutūkē, western side). The installation of this will be planned for next FY. The floodgate will be swung across the railway in a flood event to achieve the required flood protection to the community in that area.
- Stopbank upgrade construction was completed between the Matawhero (SH2) Bridge and the Patūtahi Township (including Whakaahu Stream). 10km of stopbank were fully upgraded.
- Kirkpatrick Road on either side of the Whakaahu Stream was



successfully raised at two locations (by 1.2m & 1.5m higher) to align the road height up to the upgraded stopbank profile in that area.

- Design and investigation work for future stages on the western side of the Waipaoa River is ongoing.

Impacts of severe weather events

- Stopbank upgrade construction work is on-hold until spring 2024. This generally happens over winter due to wet ground conditions. Operations are expected to restart in Sept/Oct 2024.
- The 2023/24 construction season was ideal for stopbank construction activities and earthmoving. The highest amount of stopbank (by length) were upgraded over the summer since stopbank construction first started back in Feb 2019.

Project Status

📅 Start date: 2015/16

📅 Completion date: 2027

Community wellbeing and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to » [Land, River and Coastal Groups](#) on page 75.



For more information about this project please see Council's website gdc.govt.nz

» [Waipaoa River Flood Control Scheme | Gisborne District Council](#)



Navigate Tairāwhiti

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. Three of the five projects are completed and are delivered together with tāngata whenua and partner organisations.

Dollars and cents

2023/24 BUDGET **\$1.5m** 2023/24 ACTUAL **\$1.4m** ↓

LTP FY 2021-31 BUDGET **\$1.8m**

This project is 100% externally funded with a Lotteries grant of \$2.7m and a Trust Tairāwhiti grant of \$343,000.

Project highlights 2023/24

- The waka shaped walkway bridge was fabricated off-site in collaboration with local contractors.
- All below ground works on foundations are complete.
- Te Mārō Viewing platform design has been completed.
- The construction of the 1000-year walkway is due to open this summer.

Impacts of severe weather events

Continued weather events cause Tītirangi maunga tracks and road to be closed on occasion due to slips, fallen trees, road slumps and cracks.

Project Status

📅 Start date: 2017

✅ Completion date: December 2024

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to >> **Liveable Community Group: Cultural Activities** on page 106.



For more information about this project please see Council's website [gdc.govt.nz](https://www.gdc.govt.nz)

>> [Navigate Tairāwhiti | Gisborne District Council](#)



Kiwa Pools

Kiwa Pools is a modern, year-round, temperature-controlled aquatic centre for the whole community. Ngāi Tāwhiri hapū provided cultural guidance, ensuring the building respects the land and people of Te Tairāwhiti.

Dollars and cents

2023/24 BUDGET \$1.1m 2023/24 ACTUAL \$2.45m

LTP FY 2021-31 BUDGET \$44.5m

This project is largely externally funded.

While there were some timing and budgeting differences, with more costs incurred in 2023/24 than expected, overall spending remained within the total budget.

The three-year costs were \$42.4 million. In addition to Crown Infrastructure Partners (CIP) funding of \$40.3 million, Council secured additional funding of \$1.4 million towards the upgrades to the solar panels and the hydrotherapy pool fitout.

Project highlights 2023/24


- We held a ceremonial opening for the Kiwi Pools on 23 August 2023, which was followed by a public opening on 2 September 2023.
- Demolition of the administration building began on 16 April 2024, with the site to be transformed into a grassed area by October 2024, with future potential to develop into a BBQ area and amphitheatre-like space for small outdoor concerts or market days.

Impacts of severe weather events

No impacts from severe weather events.

Project Status

 Start date: August 2017

 Completion date: October 2024

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to >> **Liveable Community Group: Recreation and Amenities** on page 109.



For more information about this project please see Council's website gdc.govt.nz

>> [Kiwa Pools | Gisborne District Council](#)



Waingake Transformation Programme

The Waingake Transformation Programme aims to restore the vital ecosystem of Waingake to its natural state and back to indigenous forest, in partnership with mana whenua Maraetaha Incorporation.

Dollars and cents

2023/24 BUDGET **\$2.9m** 2023/24 ACTUAL **\$2.3m** ↓

LTP FY 2021-31 BUDGET **\$18m**

Over the life of the project, total costs are expected to be funded 32% through grants. External grant funds are tracking according to the Long-Term Plan (LTP).

We were under budget in the 2023/24 financial year due to a combination of supply issues from plant suppliers affected by severe weather, unstable land caused by slips that we excluded from our planting area, and reduced weed control needs (primarily wilding pine) due to cooler, wetter conditions.

Project highlights 2023/24

- Developed a draft strategy and vision with our mana whenua partners Maraetaha Incorporation.
- Established baseline five-minute bird counts to help monitor restoration success over time.
- Completed gecko and long-tailed bat monitoring, and repeated seedling counts within the Waingake Waterworks (QEII) bush.
- Continued with our planting programme, adding a further 115ha of indigenous vegetation across the landscape.
- Continued control of wilding pine regrowth, emerging pest plants, and sustained ungulate control (goats, deer and pigs) to ensure the successful restoration and regeneration of Waingake.

Impacts of severe weather events

Severe weather caused supply disruptions for plant providers, while increased land instability from slips led to the exclusion of certain areas from planting.

Project Status

- 📅 Start date: October 2019
- 📌 This project is ongoing

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to >> **Liveable Communities Group: Catchment and Biodiversity** on page 103.



For more information about this project please see Council's website [gdc.govt.nz](https://www.gdc.govt.nz)

>> [Waingake Restoration | Gisborne District Council](#)



Wastewater Treatment Plant Upgrade

The city's wastewater is treated at the Wastewater Treatment Plant to improve the quality of water discharged into the bay. The plant has recently been upgraded with the addition of an ultraviolet disinfection system. Collaboration continues with iwi representatives from the Wastewater Management Committee and the Kiwa Group to ensure the effective use of the treated water.

Dollars and cents

2023/24 BUDGET \$0.8m | 2023/24 ACTUAL \$1.4m ↑

LTP FY 2021-31 BUDGET \$34.6m

This project is 100% council funded.

Overall, the three-year budget spend for the Wastewater Treatment Plant (WWTP) Stage 2 project is within the LTP budget. However, due to construction timing and delays, more costs were incurred in 2023/24 than originally planned in the Annual Plan.

Project highlights 2023/24

- Practical completion issued.
- Stage 2 equipment (excluding tertiary filter) operational and achieving performance levels close to compliance.
- Enterococci removal is meeting compliance requirements.
- 1664 Tonnes of solids produced for composting.
- Backup generator blackout capacity tested in high flow event.

Impacts of severe weather events

Continual adverse weather events in 2023/24 delayed the project and affected the operation of biological activity in the Biological Trickling Filter (BTF). As a result, it took three months for the BTF to recover and return to full performance, disrupting plant commissioning and solids production from November to January.

Project Status

📅 Start date: 2017

📅 Completion date: December 2024

Wastewater Treatment Plant upgrade:

- Pre-commissioning testing and signoff.
- Cold commissioning completed 28 July 2023.
- Physical construction completed 4 August 2023.
- Hot commissioning completed 31 July 2024 (excl tertiary filters).
- Trial operations and plant optimisation period, 25-days following.
- Compliance testing is in progress.
- Tertiary filter issue resolution targeted 2024/25 to achieve compliance.
- Councils legal position on design and performance issues being reviewed.

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to [» Wastewater Group](#) on page 89.



For more information about this project please see Council's website gdc.govt.nz

[» Wastewater Management Options | Gisborne District Council](#)



Walking and Cycling

The programme brings together several strategies, projects and initiatives between Council and NZ Transport Agency (NZTA) with a focus on cycling safety. Walking and cycling networks support and encourage our community to get outside and enjoy being able to move around the city easily and safely.

Dollars and cents

2023/24 BUDGET \$2.3m 2023/24 ACTUAL \$0m ↓

LTP FY 2021-31 BUDGET \$7.8m

There was no specific NZTA funded walking and cycling projects, Journeys staff were able to include these under other NZTA funded projects like Speed Reductions and Road to Zero.

The Taruheru business case was submitted to NZTA from Mitre 10 to the Botanical Gardens as part of our regional land transport programme.

The funding application to NZTA Waka Kotahi for \$3.1m for the Taruheru River Walkway programme was part of our Regional Land Transport Programme. However, with the latest Government Policy Statement prioritising recovery and resilience projects, it is unlikely this project will receive government funding. Council has allocated \$3.3m in the Long Term Plan for this work, and this has been carried over into the 2024-2027 Three Year Plan.

Project highlights 2023/24

Completed:

- Speed reductions around schools to improve safety.
- 100 metres of shared footpaths around Mitre 10.
- We have had initial discussions with Tapuwae Cycle and Walkway Trust to assist with this project.
- Construction of new footpath crossings along Palmerston Road and Peel and Derby Intersections.

Impacts of severe weather events

There was no significant impact from severe weather events as the construction programme was light.

Project Status

- 📅 Start date: July 2021
- 🔄 This project is ongoing

The NZTA components of this project will be severely reduced as they do not align with the current GPS.

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to >> **Roads and Footpaths** on page 80.



For more information about this project please see Council's website gdc.govt.nz

>> [Walking and Cycling Projects | Gisborne District Council](#)

Drainwise Implementation Programme

The DrainWise programme helps property owners fix wastewater overflow issues during heavy rain. We inspect gully traps and downpipes to ensure they are in good condition and properly connected.

Dollars and cents

2023/24 BUDGET **\$4.4m** 2023/24 ACTUAL **\$2.8m** ↓

LTP FY 2021-31 BUDGET **\$36.2m**

The project is 100% Council funded.

The project was \$1.6 million under the amount budgeted for in the 2023/24 Annual Plan. Some investigations and design work are ongoing, with construction expected to occur in the next financial year.

Project highlights 2023/24

Council's wastewater network

- Increased cleaning and surveillance for better performance of our public wastewater network.
- Spent \$2.4m lining old leaking pipes.
- Spent \$181k on pump station renewals and improvements to reduce overflow risks.

Council's stormwater network

- Spent \$395k on pipeline upgrades at Stout Street, Disraeli/Childers Road stormwater channel (archway) lining, and Ngaio Street pipe relining.
- Whataupoko stormwater project investigation and design underway 2023/24 to inform capital works in 2024/25.
- Works in Worsley St and Shelley Rd to address flooding issues have been designed, construction pending 2024/25.
- \$1.7m Graham Rd stormwater upgrade project to be constructed 2024/25, \$15k spent in 2023/24.

Council pipes into private property

- Ida/Coldstream Road and Scott Street completed.
- 608/610 Wainui Rd has been procured, resource consent received, and construction is planned for Spring 2024.
- 818 Gladstone Rd is in design with procurement planned for August 2023 ready for construction this summer 2024/25.
- Multiple projects are in the early design phase targeting construction 2025/26.

Private property inspections and repairs

- 1,266 leaking Gully traps have been repaired.
- 2,996 Property Inspections (Rapid Inflow Assessments) have been undertaken.
- 53 downpipes going into Gully traps have been removed, this is equivalent to 2500 homes worth of normal dry weather flows.

Project Status

- 📅 Start date: July 2015
- 📅 This project is ongoing



This programme of work is linked to resource consents for both dry and wet weather overflows. To meet the consent requirements, an increased budget has been approved in the Three-Year Plan.

Impacts of severe weather events

Damage to a section of the wastewater outfall pipe, caused by Cyclone Gabrielle, resulted in restricted treated wastewater flows from July to October 2023, until the repair was completed, and the pipeline was reinstated to full capacity. These events affected network performance during rain events, resulting in two discharge events.

High groundwater and repeated heavy rain events continued to affect network performance, resulting in four discharge events in total. Sustained elevated groundwater levels worsened the impact of weather events, leading to localised flooding.

Community wellbeings and outcomes

This major project contributes to the following community wellbeing and outcomes:



Council activities

To see how this major project contributes to the Council's activities refer to >> **Wastewater Group** on page 89 and >> **Urban Stormwater Group** on page 99.



For more information about this project please see Council's website gdc.govt.nz

>> [Drainwise](#) | [Gisborne District Council](#)





Tō tātau ahunga me ngā whakautu Our direction and responses

Treaty relationships and partnerships	36
Our financial strategy	37
Our challenges and responses	40
Recovery focus	45

Ngā hononga tiriti

Treaty relationships and partnerships

Council continues to progress its commitment to an enduring Treaty partnership with tangata whenua in Te Tairāwhiti. The journey is not without its challenges, as we navigate the dichotomy of supporting the rangatiratanga of tangata whenua within a legislative framework that can hinder the ability to meet partnership expectations. Council’s commitment goes beyond legislative obligations, and consistency in effort by both partners will realise outcomes. The 56% Māori demographic in our region necessitates a local democracy that reflects this reality.

Reflecting on 2023/24

The past year was a challenging one for Te Tairāwhiti. The aftermath of multiple adverse weather events required a reprioritisation of capacity and resources for both Council and tangata whenua. The recovery environment has heightened the expectations of tangata whenua for Council to prioritise the wellbeing of land, waterways, people, and the resilience of critical infrastructure.

This period also marks the halfway point in the term of the inaugural Māori ward councillors. The Māori seats have strengthened Council’s awareness and accountability to our partnership responsibilities. This contribution to Council debates has enhanced decisions, demonstrating the value of a Māori worldview, particularly as a voice for whenua, wai, and Māori, both urban and rural.

Council met with iwi leaders in early 2024, where partnership priorities for the coming period were discussed and agreed upon. The invitations to participate in the standing committees of Emergency Management, Wastewater Management, and the Tairāwhiti Resource Management Plan Review remain open. Council understands the importance of tangata whenua voices contributing to its decision-making processes and will continue to facilitate these opportunities. In April 2024, Council received formal notification from Turanga iwi to establish the Local Leadership Body (LLB). Council will work alongside the iwi membership to progress this important forum.

The implementation of the Te Tiriti Compass is still in its early stages but has already prompted increased awareness and responsiveness to our Treaty commitments by elected members and operational staff. Building the capability of diverse people and the systems they operate within will take time. The introduction of an evaluative framework will improve Council’s ability to adopt informed approaches and ensure consistency in effort towards our partnership commitments.

Looking Ahead

The current government is seeking to redefine the principles of the Treaty, alongside the repeal of various legislative provisions that acknowledge the Treaty-based rights and interests of tangata whenua. Although bound by legislation, Council is committed to our regional context and will work through this period of uncertainty alongside tangata whenua.

The implementation of the Te Tiriti Compass and capability building of staff and systems will be a focus for the coming period. This will be strengthened by a focus on increasing

interactions with whānau, hapū, marae, and iwi where the kaupapa and partnership requirements align. Monitoring and evaluation of these components will assist Council and tangata whenua in identifying opportunities for improvement. The spectrum of tangata whenua relationships is diverse, and developing the confidence to engage the right relationship at the right time will be integral to the success of our efforts moving forward.

Experience has shown that outcomes can be achieved when willing partners are at the table. Maintaining consistency through challenges and opportunities will be a deciding factor in the quality of any outcomes. This requires Council to ensure it is best aligned with the provisions and principles of a Treaty-based relationship. The foundation has been set for this to be tested alongside tangata whenua.



Tā tātau rautaki ahumoni

Our financial strategy

The 2023/24 financial year was guided by the Financial Strategy set out as Year 3 in the 2021-2031 Long Term Plan (LTP). An overarching aim of the Financial Strategy is to balance the need to protect our environment and assets while planning for our future in a financially sustainable way.

The Financial Strategy supports the LTP by providing the building blocks for sustainable development for Tairāwhiti by:

- Prioritising expenditure on our critical activities and infrastructure such as roads, wastewater treatment and flood protection.
- Developing our response to climate change.
- Reviewing what our district will be like through the Tairāwhiti Resource Management Plan and planning for the management of freshwater.

At a high level, in 2023/24, we spent on critical activities and community infrastructure:

- Roads - \$20.7m roading network renewals, \$21.7m reinstatement of bridges and roads, and a further \$47m of emergency reinstatement work after extreme weather events.
- Wastewater - The final completion of the Wastewater Treatment Plant December 2024.
- Waipaoa Flood Control Climate Change Resilience Project - \$10m with a total of 48km of stop banks completed since construction began.
- Kiwa Pools - Final completion of the new indoor pool. We held a ceremonial opening for the Kiwi Pools on 23 August 2023, which was followed by a public opening on 2 September 2023.
- 3-waters infrastructure - \$16.1m, with \$5.6m on water supply.

Worked on our building blocks:

- Tairāwhiti Resource Management Plan – The review of the plan is being conducted in two phases. Phase 1 commenced on 1 July 2021, with work beginning on a Future Development Strategy. This includes projections for housing and business growth in our region. Phase 2 will address the remaining TRMP provisions, including other land use provisions, regional-level provisions that manage natural resources, the Regional Coastal Plan, and the Discharge to Air Plan.
- Climate Change Response – Council is addressing climate challenges by implementing the actions outlined in Our Climate Change Roadmap to 2050. Ongoing work includes the Tairāwhiti Climate Change Risk Assessment (TCCRA) and the Emissions Reduction Plan (ERP).

We are reporting on our Financial Strategy for 2023/24 through the six key directions:

Key direction 1. Keep rates as affordable as practicable

“Keep rates as affordable as practicable while recognising the need to fund critical infrastructure and keep the region functioning well.”

How are we doing?

The Financial Strategy sets a limit of a maximum of 6.5% (plus growth) in rates increases over the next two years.

The graph in benchmark section (Note 37) shows in detail how we have aligned with our targets. All benchmarks have been met and are well within planned performance measures. This year overall rates increase was 6.5% (plus growth).

Key direction 2. Focus on critical activities and infrastructure

“Focus on critical activities and infrastructure which meet the community’s needs and respond to climate change during the long term period and beyond.”

How are we doing?

The LTP forecasts an average spend of \$49m per annum on capital works over ten years. However, in Years 1 and 2 of the LTP, planned capital expenditure is much higher, averaging \$92m. The higher spend in these years related to the Wastewater Treatment Plant (\$31.3m) and Kiwa Pools (\$44.5m).

In 2023/24 we invested a total of \$91m in capital works. This included a total of \$68.5m (or 75%) for critical infrastructure; mostly on roading \$42.5m, water supply \$9.6m and flood protection \$10m.

Last year in 2022/23 we spent a total of \$83.6m, with critical infrastructure spend being \$55.6m. Last year the capital programme for roading was \$19.8m and \$21.6m for wastewater.

Key direction 3. Increase alternative income streams

“Increase and optimise the use of alternative revenue streams through partnerships, targeted contributions and investment income.”

How are we doing?

The LTP average revenue was 60% from rates, grants 24% and 15% from other sources (such as dividends and fees and charges).

In 2023/24 our rates income as a proportion of total revenue was 32%, with grants increasing to 64%, with 4% from other sources. The increase of grants as proportion of our total revenue, enabled us to:

Complete planned LTP programme

- Boost to our own contributions to the Waipaoa Flood Control Climate Change Resilience Project.
- Contribute 50% to the FOSAL Category 3 Voluntary Residential buyouts.

Recovery after Cyclones

- Office of Recovery – enabling a Tairāwhiti community-led coordination along with Central Government departments.
- Roading where \$47m was spent on cleanup from cyclones, and a further \$21.7m on reinstatement of bridges and roads.
- Water supply Treatment Plant – Lamella filtration \$5.6m.

These funds meant we were less reliant on rates as our main source of income, allowing us to respond quicker than if we didn't have the additional external funding from Central Government and insurance. While Council is not fundamentally better off from the grants - as they were to reinstate where we were before the cyclone - it does mean the funding support from Central Government and from our insurance proceeds, results in a significantly reduced burden on the rate payer.

Council's other vehicle for looking at alternative income streams is our investments within Council Controlled Trading Organisations (CCTO), Gisborne Holdings Limited (GHL).

Council owns 100% of GHL and any profits are returned to Council by way of dividends and subvention payments.

Council's Investment Strategy with GHL has both shareholder focused goals aimed at increasing the return from commercial operations assets, increasing the income stream to Council and increasing the economic value to the community.

Over the past two years, GHL has been unable to pay a dividend. We had relied on these funds to reduce our rates revenue. Due to the shortfall in revenue this will be added to our overall debt, which will need to be factored in to increase our rates revenue over the next few years.

Key direction 4. Manage debt prudently

"Increase maximum debt levels still within prudent levels, to smooth the costs of delivering key infrastructure projects over years one to three of the long term plan, in line with our financial policies."

How are we doing?

The 2021-2031 Long Term Plan debt limit is set at 130% of revenue.

At the 2023/24 year end our total net debt was \$157.8m, higher than what was expected in the Annual Plan at \$148.4m.

Higher debt has been driven by a \$10m concessionary loan mostly for the FOSAL Category 3 Voluntary Residential Property Buyouts. The concessionary loan is part of the Central Government Recovery Package for Council, where we can borrow up to \$30 m at zero interest, for a period of 10 years. The \$10m drawn down within 2023/24 relates to our 50% share of the Category 3 property, and our contribution to the flood protection works.

Overall, we are within our debt limit of 130% debt to revenue at 128.5%.

Key direction 5. Ensure beneficiaries of services pay the costs

"Council aims to ensure that those who benefit from Council activities and infrastructure pay for them. This includes mechanisms such as user levies, targeted rates and development contributions."

How are we doing?

The tools we use to achieve this include financial management policies such as Revenue and Financing Policy, Fees and Charges Policy, Investment Policy and also through Development Contributions. We review fees and charges annually to ensure legislative requirements are met and that actual costs are being recovered.

Key direction 6. Growing the rating base

"Council will look to grow our rating base by supporting economic activity without the need to trigger additional costly capital works projects or growing Council's infrastructure footprint without care."

How are we doing?

We have several initiatives that support this directive:

- Collaboration with Trust Tairāwhiti to develop He Huarahi Hei Whāi Oranga, the Tairāwhiti Economic Action Plan. Trust Tairāwhiti is working with business, iwi and government on several initiatives to drive economic growth.
- Growing our tourism sector by developing fit-for-purpose facilities and experiences such as Navigate Tairāwhiti.
- Provide infrastructure to attract businesses to our region and encourage existing businesses to expand.
- Supporting initiatives that are aimed towards improving the productivity of Māori freehold land.
- Tairāwhiti Resource Management Plan review in progress which incorporates future projections of urban growth and development (Future Development Strategy).
- Delivering and progressing new community infrastructure to support and provide for growth.
- Partnering with iwi and others to create more nature-based jobs, such as with the continuation of the Waingake native restoration programme.



Ō tātau tauwhāinga, o tātau whakautu

Our challenges and responses

Council continues to navigate significant changes and uncertainty within the local government sector. Major reforms, together with direction from a new government, are reshaping the landscape. These changes are resulting in important shifts in regulation, governance, and our approach to how we manage and maintain our core infrastructure and environmental stewardship. In response, we are carefully addressing the challenges ahead. Below, we outline the key challenges we currently face and how we have been managing them.

For more information, please refer to our website gdc.govt.nz

Challenge:

The Resource Management Act 1991 (RMA), the primary law governing the use and management of natural and built resources in New Zealand, is now more than 30 years old. Over time, the RMA has increasingly been seen as inadequate for addressing contemporary challenges, including environmental protection, development needs, and emerging issues like climate change adaptation. The current RMA framework is not delivering the desired outcomes for the environment or development, and it is increasingly viewed as outdated and inefficient.

Response:

In response to these challenges, the coalition government has initiated a comprehensive reform of the RMA, structured into three phases:

Phase One: Repealing the NBA and SPA

The Natural and Built Environment Act and Spatial Planning Act came into effect in August 2023 and were repealed in December 2023.

Phase Two: Targeted Changes to the Resource Management System

In Phase Two, a series of targeted changes are being introduced to the existing Resource Management system to address the most pressing issues. These changes include the Fast-Track Approvals Bill, amendments to the RMA, and a national direction package.

Fast-Track Approvals Bill

The Fast-Track Approvals Bill, currently under consideration by the Environment Select Committee, introduces a stand-alone Act aimed at expediting significant infrastructure and development projects at local, regional, and national levels. This Bill, which creates a 'one-stop shop' approval process under various legislation, including the RMA, was introduced to Parliament in March 2024.

Council has submitted on the Bill, expressing support for an expedited approval process for projects aligned with iwi and partnership priorities in Tairāwhiti. However, concerns were raised regarding potential impacts on environmental protection. The Environment Select Committee is expected to report back on 18 October 2024, with the Bill likely to be enacted by the end of the year.

RMA Amendments

Two sets of amendments to the RMA are proposed. These amendments aim to address short-term issues and align with Government priorities.

The first set of RMA amendments includes the following key changes:

- Te Mana o te Wai: Removes the requirement to consider Te Mana o te Wai Hierarchy in resource consent applications unless mandated by regional freshwater planning documents.
- Stock Exclusion and Other Regulations: Amends Stock Exclusion regulations, repeals Intensive Winter Grazing regulations, and provides a consenting pathway for coal mining.
- Significant Natural Areas (SNAs): Pauses mandatory implementation of new SNAs for three years.
- Marine Farming: Extends the duration of existing marine farm consents.
- National Direction: Speeds up the process to create or amend national direction.

The second Set of RMA Amendments focuses on urgent changes needed to meet Government coalition and manifesto commitments. These changes are grouped into four key packages:

- Infrastructure and Energy: Develop national direction for energy and infrastructure projects, extend coastal permits, update telecommunications facility standards, and support renewable energy consents.
- Housing: Support housing growth policies, require councils to meet 30-year targets, allow opt-outs from density standards, and enable the development of granny flats and papakāinga housing.
- Farming and the Primary Sector: Amend policies to permit indoor production, greenhouses, and solar farms on productive land.
- Emergencies and Natural Hazards: Establish a framework for managing natural hazards and climate change risks, improve emergency provisions, and provide guidance to councils on hazard management.

Phase Three: Introduction of New Resource Management Legislation

The final phase of the reform will involve introducing new resource management legislation to replace the current RMA. This phase will explore key principles, such as clearly separating urban and spatial planning from environmental protection, reflecting property rights as a guiding principle, and establishing a legislative framework for spatial planning to enable longer-term, integrated planning. The reform also aims to streamline plan-making and consenting processes to speed up approvals and reduce the need for consents.

Review of the Tairāwhiti Resource Management Plan

Challenge:

The Tairāwhiti Resource Management Plan (TRMP) requires a comprehensive review to ensure it continues to support the sustainable management of natural and physical resources in the Tairāwhiti region. The region has experienced significant changes due to development, population growth, and evolving demands on resources. Additionally, updates to the TRMP are required to align with new national direction, including the National Policy Statement for Freshwater Management 2020 and the National Policy Statement on Urban Development 2020.

Response:

To address these challenges, Council has initiated a comprehensive review of the TRMP under the Resource Management Act 1991 (RMA). The review is being conducted in two phases:

- Phase 1: Started in 2021, focuses on the Regional Policy Statement provisions, freshwater provisions, and land use provisions related to forestry, urban growth, and development.
- Phase 2: Will address the remaining TRMP provisions, including other land use provisions, regional-level provisions that manage natural resources, the Regional Coastal Plan, and the Discharge to Air Plan.

Council moved forestry management to Phase 1 due to its close connection with freshwater catchment planning, ensuring a more integrated review. We have developed a Landslide Susceptibility and Connectivity Model for Tairāwhiti, which identifies areas likely to experience landslides and their impact on waterways. In response to weather impacts, the Government extended the freshwater planning deadline to December 2027, enabling the Freshwater team to focus on meaningful engagement in 2024.

A TRMP Committee has now been established, chaired by Mayor Rehette Stoltz, with six iwi seats and two independent commissioners. In June 2024, the Committee adopted a Regional Policy Statement framework based on 'ki uta ki tai' (mountains to sea). Council is working with iwi to define 'ki uta ki tai' for the region, using insights from the Iwi Technical Trial (October 2022 – October 2023).

Engagement with Treaty partners and the community remains central to developing the Regional Freshwater Plan and catchment plans.

In March 2024, Council affirmed its commitment to Te Mana o Te Wai, and engagement approaches include:

- Catchment-specific engagement with Iwi, Hapū, and Whānau.
- Establishing Catchment Advisory Groups.
- Stakeholder engagements.

Four advisory groups are now in place:

- Regional Freshwater Plan.
- Waipaoa catchment.
- Waimatā – Pakarae catchment.
- Ūawa catchment.

The Ūawa catchment serves as a pilot for integrating forestry and freshwater issues.

Engagements for the Southern, Northern, and Waiapu catchments are expected to start in 2025.

The TRMP team continues to develop evidence for catchment plans, and a Freshwater Water Quality Expert Panel has been established to address research gaps through scenario assessments.

Climate Change

Challenge:

Climate change, driven by human activities resulting in greenhouse gas (GHG) emissions, is causing warmer temperatures and altering global weather patterns. In Tairāwhiti, this has manifested in adverse natural events such as floods and landslides, which are expected to become more frequent and severe. Additionally, Central Government has signalled a shift in its approach to achieving New Zealand's climate change targets, creating uncertainty regarding the implications for existing Government plans and policies.

Response:

In 2022, Council developed Our Climate Change Roadmap to 2050 to proactively address these challenges. Following Cyclone Gabrielle, the focus on recovery has impacted implementation of the Roadmap. However, much of the recovery work completed over the past year has contributed to our climate adaptation response. This includes relocating residents from high-risk areas under the Future of Severely Affected Land programme, progressing the Flood Resilience and Land Sustainability work programmes, and working with communities to develop community-led recovery plans that also address future resilience. We have also advanced the development of a Wainui Beach Coastal Adaptation Plan as part of the TRMP review.

Council continues to advocate for Tairāwhiti at a national level, providing feedback on Government policy development, including the Climate Change Adaptation Inquiry and Natural Hazard national direction.

Council intends to revisit the Climate Change Roadmap to review regional and organisation priorities for responding to climate change. This will consider how we manage organisational emissions, how Council will support the region transition to a lower-emissions future and addressing current and future climate-related impacts.

Local Water Done Well

Challenge:

Climate adaptation and resilience planning are placing new pressures on community services and finances, particularly in the area of water infrastructure. There is an urgent need to future-proof this infrastructure to address the challenges posed by climate change, such as altered weather patterns and an increased frequency of severe weather events. Additionally, the introduction of the Local Water Done Well (LWDW) programme by Central Government requires councils to adapt to new frameworks for water service delivery, with a strong emphasis on water quality and infrastructure investment.

Response:

In response to these challenges, the Local Water Done Well (LWDW) programme has been initiated, emphasising local decision-making and flexibility for communities and councils in determining their water service delivery. The programme maintains a strong focus on water quality and infrastructure investment, ensuring that water services are resilient to the impacts of climate change.

The first step in this initiative was the introduction of the Local Government (Water Services Preliminary Arrangements) Bill to the House on 30 May 2024. This Bill, which was enacted on 2 September 2024, outlines the framework for the new three waters management system, requiring councils to prepare a water services delivery plan within 12 months.

Looking ahead, a second piece of legislation is expected by mid-2025, which will provide more detailed settings for the

new regime, including structural and financing tools and the regulatory framework. The LWDW programme supports the continued management and ownership of water services and infrastructure by territorial authorities. However, staff are preparing information on issues and options to help Council navigate the anticipated changes and ensure compliance with government standards for water quality and infrastructure investment.

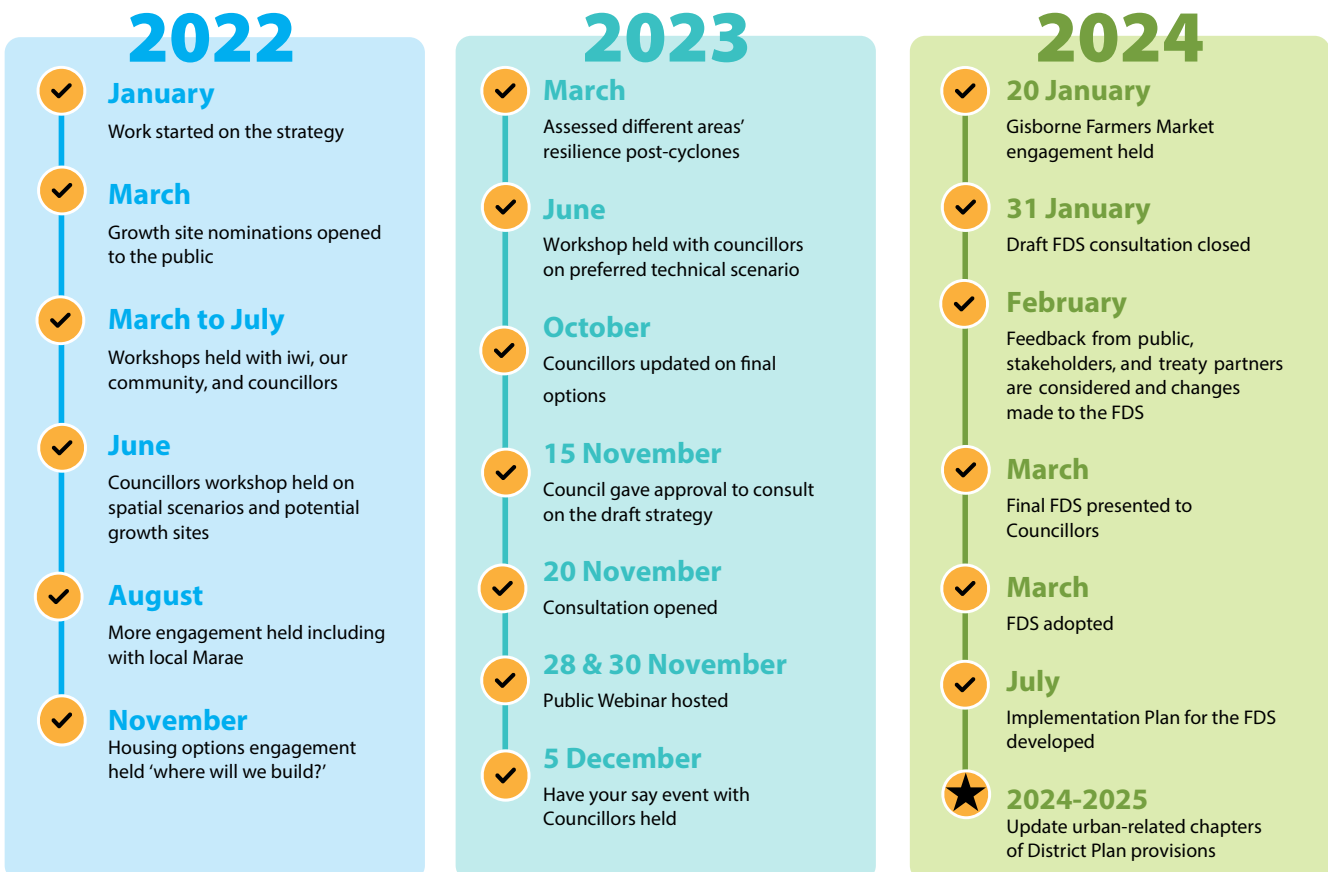
New rules for water quality, including wastewater and stormwater discharges, will be developed and enforced by Taumata Arowai. These rules will set standards for acceptable discharges and mitigate environmental risks to rivers and beaches, ensuring that water management practices meet the highest environmental standards.

Future Development Strategy

Challenge:

As our region grows, there is a need to plan for future urban development in a way that creates well-functioning urban environments while also preserving productive land for future generations. The challenge lies in identifying suitable areas for housing development, providing sufficient development capacity over the next 30 years, and ensuring the necessary infrastructure is in place to support this growth. Additionally, there is a need to manage urban sprawl and promote housing intensification in appropriate locations to accommodate the growing population.

The FDS Timeline



Response:

In response to these challenges, the Future Development Strategy (FDS) has been developed as a 30-year strategic planning tool that outlines areas in our region capable of supporting more homes in the future. The FDS identifies locations suitable for a variety of housing types, including housing intensification in the city centre and surrounding areas, greenfield growth areas, and intensified rural lifestyle development on the peri-urban edges of the city. This approach helps contain urban sprawl and preserves productive land for future generations.

The FDS anticipates that around 75% of the additional homes needed across the region can be provided through intensification.

This includes various housing types, ranging from infill on existing sites to more comprehensive schemes along transport corridors, in neighbourhood commercial centres, and in and around the city centre. Townhouses, terraced housing, and some multi-unit building forms will be allowed in suitable locations.

To guide the delivery of well-functioning urban areas, masterplans for key intensification areas and a Residential Design Guide will be developed and integrated into the Tairāwhiti Resource Management Plan (TRMP). An Implementation Plan has also been developed, setting out key actions and timelines to align growth with the FDS. Changes to the TRMP, such as zoning and rules, will follow the usual Resource Management Act processes, and there will be consultation with the community to ensure that growth is managed in a way that benefits the entire region.

Establishment of a New Zealand Rapid Response Team in Tairāwhiti

Challenge:

Tairāwhiti faces a wide range of hazards, including extreme weather events exacerbated by climate change, tectonic risks such as earthquakes and tsunamis, and other emergencies that have impacted the region significantly over the past five years. The rapid onset of climate change is expected to increase the frequency and intensity of adverse weather events, further heightening these risks. Many community and iwi groups have expressed a strong desire to self-resource and mobilise during emergency situations. Training and operational oversight from emergency services has been identified as a requirement to allow for this, and to reduce the risk of harm to both volunteers and the public during emergency response efforts.

Response:

To address these challenges, the establishment of a New Zealand Rapid Response Team (NZRT) capability in Tairāwhiti has been proposed. This would ensure that the region has a trained and coordinated local response capability to support critical tasks such as flood response, Civil Defence Community-Led Centres (CDC) operations, welfare tasks, cordon management, public notifications, evacuations, and support to emergency services. The NZRT would also help coordinate spontaneous volunteers and provide additional staff support.

The recent severe weather events of 2023 highlighted the need for a trained response entity in the region that can be deployed to support operational tasks during both Response and Recovery phases. The deployment of NZRT resources from outside the region during Cyclone Gabrielle demonstrated the effectiveness of such a capability, reinforcing the need for a locally based team.

Establishing an NZRT in Tairāwhiti will also address the legal and safety concerns related to the Health and Safety at Work Act 2015 (HSAW). By ensuring that volunteers and community members involved in emergency response activities are adequately trained, equipped, and operating under the direction of emergency services, the risks posed by untrained individuals can be mitigated. This will enhance the safety and well-being of both the volunteers and the public, reduce potential hazards, and ensure compliance with legal obligations under the HSAW Act.

Regional Speed Management Plan

Challenge:

The need to improve road safety, particularly around schools and high-risk areas, has driven changes to speed limit bylaws across the region. Council is aligning with the national Road to Zero strategy, which targets ensuring 40% of schools have Safe and Appropriate Speeds (SAAS) in place by 2024. However, recent amendments by Central Government have made the previously mandatory targets and deadlines for Speed Management Plans discretionary, which has complicated the implementation process. Additionally, we are facing the challenge of coordinating speed limit changes across both local roads and state highways, while ensuring that these changes effectively address areas with a history of crashes, new growth, or where walking and cycling need greater support.

Response:

In response to these challenges, Council has developed an Interim Speed Management Plan (ISMP) that updates the Tairāwhiti Speed Limits Bylaw 2013. This plan has been submitted to Waka Kotahi and certified as the ISMP for local roads within the district. The ISMP aligns with the Road to Zero strategy and introduces significant speed limit changes in key areas, such as reducing Stout Street's speed limit to 40km/h and setting a new 30km/h limit in the Central Business District (CBD) to enhance pedestrian and cyclist safety.

As part of Stage 2 of the ISMP implementation, new speed limits are being rolled out across the region, including reductions for 31 schools and 23 marae, and in some rural areas, where speed limits will drop from 100km/h to 80, 60, or 50km/h. These changes are targeted at locations with a recent crash history, new growth, or those needing better infrastructure for walking and cycling.

To ensure a cohesive approach, Council staff have also contributed to the State Highway ISMP consultation, working to align the plans for state highways and local roads. Following further upcoming rule changes, the Council will continue to adapt the ISMP, either through variations or by developing a full speed management plan.

In light of the anticipated new Land Transport Rule for setting speed limits, to be released for public consultation and signed by the end of 2024, the New Zealand Transport Agency (NZTA) has temporarily paused work on its speed management plans, allowing for adjustments to be made in alignment with the new regulations. This will help ensure that the speed management strategies across Tairāwhiti remain effective and compliant with national standards.

For more information, see the Interim State Highway Speed Management Plan at nzta.govt.nz

Regional Land Transport Plan Adoption

Challenge:

The region's land transport planning needed significant updates to address the evolving demands of economic growth, resilience, safety, and value for money. The previous Regional Land Transport Plan (RLTP) 2021-2031, published in June 2021, no longer fully aligned with current government policies, public expectations, or the latest Government Policy Statement on Land Transport (GPS) priorities. Additionally, the region faces unique challenges, such as the need to improve public transport, manage transport in rural areas, and adapt to climate change, all while integrating feedback from the "Let's Talk Transport Tairāwhiti" public consultation.

Response:

In response to these challenges, Council adopted a new Regional Land Transport Plan (RLTP) for 2024-34 on 23 May 2024. This updated plan sets the strategic direction for the next ten years and feeds into the National Land Transport Programme (NLTP). The RLTP has been revised to incorporate public feedback and align with the 2024 GPS strategic priorities, which include economic growth and productivity, increased maintenance and resilience, safety, and value for money.

Key changes in the updated RLTP include:

- 1. Inclusion of Updated GPS Priorities:** Ensuring alignment with national transport objectives through revised strategic priorities.

- 2. Language Refinement:** Replacing "mode shift" with "travel choice" to reflect the GPS language while continuing to promote travel behaviour change.
- 3. Removal of Road to Zero:** Moving away from specifically referencing the "Road to Zero" programme and adopting a broader focus on general road safety and crash reduction strategies.
- 4. Economic Benefits Highlighted:** Emphasising the economic advantages of multi-modal transport, including the value of the roading network and the efficiency of active travel and public transport.
- 5. Resilience and Recovery:** Including additional references to the Strategic Network Resilience Programme Business Case, supported by Waka Kotahi funding.
- 6. Enhancements in Public Transport:** Outlining improvements in the Gisborne city bus network, including a shift to cashless ticketing systems and increased farebox recovery targets.
- 7. Focus on East Coast and Rural Areas:** Addressing the importance of rural public transport and providing additional information on the transport challenges experienced by smaller townships and rural communities.
- 8. Increased Investment in Active Travel:** Prioritising improvements in customer levels of service for active travel, particularly for vulnerable users.
- 9. Inclusion of Public Feedback:** Integrating anonymous testimonies from public consultations to highlight challenges faced by vulnerable road users.
- 10. Adaptation to Climate Change:** Outlining activities aimed at mitigating climate change impacts by reducing greenhouse gas emissions from the transport sector.

The updated RLTP is subject to ongoing evaluation and adjustment, particularly regarding the financial forecast and the State Highway Investment Programme (SHIP), which includes considerations for post-Cyclone Gabrielle recovery efforts. The New Zealand Transport Agency (NZTA) will review the proposed activities in the RLTP, make funding decisions, and develop the National Land Transport Plan, with the outcome expected by the end of September 2024.



Arotahinga Whakarauoratanga

Recovery focus

Te Tairāwhiti has continued to navigate the challenges brought by Cyclones Hale and Gabrielle, which caused extensive damage across our region. Our roading network, flood protection systems, and land management practices have been at the forefront of recovery efforts. The scale of damage, particularly to our roads and bridges, has been unprecedented, with many areas isolated and infrastructure severely compromised.

Our roading network

During Cyclones Hale and Gabrielle, our roading network suffered extensive damage from landslides, floods, and heavy rains. This led to the collapse of roads and the destruction of bridges. Some rural areas were cut off for weeks, with eight bridges destroyed and 54 others severely damaged. More than 3,000 faults were reported on local roads, and over 200 major sections of road were significantly damaged. Tiniroto Road and Tiniroto Bluffs remain closed.

The total cost to restore our roading network to its previous state is estimated at \$465m, but \$725m is needed to rebuild it to a more resilient standard. Central Government has provided a support package of \$125m for emergency response costs; however, this leaves a substantial funding shortfall. We are working closely with Central Government to address this gap.

A detailed assessment of the region's 424 bridges revealed that 62 were affected by the events, with erosion impacting more than 250 parts of our network. We are currently reviewing the roading network to identify priority areas, focusing on ensuring public safety in the highest-risk locations.

Here's an overview of some of the key work that is underway:

- Tiniroto Road: This alternative route to State Highway 2 (SH2) South, connecting with Wairoa, has secured \$45m in business case funding. The project includes plans to reopen the bluffs section, finalise the Project Management Plan, and carry out geotechnical and hydrology works. Preparations for the Early Contractor Involvement (ECI) model are in progress.
- Dropouts: Repairs to road sections damaged by Cyclone Gabrielle and subsequent weather events require \$8.5m. We are finalising the prioritisation of these repairs.
- Bridge Strengthening (Red/Orange Bridges): We have identified 90 bridges that need strengthening to reconnect communities, with a funding requirement of \$17.5m.
- Temporary Solutions (Black Bridges): These projects focus on reconnecting isolated communities using temporary pathways and fords, with a budget of \$23m.
- Minor Repairs (Green Bridges): Involving 35 bridges with minor damage, this programme has a repair budget of \$1m. Current work includes site inspections, defining project scopes, and completing repairs.

- Iwi Projects: Council also negotiated, with iwi support, an Iwi Projects package totalling \$27 million to address community resilience challenges across the district.
- At the start of the 2023/24 financial year, more than 3,000 faults had been identified on local roads, with 37 roads remaining closed due to the impacts of weather events, including a recent cyclone. By 30 June, 31 of these roads had been successfully reopened, with over \$69m invested in emergency repairs, addressing slips, bridge repairs, and general road safety improvements across the district.

Key achievements during this period included:

- 2,444 unsealed potholes repaired across the district.
- 2,965 sealed potholes fixed.
- 2,054 traffic signs replaced or repaired.
- 100,407 m² of sealed roads repaired post-cyclone.
- 1,931 culverts repaired and 68 new culverts installed.
- 1,102 m² of footpaths repaired.

While significant progress has been made in the past year in responding to the damage incurred on the roading network, substantial restoration work is still required. This work will continue over the next three years, as outlined in our 2024-2027 Three-Year Plan.

Flood protection

Flood protection, rivers, and land drainage networks across our region have been significantly affected by persistent heavy rainfall and the impact of Cyclones Hale and Gabrielle. The build-up of silt has considerably reduced the capacity of drainage channels, increasing the risk of future flooding. Significant erosion and the loss of critical flood control structures, such as stopbanks, have also occurred. This situation poses a substantial threat to the safety and well-being of our communities, as well as to the integrity of infrastructure and properties throughout the region. These issues have heightened the urgency for a strategic and coordinated response to restore and improve our flood protection systems.

In response, we have initiated a comprehensive plan to reinstate, reinforce, and improve flood protection infrastructure across the region to ensure community safety and protect property. All damaged stopbanks have been successfully repaired and are now as good as, or better than, they were before Cyclone Gabrielle. With the assistance of Central Government funding, we have also accelerated flood protection works on the Waipaoa River, where 48 km of stopbanks have now been upgraded.

Additionally, we have undertaken work to improve our rural drainage network. Forty-five kilometres of the drainage network in the Manutuke, Patutahi, and Ormond Drainage Districts have been excavated and maintained to remove silt accumulations, ensuring their functionality in case of future rain events.

Hydraulic modelling work is being undertaken for the Waipaoa River near Te Karaka Township, using Cyclone Gabrielle as the calibration event in the model. 'Optioneering' work in collaboration with the Te Karaka community group started in August 2024 to develop and recommend flood scheme improvement options. This modelling forms a critical component of the wider Flood Resilience Investigation Programme being implemented across Tairāwhiti. The data and insights gained from hydraulic modelling are key to understanding the dynamics and implications of flooding in the area and identifying the most effective solutions for flood mitigation.

To further refine our strategies, we have begun evaluating a range of potential solutions and design alternatives for flood protection improvements and mitigations. Mitigation options to be considered will cover the PARA framework (Protect, Avoid, Retreat, Accommodate). This process involves assessing various options based on factors such as cost, feasibility, environmental impact, and effectiveness. Our goal is to select the most viable and sustainable approaches to improving flood resilience across the region.

We will continue to deliver the programme of flood resilience investigation and upgrade work across the district through 2024/25 and beyond. This work is captured in the 2024-2027 Three-Year Plan, which outlines our strategic priorities and investments for the coming years.

Future of Severely Affected Land

Many properties across regions affected by Cyclone Gabrielle suffered devastating impacts from flooding, silt inundation, or land erosion. In response, Central Government introduced the Future of Severely Affected Land (FOSAL) framework, a system designed to assess and address the risks associated with severely affected properties. This initiative involved mapping the affected properties to identify those at the highest risk of property damage or loss of life from future severe weather events. Properties have been categorised into Category 2 or Category 3 based on their risk level.

Category 3 is the highest risk category, identifying homes that are no longer safe to inhabit due to an unacceptable threat to life from flooding or landslides. These properties cannot be rebuilt on their current sites and are eligible for a Category 3 voluntary buyout.

Category 2 is identified as the managed risk category, where the risk to life can be mitigated. Measures include community-based mitigations (Category 2C), such as raising nearby stopbanks, improving drainage, or undertaking property-level mitigations (Category 2P), such as house lifting or constructing retaining walls. The number of affected properties currently identified in our region as of 30 June is as follows:

- Category 3: 69 properties, with 15 under the DPMC whenua Māori and marae pathway.

- Category 2P: 167 properties.
- Category 2C: 15 properties.

Voluntary Category 3 Buyouts

A comprehensive programme of work has been undertaken to enable Council to purchase Category 3 properties and allow impacted property owners to move to a new, safe home. This is a voluntary process, and owners have until June 2025 to reach an agreed settlement offer with GDC. Consultation with impacted property owners was undertaken to help inform the Category 3 buyout policy that was adopted by Council in November 2023.

As of 30 June 2024, the Category 3 Buy-Out initiative has completed settlements for 23 properties, with ownership transferred to the Council. This represents 43% of the property buy-outs, excluding 15 Whenua Māori Pathway properties.

Government Funding and our Strategy:

Following community consultation in October 2023, Council accepted the Government's \$204m cyclone support package, which included \$15m towards purchasing residential Category 3 properties. This \$15m represents 50% of the funding to purchase these properties, including relocation grants for mixed-use properties. The other 50% will come from Council. The purchase costs are less any insurance proceeds. This funding does not cover the costs of house demolition or ongoing maintenance following the buyouts, which will require funding through rates.

Separate from the cyclone support package, Government funding of \$15m has been provided to support Category 2P property-level mitigations.

Moving forward:

In the coming financial year, we will focus on:

- Completing all Category 3 voluntary buyouts
- Establishing a demolition programme for purchased Category 3 properties
- Future use of Category 3 land
- Providing 2P mitigation grant funding to eligible property owners

Commercial Sediment and Debris

In 2023, Government provided an initial \$7.41m funding to eligible commercial entities to support the clean-up of cyclone-related sediment and debris in Tairāwhiti.

There were 173 successful applicants ranging from pastoral, cropping, horticulture, and viticulture entities, with impacted land areas ranging from 1ha to 6659ha.

There was far more need from commercial entities than the initial funding provided for, and several applicants faced a lengthy wait for support while Council worked with Government to seek additional funding. In February 2024, the Government provided a further \$5.6m of support, which was gratefully received.

Land Management and Response to Ministerial Inquiry into Land Use

Our region has faced significant challenges due to land use practices, particularly forestry activities on highly sensitive land, exacerbated by severe weather events. These issues intensified following Cyclones Hale and Gabrielle in early 2023, which caused widespread mobilisation of forestry slash, woody debris, and mass erosion, significantly affecting local communities, infrastructure, and the environment. The urgent need for change in land use practices has prompted action at both regional and national levels, leading to a review of land use within the region through the Ministerial Inquiry into Land Use (MILU).

The MILU report, delivered in May 2023, identified the need for immediate and long-term actions relating to land management, woody debris, and regional forestry practices. Key recommendations from the report include:

- **Managing Woody Debris and Sediment:** The report called for a coordinated approach to managing woody debris and sediment in waterways. It recommended sustainable land use practices and improvements to critical infrastructure. A taskforce was proposed to lead the clean-up efforts, with costs to be shared between local and central government.
- **Strengthening Infrastructure Resilience:** The report focused on the need to maintain and renew key state highways, ensure flexibility in emergency funding, and prioritise local businesses for procurement. It also recommended the creation of a resilience plan for essential highways and supported projects such as restoring water supplies.
- **Promoting Sustainable Land Use:** The report suggested focusing on erosion-prone areas by transitioning highly erodible land to permanent vegetation cover. It called for stricter rules around clear-felling in forestry, along with stronger regulatory oversight and updated national standards to better manage regional challenges.
- **Supporting Māori Land Development:** The report highlighted the importance of engaging in co-investment opportunities and providing better governance support for Māori landowners. It proposed economic incentives, such as a biodiversity credit system, and recommended enhancements to the Emissions Trading Scheme to promote environmental sustainability and strengthen local economies.

Following the report, Council introduced several initiatives aligned with the key recommendations:

- **Management of Woody Debris:** Efforts have increased to assess the scale of the issue and prioritise actions to reduce risks. Collaboration with the forestry industry, landowners, and iwi has been key in developing coordinated recovery solutions.
- **Resource Management Advisor and Facilitator Appointments:** In September 2023, an advisor and facilitator were appointed to support land use recovery. These roles provided advice on both regulatory and non-regulatory actions.

- **Forestry Management:** Work has begun on reviewing and updating the TRMP rules relating to forestry practices, with a focus on clear-felling. Efforts are also underway to expedite resource consent reviews and implement national guidance on forestry slash risks.
- **Land Use Change:** Significant progress has been made in identifying vulnerable land that requires permanent cover. A Transitional Advisory Group has been established to develop solutions for transitioning this land.

Expanding Our Land Management Efforts:

In 2023/24, the Council concentrated on addressing challenges from increased rainfall events, the MILU recommendations, and new Central Government regulations. These factors necessitated an urgent expansion of land management and planning activities.

To support these efforts, Council secured additional funding from the Ministry for the Environment, the Ministry for Primary Industries' Hill Country Erosion Fund, and Land Information New Zealand. This funding supports the expansion of our land management team under the Integrated Catchment Management programme, focusing on:

- Freshwater Farm Plans and compliance with the new Freshwater Reform requirements.
- Erosion control and sustainable land use practices in highly erodible areas, supported by a comprehensive spatial dataset for land treatment assessments.
- Vegetation planting for waterway protection, biodiversity restoration, pest control, and fish passage remediation.

Significant progress has been made in mapping and identifying land highly susceptible to erosion and where that erosion is highly likely to reach waterways. This has been made possible through the development of the Land Overlay 3B (LO3B) mapping system. This data-driven approach, supported by advanced computer modelling in collaboration with Manaaki Whenua – Landcare Research and the Ministry for Primary Industries, allows us to:

- Identify land that needs to be transitioned from the current land use to permanent vegetation cover to mitigate erosion.
- Develop resilience strategies based on the location and size of LO3B land across the seven TRMP Freshwater Catchments.

Once the final verification is complete, the model will be made publicly available, benefiting the forestry, infrastructure, and resilience planning sectors. Additionally, the verification report will guide our exploration of risk mapping options, supporting changes to our planning work.

Throughout 2023/24, we have prioritised sustainable land management practices, integrating advanced technology and strengthening partnerships to effectively address these challenges. Looking ahead, the Council is committed to improving these strategies, ensuring that environmental sustainability remains central to all land use decisions. Our goal is to build a more resilient and sustainable future for our communities through continued innovation and collaboration.

Forestry Management

Cyclone Gabrielle highlighted the potential damage that extreme weather events can inflict on our region. Poor forestry practices exacerbate the risks to our community.

To address these challenges, Council has increased resources for monitoring forestry practices in our region. A forestry team has been established to improve monitoring and compliance efforts. This team will conduct aerial mapping and on-the-ground inspections across Te Tairāwhiti to identify areas where woody debris is likely to mobilise, posing risks to life, property, infrastructure, and the environment. Funds from the existing 2023/24 budget will be reallocated to recruit suitably qualified staff to promote safe and sustainable forestry practices.

Since the cyclone, Council has intensified its forestry monitoring, compliance, and enforcement efforts. An extensive investigation into forestry operations has resulted in 74 ground inspections across 47 forests and 7 aerial inspections, leading to the issuance of 32 inspection reports. Currently, Council is pursuing a number of enforcement orders and has issued several abatement notices.

Additionally, the forestry team and compliance officers have worked alongside the regional consents team in an effort to build more robust consent conditions to aid in managing better forestry practices and reducing the likelihood of damage to our environment and infrastructure.

Woody debris

Following Cyclone Gabrielle, Central Government provided significant funding of \$53.4m to address the unprecedented volumes of large woody debris (LWD) that mobilised and caused extensive damage to infrastructure and natural habitats.

High-risk areas that posed a potential threat to people, roads, bridges, pipelines, and the environment were prioritised for woody debris removal.

By the end of 2023/24, 415,470 tonnes of debris had been successfully extracted, representing 93% of the volume in active project sites. Of this, 374,325 tonnes were treated through high-oxygen or open-air burning and chipping, accounting for 90% of the extracted volumes. A total of 61,748 tonnes was removed from beaches, making up 15% of the total extracted volume.

Active project sites were located in the Uawa/Hikurangi, Waimata/Pakarae, Te Aria, Whatatutu/Te Karaka, and Waiapu catchments. Beach sites included Tokomaru Bay, Uawa, Makorori, Whangara, Tikapa, Kaiti, Waikanae, and Midway.

Continued severe weather events have made this programme of work challenging, restricting access to waterlogged river catchments and remobilising and relocating woody debris accumulations.

In February 2024, due to persistent bad weather, Council recognised the urgent need to reassess the situation and completed a comprehensive flyover to identify remaining woody debris accumulations.

Innovative methods have been employed to support the removal of woody debris, including the use of helicopters in high-risk locations that heavy machinery could not safely reach and a specialised LiDAR drone to measure volumes of large woody debris (LWD) in and around the Waimata River.

The summer programme is currently being developed, with scoping and proposal preparations underway for consideration by Council's leadership team. While work is expected to continue at a reduced capacity through October, the focus will be on planning and preparatory activities, ensuring that once weather conditions improve, a full complement of contractors can resume operations.

In addition, from mid-September to mid-October 2024, the region's beaches will undergo a thorough grooming process to prepare them for the upcoming summer season. This effort is essential, as the beach sites have been heavily impacted by woody debris, and restoring these areas is critical to ensuring they are safe and welcoming for public use during the busy holiday period.

The ongoing collaboration and additional funding underscore the commitment to addressing the long-term challenges posed by woody debris in Tairāwhiti, ensuring that both immediate and future risks are mitigated effectively.







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Tā mātau whakatutukinga mahi

Our performance

How did Council do this year?

Council measures and monitors the quality and effectiveness of our services to ensure we are delivering on our commitments and continuously seeking opportunities to improve. As part of this process, performance measures were established during the adoption of our 2021-2031 Long Term Plan and subsequent Annual Plan processes to track the delivery, efficiency, and effectiveness of our services. This is the final year of reporting on the 2021-2031 Long Term Plan, as we will next transition to reporting on our new 2024-2027 Three Year Plan.

Our Year in Performance

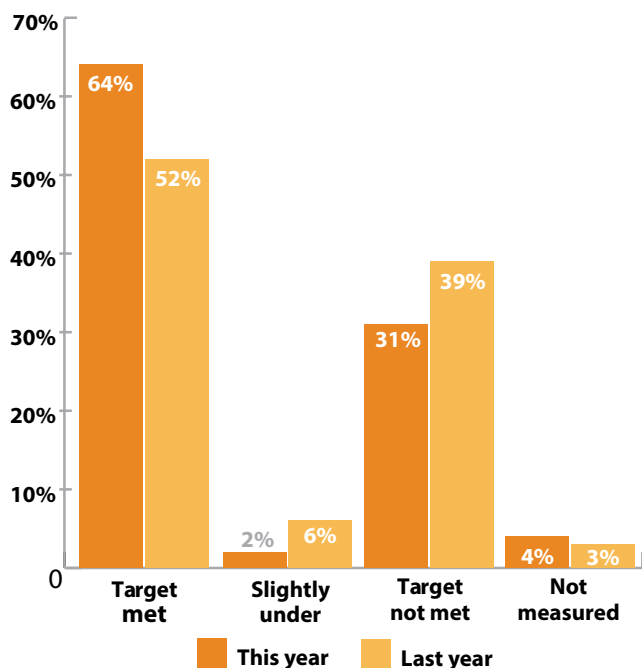
This year, Council faced one of the most challenging periods in the region's history following the devastation caused by Cyclone Gabrielle. The scale of damage across townships and critical infrastructure was unprecedented. In response, Council has undertaken an extraordinary amount of work to rebuild and recover. Significant progress has been made in reopening major roads, restoring critical stopbank and drainage networks, and stabilising landslide-prone areas, while also continuing to deliver on the commitments outlined in our Long Term Plan.

While setbacks from last year affected the delivery of many Council services, including requests for services, roading maintenance, resource consents, building consents, and water management, our focus during this year has been on rebuilding capacity and ensuring that our services are better prepared to handle future challenges.

Detailed information on Council's performance measures is available in the "Our levels of service and how we measure progress" section of Our Activities, starting on page 62.

Overall Performance Metrics

The graph below illustrates Council's performance in meeting the targets set for 2023/24.



We track a total of 111 measures, consisting of 39 mandatory measures, 20 measures mostly derived from our Residential Satisfaction Survey, and 52 measures developed by Council for the 2021-31 Long Term Plan.

Overall, 64% of our performance measures were on target this year, compared to 52% last year.

Response times were slower last year following the cyclones, due to extensive damage across the district. This impacted our ability to meet some of the performance measures.

Mandatory Measures

A total of 39 performance measures are mandated by Central Government, covering our Three Waters (stormwater, wastewater, and water supply), land, rivers, coastal areas, and the provision of our local roads and footpaths. These measures are consistent across all local authorities, allowing the public to compare service levels provided by different councils. This year, we achieved 29 mandatory performance measures (74%), with 1 slightly under target, 7 not achieved, and 2 not measured.

Targets Met

Council met 29 of its mandatory performance measures.

Roading:

We saw a reduction in fatal and serious crashes, and we successfully met targets related to resurfacing and maintaining the condition of our footpaths district-wide.

Water Supply:

Both urgent and non urgent water supply callouts were attended to and resolved in a timely manner, ensuring minimal disruptions for residents. Additionally, we were well within the target for demand management, with the average daily consumption of drinking water per resident meeting set benchmarks, demonstrating our commitment to efficient water use.

The quality of drinking water was maintained across five of our six treatment plants and distribution zones. In the Muriwai distribution zone, however, there were two short periods (1-4 July and 28 August 2023) when the Free Available Chlorine (FAC) levels dropped below the required standard of 0.1 mg/L. Although the Muriwai pipeline is registered as a distribution zone, it mainly operates as a bulk filling point, and reports

show there was little to no use of this water supply during these periods. We are monitoring this closely to prevent similar occurrences in the future.

Stormwater:

Council met targets for discharge compliance of our stormwater system, receiving no abatements, infringement notices, or enforcement orders. We also achieved targets related to the number of flooding events within the district.

Wastewater:

Council met the target for the median resolution time, ensuring prompt responses from the notification of faults to the confirmation of resolution. Additionally, Council recorded zero enforcement orders or convictions relating to resource consent breaches.

Land, Rivers, Coastal:

Council met its target for system performance and adequacy, ensuring that our flood protection infrastructure is maintained to a high standard. Specifically, 25% of flood control stopbank lengths were inspected during 23/24, contributing to the ongoing assessment and maintenance of the network's ability to provide 1-in-100-year flood protection.

Targets Not Met

Council did not meet the target for 7 mandatory performance measures across wastewater, stormwater, and water supply activities, relating to water loss, stormwater complaints and response times, discharge compliance, wastewater fault response times, and customer satisfaction, as detailed below.

Water Supply:

The target for maintenance of the reticulation network was to keep real water loss below 15%. However, the actual water loss reached 19.4%. This was primarily due to the effects of Cyclone Gabrielle, which led to reduced metered water usage and the presence of multiple faulty water meters, impacting the accuracy of our water loss calculations.

Stormwater:

The target for the number of complaints received about the performance of the stormwater system was not met, although there was an improvement compared to 2023. The increased frequency of weather events during 2023/24 led to a rise in both the volume and severity of issues, resulting in more complaints from residents. The target for the median response time to attend flooding events was also not achieved. The escalation in both the frequency and magnitude of weather events during 2023/24 impacted Council's ability to respond within the expected timeframes, leading to delays in reaching flood event sites.

Wastewater:

The target for discharge compliance was not met due to an abatement notice issued in July 2023 and two infringement notices in October 2023, all related to construction activities at the Wastewater Treatment Plant (WWTP) Stage 2 Project. These notices were not directly linked to the operation of the wastewater network.

Council did not meet the target for fault response times, which measured the median attendance time from notification of a wastewater fault to the arrival of service personnel. Although there was a marked improvement from the previous year, the increased volume of issues in 2023/24 caused delays in response times, preventing us from reaching the expected standard.

The customer satisfaction target was not achieved, as complaints regarding odour, system faults, blockages, and Council's response to wastewater system issues exceeded the target. While the weather events of 2023/24 led to an increase in both the volume and complexity of problems, resulting in more complaints, overall performance was better than the previous year but still fell short of the desired level.

Not measured

Two mandatory roading measures relating to road condition assessment and footpath service standards were not completed due to operational constraints stemming from the significant remediation efforts being undertaken. These are explained below.

Road Condition:

The average quality of ride on a sealed local road network was not measured due to the severe impact on the roading network, with 47 road closures across the district. This prevented Council from completing the assessment in 2023/24. From 1 July 2024, all road condition monitoring will be conducted by NZTA as part of a national contract.

Footpaths:

The percentage of footpaths meeting the service standard was not assessed due to resourcing challenges among independent contractors and the large volume of recovery work. Despite this, the footpath renewal programme was completed, with 0.481 km (0.18%) of the total 264 km renewed. The Engineering Code of Practice is currently under review.

Responding to Community Views

We carry out independent resident satisfaction surveys to gauge how satisfied residents are with our resources, facilities, and services, always seeking opportunities for continuous improvement. The survey process has included collecting data on a quarterly basis through online surveys, providing quarterly reports, and producing an annual analysis that feeds into our Annual Report

Just over 400 residents across the Gisborne District participated, representing a range of ages, ethnicities, areas, and genders. However, we acknowledge that the survey's sample size and the nature of online data collection result in a lower degree of confidence in the survey being fully representative of our 51,135 residents. Online surveys can be less accessible to certain demographics, which may lead to underrepresentation in the results.

To address this, we employ additional surveys to check the pulse of our services. Where appropriate, and where the sample size from the Resident Satisfaction Survey is not statistically significant, these surveys and consultation responses are used to supplement the overall performance results.



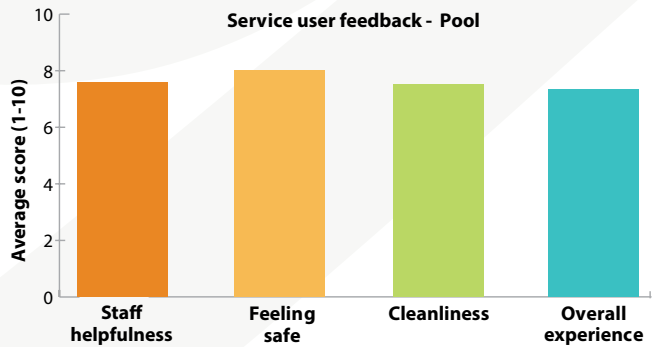
We are amending our current model to improve how we collect survey information, aiming for more comprehensive feedback with larger sample sizes. This will include an increased focus on targeted surveys, supplemented by “point of service” feedback, ensuring a more accurate and inclusive understanding of community sentiment.

Online and Service-User Surveys

Point of service surveys are conducted at our key sites, including the Library and Kiwa Pool Complex, to gather feedback from users. These surveys are accessible through kiosks located on-site or via QR codes, allowing us to collect valuable insights on customer experience and service delivery.

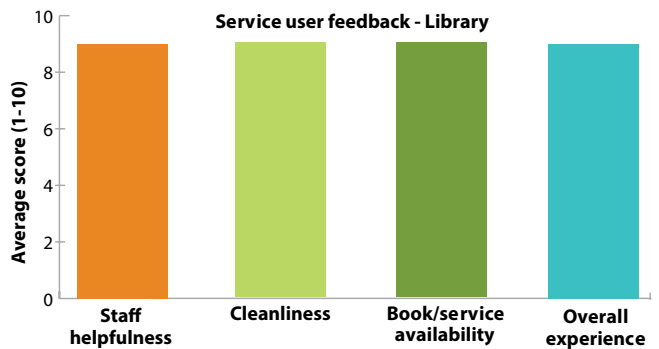
Kiwa Pools Complex

Overall, pool users reported an overall satisfaction score of 7.3/10, with many appreciating the family-friendly atmosphere and recreational opportunities. Staff were praised for their friendliness and professionalism. Feedback on potential improvements will be considered as we continue to improve the facilities and services.



Library feedback

The library received an overall experience rating of 9/10, with users praising the helpfulness and professionalism of staff, which contributed to a welcoming atmosphere. Cleanliness and comfort were also rated highly, and the library was recognised as a key community resource. Suggestions for expanding the range of books, resources, and services will be considered to ensure the library continues to meet the needs of our community.



Performance highlights and areas for improvement

This section highlights our performance, outlining both successes and areas for improvement. While we've achieved notable successes, we remain committed to addressing key areas for growth to better serve our community and continuously refine our services.

Performance highlights

Compliance and Licensing **1**

Compliance and licensing consistently met all targets, addressing urgent complaints and exceeding targets for licensing and environmental health inspections.

Public Education & Engagement **2**

Our public education and engagement efforts have exceeded targets, with an increase in activities designed to inform and involve the community. This year, we conducted 14 civil defence and emergency management workshops, alongside over 30 waste minimisation workshops, reaching over 1,800 people.

Aquatic Facilities Water Quality **3**

Our aquatic facilities continue to provide safe, well-maintained environments that meet the community's needs, consistently meeting all performance targets for water quality.

Transport Services Accessibility **4**

Our public transport initiatives have made strides in improving accessibility for our community by promoting a mode shift towards more sustainable options. This includes an increase in the number of residents using our walking and cycling networks, as well as a significant rise in public transport use, with increased bus patronage for both our Waka Kura and Gizzybus services.

Huge Increase in Library Users **5**

The introduction of the "Fines Free" initiative has led to a 24% increase in library users. There has also been a remarkable 240% rise in the use of digital resources, matching national trends

Areas for improvement

Illegal Dumping & Waste Management **1**

There has been a significant increase in illegal dumping, with total waste received nearly doubling from 393 tonnes last year to 775.4 tonnes this year. The rise in illegally dumped waste is particularly evident outside waste management facilities after hours, as well as in remote public areas.

Stormwater & Wastewater System Performance **2**

Council saw an increase in complaints related to both the stormwater and wastewater systems, largely due to the frequency and severity of weather events. These trends indicate the need for targeted improvements in the resilience and management of both systems to better handle the impacts of extreme weather.

Cultural Facilities Satisfaction **3**

The Resident Satisfaction Survey for showed that while satisfaction levels remain strong, we narrowly missed our targets across theatres, the library, and the museum. Continued efforts to improve and develop these spaces will be essential meeting the community's expectations.

Open Space, Recreation & Amenity Areas **4**

Satisfaction with key open spaces and recreational facilities declined. Reserves, sports parks, and council playgrounds experienced reduced satisfaction, likely due to weather-related disruptions and necessary maintenance.

Building Consents within statutory timeframes **5**

While we maintained a high level of performance in issuing building consents within the statutory 20 business days, we fell short of our 95% target, closing the year at 85%. Notably, the last two months of the year saw significant improvement, achieving over 95%, reflecting changes in our work to streamline processes.

Ngā āhuatanga pūtea

Finances at a glance

This section provides an overview of Council's financial results for 2023/24 and how it compares to our Annual Plan 2023/24. Our Annual Report 2023/24 is the Year three of the 2021-2031 Long Term Plan.

For further detailed information on the Council and the Group's financial results, refer to the full financial statements in the "Our Finances" section.

Details of Council's Statement of Involvement in Council Controlled Organisations (CCOs) and other companies is also included in the "Our Finances" section.

The Council reports comply with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Tier 1 PBE Standards and other applicable Financial Reporting Standards, as appropriate for public benefit entities. These requirements prescribe the way we recognise and disclose all financial transactions in our financial accounts.

Council continues to be financially strong in terms of its overall debt and financial performance.

Financial Prudence Benchmarks are shown in Note 37: Disclosure Statement under the "Our Finances" section of the report. They graph Council's planned financial performance against actual results. They help assess whether Council is prudently managing its revenue, expenses, assets, liabilities and general financial dealings.

All benchmarks have been met and are within planned performance measures.

Financial position overview

Council holds long-term assets of \$2.8 billion including operational and infrastructure assets. When investing in infrastructure, we borrow funds so repayments can be spread across the generations who benefit from these assets.

At the end of this financial year our financial position remains healthy, and our debt levels continue to be stable.

At year end our total debt is \$178m, including \$20m of prefunding which is set aside for the debt repayments in July and October 2024. The prefunding is secured by deposits ready to pay the loan draw down that will occur in 2024/25.

Net debt is \$158m, while this is higher than the Annual Plan \$148.4m, it is within the overall expected debt limits (i.e. 130% of revenue). The higher than planned debt relates to the concessionary loan of \$10m for the Future of Severely Affected Land (FOSAL) Category 3 Voluntary residential Property buyouts. This concessionary loan arises from a joint 50% FOSAL category 3 buyout agreement with central government. This joint agreement with Central Government was approved post the adoption of the Annual Plan.

Central Government awarded a \$204 million "recovery package" for our roads and flood protection, some of which has been completed within this Annual Report. The rest of the grants will be delivered within the 2024-2027 Three Year Recovery Plan.

Financial performance

Our Annual Report is not only our Long Term Plan programme but also Council's ongoing response to damage caused by the cyclones.

Our 2023/24 Annual Report is Year 3 of the 2021-2031 Long Term Plan. Our past year is also the first full year of recovery, post the challenges posed by Cyclones Hale and Gabrielle.

Overall, in balancing our commitment to our 2021-2031 LTP and recovery, Council continues to perform well financially.

We recorded a \$15.2m net surplus after taxation, against a \$11.2m Annual Plan budget. This represents a \$4m net surplus, more than we expected.

This is mostly to do with receiving capital grants from Central Government "recovery package". This included funding for roading capital emergency works, central government's 50% share towards Category 3 residential property buyouts (\$5.1m), and flood protection (\$5.15m). We also received NEMA proceeds for Cyclone Gabrielle damaged Four Water Infrastructure assets.

The additional capital grants and insurance proceeds were partially offset by not receiving a dividend of \$1.8m from Gisborne Holdings Limited (GHL), an accounting loss of \$6.6m related to FOSAL Category 3 voluntary residential property buyouts.

The overall net surplus after taxation is the difference between income received and expenses incurred during the year. The recognition of capital grants and capital subsidies contributes to the recording of a surplus. We record capital grants and capital subsidies as income, even though the money is not used to fund operational activities. This surplus goes towards our capital projects and reduces Council's need to borrow funds.

Total revenue was \$255m, \$10m more than what was in the Annual Plan. This increase was mostly due to receiving grants from Central Government for the "recovery package", New Zealand Transport Agency (Waka Kotahi) grants for roading reinstatement costs and commercial silt and woody debris removal.

Total expenditure was \$240m, \$6m more than what was in the Annual Plan. Total expenditure included \$69m for roading emergency reinstatement costs and commercial silt and woody debris removal costs, and \$6.6m for write downs of properties purchased under the category 3 FOSAL buyouts.

Total Capital investment programme of \$91m. Including \$68.5m on critical infrastructure:

- \$5.2m on wastewater and \$1.3m stormwater.
- \$21.7m reinstatement of bridges and roads and \$20.7m on road renewals.
- \$10m spent on Waipaoa flood control scheme.
- \$10.3m FOSAL category 3 voluntary residential property buyouts.
- \$9.6m on water supply infrastructure.

Other variances from the Annual Plan, both favourable and unfavourable, arose during the year. More detailed analysis of all Council's activities are included in "Our Activities" section of this report.

	Actual 2023	Actual 2024
Recovery cost summary	\$000s	\$000s
Funding received		
New Zealand Transport Agency (Waka Kotahi)	48,300	41,307
Other grants	5,300	41,443
NEMA proceeds	1,200	496
	54,800	83,246
Recovery works incurred		
Roading - Reinstatement	48,500	47,325
Recovery	3,400	3,820
Other	2,200	-
Large Woody Debris and Silt Removal	-	23,256
Commercial Sediment and Debris	-	12,652
FOSAL category 3 buyouts	-	3,120
Loss FOSAL category 3 buyback		6,636
Three waters + flood control	1,700	958
	55,800	97,767
Total surplus/(deficit)	(1,000)	(14,521)
Capital Expenditure		
Roading - Reinstatement	2,700	21,701
Recovery FOSAL category 3 buyouts	-	10,290
Three waters + flood control	4,700	9,771
	7,400	41,762
Funded by		
New Zealand Transport Agency (Waka Kotahi)	2,700	21,701
NEMA	3,200	4,415
Other grants		5,145
Council Contribution	1,500	10,501
	7,400	41,762

Financial relief and remedies

Our recovery efforts have been greatly assisted by the overwhelming support our community has received through the Mayoral Relief Fund and the Disaster Relief Trust. These funds, which consist mainly of public donations, have been used to assist those whose homes were red or yellow stickered, and who experienced substantial damage to their properties or possessions due to these events. Over the past two years we have made grant payments of \$3m, 2024: \$257k (2023: \$2.8m).

Annual Plan

	ANNUAL PLAN 2023/24 \$000s	ACTUAL 2023/24 \$000s	VARIANCE FAVOURABLE/ (ADVERSE) \$000s
Revenue from Rates	79,129	78,514	(614)
Grants and Subsidies - Operational	112,745	103,771	(8,975)
Grants, Donations, Subsidies and Contributions - Capital	34,496	55,790	21,294
Revenue from Operating Activities	18,448	17,438	(1,010)
Other Gains/(Losses)	(230)	(743)	(513)
Total Operating Income	244,588	254,769	10,181
Employee Benefit Expenses	33,428	31,186	(2,242)
Depreciation and Amortisation	29,473	29,011	(462)
Operating Activities	164,692	163,927	(765)
Finance Costs	6,158	9,015	2,857
Loss FOSAL category 3 buyback	0	6,636	6,636
Total Operating Expenditure	233,751	239,775	6,024
Net surplus/(deficit) before taxation	10,837	14,994	4,157
Subvention Income	400	282	(118)
Income Tax Expense (Benefit)	0	0	0
Net Surplus/(Deficit) after Tax	11,237	15,276	4,039
Gains/(Losses) on Asset Revaluation	48,223	141,288	93,065
TOTAL COMPREHENSIVE REVENUE AND EXPENSES	59,460	156,564	97,104



Significant changes contributing to the underlying variance compared to the 2023/24 Budget

	\$000s
Higher revenue from grants and subsidies	9,385
Higher revenue from interest	2,934
Lower employee benefit expenditure	2,242
Lower operating expenditure and depreciation costs	1,227
Higher gains from infrastructure assets valuations	93,065
Total Positive Variances	108,853
Less	
Higher losses from movement in fair value	(513)
Lower revenue from operating activities	(1,010)
Lower revenue from rates	(614)
Higher Losses from FOSAL category 3 buyback	(6,636)
Higher Finance costs	(2,857)
Lower subvention income	(118)
Total Negative Variances	(11,749)
TOTAL FACTORS CONTRIBUTION TO THE UNDERLYING VARIANCE	97,104

Asset Revaluation

The total movement of assets from impairment and revaluation are shown in the table below. A gain of \$141.3m was recorded.

The majority of the increases relate to roading valuation where the work completed on the roading network and the greater understanding of the road condition allowed for a reversal of impairment from 2023 of \$46m.

Significant changes in gains/(losses) on Revaluations

	\$000s
Higher values from	
Reverse Water Infrastructure Impairment	1,390
Roading Revaluation	123,857
Revaluation on water Infrastructure	16,041
Overall net revaluation	141,288

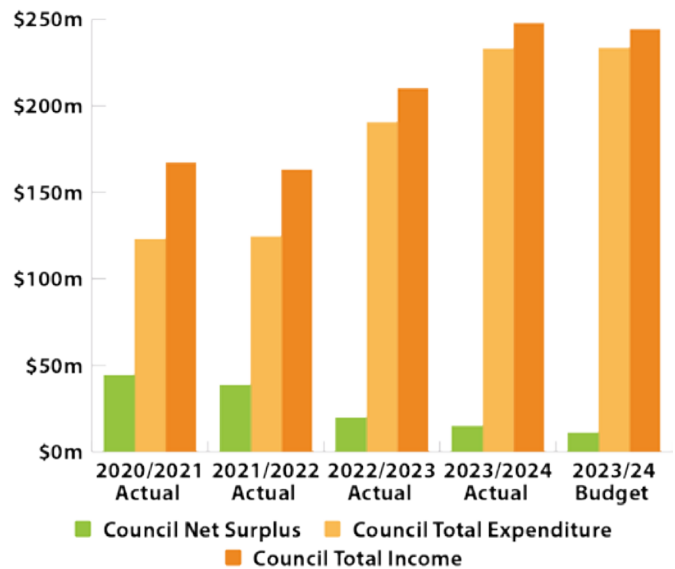
Council sets its operating income at a level to meet each year's operating expenditure. In some cases, this may not be practical or prudent due to the long-term nature of the activity (i.e. wastewater, forestry and soil conservation nurseries) or where there is capital project funding being received as grants/subsidies (eg. Waka Kotahi share for replacing our roading assets).

Council's budget and actual net surplus for 2023/24 is shown below.

The net surplus for 2023/24 is \$15.2m. The overall net surplus is higher than the Annual Plan, mainly due to more of capital grants being received.

The average net surplus over the last five years is \$30 million, and while this year's result is lower it is more representative of the pre-COVID period where we received significant stimulus grant funding, including the Provincial Growth Funding packages.

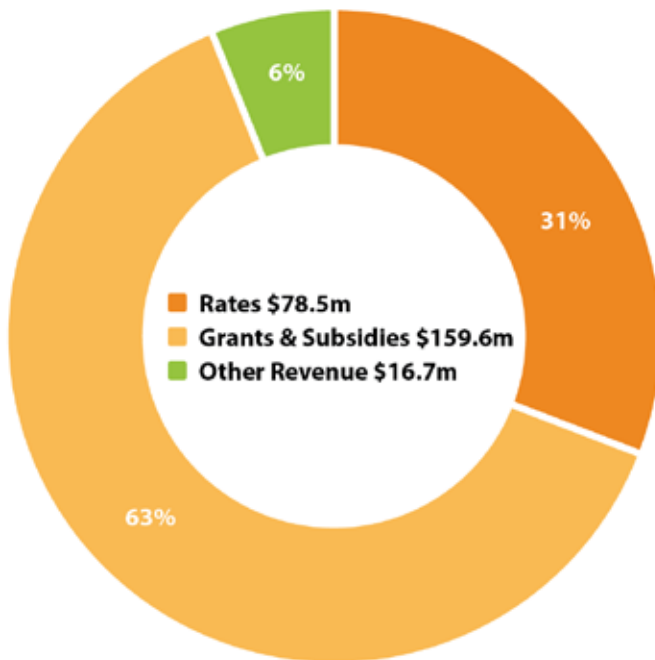
Total net surplus 2023/24



Council income

In 2023/24 the Council received income of \$255m compared to a budget of \$245m.

Council 2023/24 income \$255m



In 2023/24 rates income represents 32% of the total operating revenue. Grants and subsidies income accounts for 64% of total income.

The 2021-2031 LTP average rates income is 60% and grants income is 24%. This year's lower 32% rates proportion of income, represents significant external funds supporting our emergency response and reinstatement costs. While Council is not fundamentally better off from the grants - as they were to reinstate where we were before the cyclone - it does mean the funding support from Central Government and from our insurance proceeds, results in a significantly reduced burden on the rate payer.

A key direction in Council's financial strategy is to reduce the reliance on rates income.

Council expenditure

Council expenditure includes the day-to-day costs necessary to run the organisation. Costs are incurred to maintain, manage, develop and provide diverse services and facilities to the district.

The cost of Council doing its day-to-day business is driven by a number of factors including inflation, debt levels, salary and wages, inflation, amount of assets we own (and therefore have to maintain) and whether the Council increases or decreases the amount of services provided to the community.

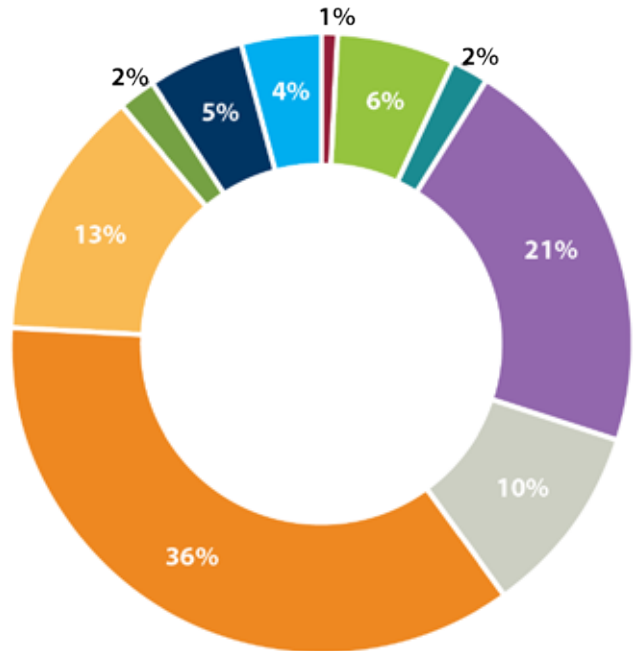
As shown by the pie graph Journeys (Roading), Four Waters, Solid Waste and Environmental Services made up 61% of total operating expenditure of the Council. The roading activity on its own, represents 37% (or \$87m) of the total costs.

Council has over \$2.8b invested in assets. These are mainly used to provide essential services to our communities – roads, water, stormwater, wastewater, flood protection, parks, open spaces

and community facilities. Council must ensure these assets are maintained and replaced if necessary, so that the services they provide can continue now and into the future.

The maintenance and depreciation on Councils assets are costly. In 2023/24 depreciation and amortisation charges totalled \$29m, this is 12% of our total costs.

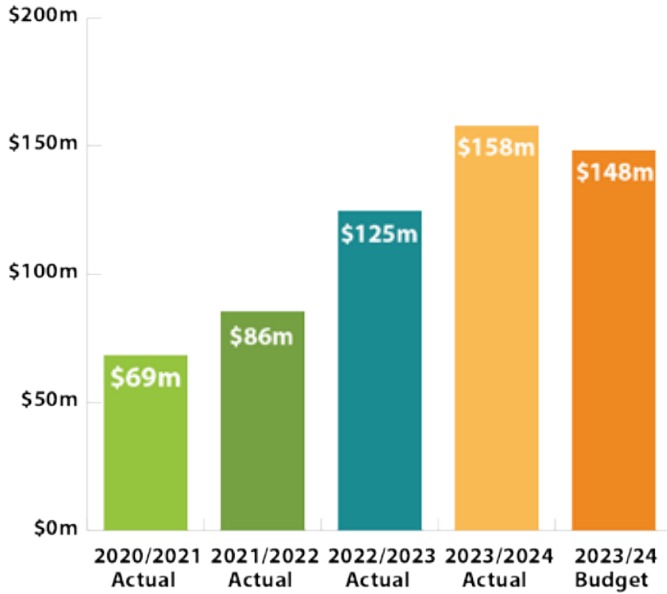
The total cost of all services were \$240m.



- Commercial Operations \$2.2m
- Environmental Services and Protection \$15.3m
- Land, Rivers and Coastal \$4.2m
- Regional Leadership and Support \$50.1m
- Liveable Communities \$24.9m
- Roads and Footpaths \$87.3m
- Solid Waste \$29.9m
- Stormwater \$4m
- Wastewater \$12.9m
- Water Supply \$9m

Council debt

Net debt (ie debt less cash deposits) is \$157.8 million, \$10m higher than the Annual Plan. The higher than expected debt relates to the concessionary loan of \$10m for the FOSAL Category 3 Voluntary residential buyouts. This represents Council's 50% share of the buyouts. The joint agreement with the Crown was approved post the adoption of the Annual Plan.

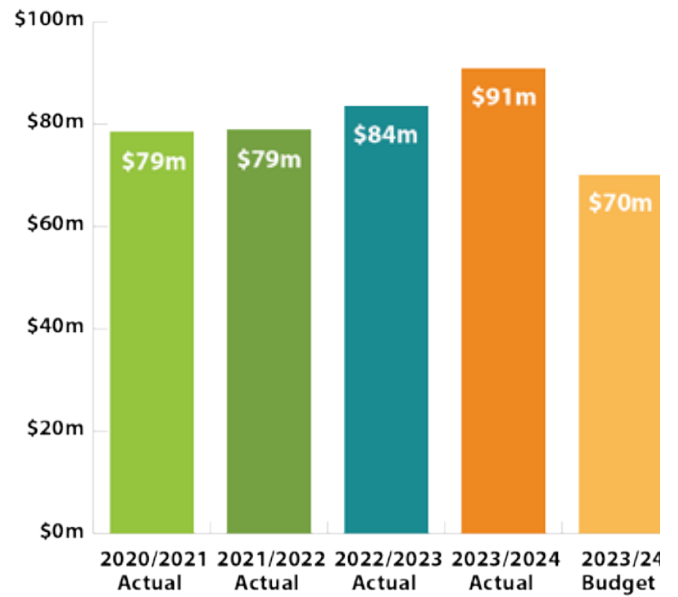


Council capital expenditure

During the year we spent \$91m of capital investment on our existing and new assets against the Annual Plan budget of \$70.2m. Capital expenditure is more than the Annual Plan budget, mostly due to FOSAL category 3 voluntary property buyouts, and projects that were externally funded. Including post-Cyclone Gabrielle roading reinstatement and bridge repair works, water supply Sang Dam pipelines, water main pipelines and enhanced Waipaoa Stopbank flood protection works. These works are funded externally and were granted after the adoption of the Annual Plan.

Key highlights included:

- \$5.2m reinstatement wastewater work after Cyclone Gabrielle.
- \$21.7m reinstatement of bridges and roads and \$20.7m on road renewals.
- \$2.9m Waingake transformation.
- \$1.5m 1000-year walkway bridge and viewing platform.
- \$10m spent on Waipaoa flood control scheme.
- \$10.3m FOSAL category 3 voluntary residential property buyouts.
- \$5.6m Lamella filtration - Waingake.





An aerial photograph of two people in a traditional Māori waka (canoe) on the water. The waka is long and narrow, with a high prow and stern. The people are using long wooden poles to propel the canoe. The water is a deep blue-green color. The background is a large, semi-transparent circular graphic with a wavy pattern.

A tātau mahi Our activities

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Me pēhea te pānui i tēnei wāhanga

How to read this section

This section outlines Council's activities. Each activity summary contains a description of the activity and its purpose, details of what Council achieved in 2023/24, an assessment of our performance against targets, and a breakdown of associated costs.

Note: For ease of reporting, this document contains the same activity groupings and levels of service as those used in the 2021-2031 LTP.

Sections are structured as follows:

What we do

Provides an overview of the activity and the specific services provided.

Why we do it

Describes why Council undertakes this activity, including the benefits to the community.

Contribution to community outcomes

This section outlines the community outcomes associated with the activity, explains Council's role in contributing to these outcomes, and defines clear objectives for achieving them.

See [page 17](#) for full details on our community outcomes.

Our progress

Outlines the commitments made in the 2021-2031 LTP and provides an update on Council's progress during 2023/2024.

Our levels of service and how we measure progress

Provides information about the performance measures that Council uses to assess its services, developed for the 2021-2031 LTP.

We present results from the past three years, and when targets have not been met, additional commentary is provided to offer context.

Legend



Fully achieved



Slightly under target
(within 5% of target)



Not measured



Not achieved

Significant negative effects of delivering this activity

This table outlines how Council has worked to address any significant negative effects that their areas of activity could have on the social, economic, environmental, and cultural well-being of its community as identified in the 2021-2031 LTP.

Challenges through recovery

We detail our recovery efforts throughout the year in response to the 2023 severe weather events.

What it cost

We present the net cost to the ratepayer for the services provided by each activity and compare the cost to what Council had budgeted.

Capital Expenditure: Funded from a variety of sources. The operating revenue and operating expenses include only external revenue and expense. Internal recoveries or charges are excluded.

Capital Rates: Rates specifically collected for a capital project, e.g., a wastewater treatment plant.

Capital Grants and Subsidies: Grants and subsidies received for specific capital works.

Other Capital Revenue: Includes income from assets vested in Council or other capital contributions.

Reserves: Transfers from Council's reserve accounts, usually the Depreciation Reserve Account.

Internal Loans: New capital works are loan-funded internally by the Treasury.

What was different from the budget

This section provides reasons for any changes to the cost of the activity compared to the budget.



Ngā Ratonga Taiao me te Haumaru

Environmental Services and Protection

The purpose of this activity group is to promote the sustainable management of the physical and natural resources of the district as well as contribute to the wellbeing of its people and the built environment.

Building Consents

What we do

Council’s building related activities are governed by the Building Act 2004, Building Regulations, the Local Government Official Information and Meetings Act 1987 (LGOIMA), Resource Management Act 1991 (RMA), and the Local Government Act 2002 (LGA).

Our work in this area includes/provides:

- Building consents, code compliance certificates (CCCs) and Land Information Memoranda (LIMs).
- Researching and issuing Search of Council Records as part of the National Environmental Standard (NES) for Assessing and Managing Contaminants in Soil to Protect Human Health.
- Accurate and timely information on building consent processes.
- Monitoring compliance of building warrants of fitness for commercial buildings.
- Responding to requests for services.
- Assessments and follow-ups for the strengthening and repair of dangerous, insanitary, and earthquake-prone buildings.
- Three yearly inspections of all district swimming pools to ensure pools are safely fenced.
- Building assessment response after natural disasters and then ongoing advice and response in the recovery stage.

Why we do it

Our building consents work is about ensuring buildings are safe and durable for people to live and work in, now and in the future. We ensure that people seeking to build or purchase a property have access to the information they need.



Highlights from the Year

Building Services in Action

Over 4,000 building inspections were carried out over the past financial year, maintaining safety and compliance standards. Building Services processed 818 building consents and issued 182 Land Information Memorandums (LIMs), keeping pace with previous years despite recovery challenges. This included balancing regular work with the FOSAL evaluation project, additional house-lifting consents, and increased oversight from the Ministry of Business, Innovation and Employment (MBIE).




Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A vibrant city and townships.	By encouraging alternative uses of commercial buildings in the Central Business District (CBD) to help reinvigorate the town centre and to stimulate ideas for the future that will contribute to the economic health of the community. This includes development of upper floors into apartments.	Full use of CBD buildings to ensure ongoing use and prevent excessive dispersal of business to suburban centres.
 Connected and safe communities.	By providing safe and resilient commercial buildings.	Commercial buildings are earthquake resilient, and all the required safety and warning systems operate as required by the Building Warrant of Fitness.

Our progress

What we said we would do	How we are going
Review the Request for Service (RfS) system for stormwater on private properties and link this review into the DrainWise process.	Still in progress.
Obtain a drone to remove the risk of at-height building inspections.	Completed.
Review the internal process for Land Information Memorandums (LIMs) to improve efficiency.	Completed.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We deliver customer-focused building consents and compliance monitoring services that meet statutory requirements.					
 The percentage of building consents issued within 20 business days.	95%	71%	87%	85%	Target not met. There was a significant increase in building inspections, particularly in the first 10 months, which resulted in the overall target not being met. Since May, the response time for issuing consents has shown marked improvement, achieving approximately 95% for both months.

Significant effects of delivering this activity

Significance negative effects	Mitigation	Changes since 2021 LTP
Cultural Earthquake-strengthening legal requirements may lead to some older buildings being demolished to ensure a safer Central Business District (CBD). This could impact the heritage values of the CBD.	Demolition of heritage buildings listed in the District Plan requires resource consent. Any application may need to be heard by a panel of commissioners with expertise in structural strengthening, heritage values and Building Act legislation. A balanced decision between removing the danger by demolition and preserving the building will be made through the resource consent application assessment.	The strengthening work of earthquake prone buildings (EQP) continues at a steady rate. Several buildings that are not defined as earthquake prone by the Building Act 2004 are being strengthened so that the owner may attract tenants. The Government has recently extended the timeframe on all earthquake prone buildings by 4 years with a possible further two. This will delay the completion of strengthening for all potentially earthquake prone buildings to at least 2034. The work would have been completed by 2028 or earlier without these extensions.

Challenges through recovery

Balancing Business as Usual with Recovery Work

Building Services continues to handle a high workload, including the ongoing FOSAL evaluation project and the additional house-lifting consents. Despite these demands, we are managing both effectively and improving our compliance with timeframes.

Increased Oversight on Building Services Functions

MBIE has increased scrutiny on Territorial Authority (TA) functions, adding to our reporting workload. The Building Services Team handles both Building Consent Authority (BCA) and TA duties. BCA functions, audited by IANZ, include processing consents and inspections. TA functions, overseen by MBIE, cover swimming pools, Building Warrants of Fitness, earthquake-prone buildings, and dangerous dams. The upscaled auditing process adds further reporting requirements.

Enforcement and Compliance

What we do

This activity consists of the overall monitoring and compliance of district and regional resource consents, animal control, parking and city watch, food, health and liquor, bylaws, and environmental risk services.

We maintain a consistent approach to ensuring compliance with a variety of acts, regulations, bylaws, and the Tairāwhiti Resource Management Plan (TRMP). We do this by using a range of enforcement options which are determined by a guideline toolkit and include examples of best practice. These guidelines are also intended to help the community and any other interested parties understand how enforcement and compliance is carried out. This activity monitors compliance and enforces a variety of acts, including:

- Resource Management Act 1991
- District Plan
- Dog Control Act 1996
- Impounding Act 1955
- Land Transport Act 1998
- Land Transport (Road User) Rule 2004
- Food Act 2014
- Sale and Supply of Alcohol Act 2012
- Health Act 1956
- Local Bylaws

Why we do it

- Council's Enforcement and Compliance services are intended to promote the sustainable management of natural and physical resources.
- We manage the way people use land and water and how those uses can affect the environment e.g., sediment discharge, noise, new subdivisions, historic building protection, water use, native vegetation etc.






Highlights from the Year

Review of Compliance, Monitoring, and Enforcement Activities

A comprehensive review of Compliance, Monitoring, and Enforcement (CME) activities is well underway, with a strengthened focus on directing resources towards high-risk, high-harm activities. This approach ensures that our monitoring and enforcement efforts are more targeted and effective. For example, the Forestry team is now established and operating at full capacity, having successfully lodged several enforcement orders with the Environment Court and actively investigating forestry practices within the region.

- We help create an environment for our economy to develop and thrive, supporting ideas and opportunities, while providing supportive community infrastructure.
- We support and educate people and businesses in Tairāwhiti to meet and comply with the law and Council policies and consent conditions.
- We promote traffic safety, help traffic to flow for businesses and retailers, and maintain a presence in the Central Business District by assisting Police and retailers. We engage in and support education for dog owners, maintain compliance with Central Government legislation and local bylaws on the control of dogs, and investigate and enforce non-compliance of the relevant Act and bylaws.
- We keep our community and environment healthy and safe by managing food premises, alcohol licensed premises and health licensed premises. We do this through processing applications, education, administration, monitoring and enforcement and inspection and verification of these premises, ensuring high quality of life for the current and future residents and visitors of Tairāwhiti.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 Connected and safe communities.	By providing animal control services that protect the community's safety.	Our team continues to patrol the region, contributing to a safe community. Building and maintaining relationships with the community.
 A vibrant city and townships.	Our food and beverage establishments are safe, healthy, and diverse.	All food premises are inspected and have the appropriate plans to manage food safety.
 We take sustainability seriously.	Our district's resources are managed to ensure they continue for future generations.	Our resource consent monitoring is prioritised to highest risk and greatest magnitude of effect.









Our progress

What we said we would do	How we are going
Continued monitoring of high-risk activity areas. Forestry, Water Takes & Industrial activities.	<p>A comprehensive review of Compliance, Monitoring, and Enforcement (CME) activities is underway, focusing on allocating resources to high-risk, high-harm activities.</p> <p>The forestry team has been established and fully staffed. Several enforcement orders have been lodged with the Environment Court, and investigations into forestry practices are ongoing.</p>
Document a comprehensive Enforcement Management Policy to help guide Council staff on all enforcement matters.	The Enforcement Policy was created and adopted by Council in August 2021. It is currently being reviewed as part of the CME improvement cycle.
Ensure GDC maintain the guiding principles and obligations of Te Mana o te Wai.	Council continues to adhere to the guiding principles and obligations of Te Mana o te Wai.
Capture requirements and identify a supplier for a water data business support tool (and recruiting capability) that accurately supports real time compliance monitoring and analysis of data as recommended in the Freshwater Reform package.	Work is still progressing, involving several internal teams.
Expand the capacity of the compliance monitoring and enforcement team to allow greater compliance monitoring and enforcement within the Gisborne District.	The CME review is ongoing and will identify system improvements to ensure capacity is focused on high-risk, high-harm activities.
Ensure GDC keep up to date with any changes to legislation in relation to environmental compliance.	<p>Staff have attended the Environmental Compliance Conference both as delegates and part of the organising committee. Staff are encouraged to attend webinars on proposed legislative changes through stakeholder networks.</p> <p>The team has strong links with Special Interest Groups (SIGs) to stay informed of legislative changes and ensure best practices.</p>
Reviews ways the compliance monitoring and enforcement team can improve and strengthen relationships with local iwi and hapū.	Council is committed to working alongside Māori, giving space for tino rangatiratanga and kaitiakitanga. The CME Enforcement Policy is under review and will incorporate the Tiriti Compass to improve engagement and participation with iwi.
Update the parking meters in the Central Business District.	All parking meters have been replaced in the CBD.
Review of the Dog Control Bylaw.	The Dog Control Bylaw 2023 came into force in September 2023.
Review and update the Parking Policy and Freedom Camping Bylaw.	Following legislative changes, it was determined that the Freedom Camping Bylaw did not need amendment as inconsistencies can be resolved by public notification. A review of the bylaw is intended, but no date has been set. The Parking Policy review is anticipated to occur in 2025.
Implement education programmes to relevant and any interested stakeholders.	<p>We continue to work with forestry companies to implement best practice guidelines aimed at reducing harvest residues, minimising harvest material mobilisation, and promoting erosion and sediment control training.</p> <p>Staff have participated in workshops with the consents team and the forestry sector to discuss new resource consent conditions.</p> <p>Annual education emails communicate water take consent expectations and provide updated guidelines to firms managing contaminated land. Council contributes to the "Pānui Taiao" publication focusing on environment, land, nature, and country issues.</p> <p>An education campaign is being developed around changes to the Freedom Camping Act to coincide with the start of the summer camping season in October.</p>
Review the Health and Safety Plan every three years and ensure all health and safety requirements are in place.	Ongoing.
Continue to explore opportunities to use technology to make work more efficient, including continuance of the online dog registrations trial.	<p>The move to metal smart tags, which do not require annual replacement, allows dog owners to pay their registration fee each year without waiting for mail delivery. This transition also helps reduce plastic use.</p> <p>Council has trialled an innovative approach for working dogs, where owners with more than six working dogs only pay for the first six; any additional dogs are registered free of charge during the July registration period.</p>

A tātau mahi Our activities

What we said we would do	How we are going
Development of a risk assessment tool for landfill.	We are working with the Ministry for the Environment to revise the tool to include Climate Change implications for vulnerable landfills.
Hazardous Activities and Industries List (HAIL) project around identifying former sheep dips and helping landowners access Ministry for the Environment funding.	Capacity has been diverted to work with the solid waste team to evaluate risk to closed landfills on climate change as part of a broader Ministry for the Environment project.
Support owners in Awapuni Road who have contaminated land.	Resources have been temporarily redirected to prioritise high-impact forestry activities, Council remains committed to addressing contaminated land issues on Awapuni Road as soon as additional capacity is available.
Create and undertake a survey on background noise.	This project is currently on hold due to the need to prioritise more critical initiatives.
Implement a stormwater monitoring programme.	The Stormwater Monitoring Programme was developed to support the stormwater management requirements set by the TRMP 2020.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We provide animal control services that protect our community from threats to their safety by monitoring and enforcing compliance with legislation and through dog registration.					
 The percentage of residents satisfied with Council's efforts in controlling dogs as found in the Resident Satisfaction Survey.	55%	60%	47%	48%	Target not met. Council is exploring ways to improve engagement and visibility of our dog control services to better meet resident expectations.
 The percentage of routine requests for dog or stock control issues responded to within two days.	85%	83%	89%	93%	Target met.
 The percentage of urgent requests for dog or stock control, responded to within one hour.	92%	92%	92%	93%	Target met.
We monitor, respond, and enforce reports of noncompliance with respect to legislation intended to protect the environment.					
 Noise control response within 1 hour.	70%	93%	86%	85%	Target met.
We regulate commercial operations and respond to environmental health issues in the interest of protecting public and environmental health.					
 The percentage of applications for liquor licences processed within target time frames.	65%	63%	72%	75%	Target met.
 The percentage of registered and licensed premises that undergo an environmental health compliance inspection annually.	65%	88%	74%	83%	Target met.
We maintain the Port and Harbour Safety, Code Safety, Management System (SMS) and respond to maritime emergencies.					
 Our Port and Harbour Safety Code (SMS) has been self-assessed with the port within the last 12 months.	Compliant	Compliant	Compliant	Compliant	Target met.
 We initiated our response to all pollution notifications within 30 minutes.	Less than 30 minutes	No events.	No events.	No events.	Target met.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Significant weather events have impacted our ability to deliver our routine monitoring programme.	By using a risk-based approach to triage our inspection work, we will be able to manage our monitoring programme through future climate related disruptions.



Challenges through recovery

Monitoring of high-risk activities

The recovery period has seen a strong focus on investigating and enforcing non-compliance, particularly within the forestry sector. This approach prioritises responses to areas deemed high-risk to our environment, ensuring that our efforts are directed where they are most needed.

Resource Consents


What we do

Council provides regulatory rigour and undertakes respective legislative duties as per the Resource Management Act 1991 (RMA), Building Act 2004 and the Local Government Official Information and Meeting Act 1987 (LGOIMA). Duties under the RMA, specific to the team, include land use; subdivision; discharges to air, land and water; forestry, both harvesting and afforestation; water takes, land disturbance, coastal permits and other national planning instruments such as any relevant National Policy Statements and National Environmental Standards.

Why we do it

- To protect and enhance the quality of our district’s natural and physical environment, now and into the future.
- Support sustainable development and economic growth.
- Support the connection of Māori to their values and relationships with sites of significance and taonga.
- Provide regulatory certainty for economic development and community wellbeing. Ensure our legislative responsibilities are met for the built and natural environment and the community.
- We ensure the integrity and safety of the built form, now and into the future and protect our district’s heritage resource.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	Our planning approach can be facilitative and proactive, applying a common sense, solutions-based focus to growth and development so that processing of consents occurs within statutory timeframes.	Reduce barriers to ensure appropriate and sustainable development is undertaken in our region.

Highlights from the Year

Consents Processing

The consents team has consistently managed a high volume of applications, with 294 resource consents issued during 2023/24, comparable to the 292 issued in the previous year. These consents cover a wide range of activities, including forestry harvesting, water takes, and housing developments.




Our progress

What we said we would do	How we are going
Continue to process resource consents and to meet and deliver statutory requirements for Council.	Processing resource consents is the core function of our team, and we have consistently met targets throughout 2023/24.
Put in place simple and easy-to-use tools and processes to ensure a collaborative approach with our community can be supported.	We use the Customer Touchpoint model to maintain regular contact, guide effective communication, and build positive relationships with our customers. Significant progress has been made in Māori engagement, especially with the new 'Executive Summary' tool, which improves iwi and hapū participation in the consenting process.
Deliver Council's legislative requirements consistently and to a high standard, both in terms of the quality of processing applications received, as well as decisions released under the statutory and regulatory framework.	Review of our processes and templates is ongoing. Reporting templates for District consents are nearly complete. New software aids in streamlining decision-making, improving efficiency, and ensuring timely, consistent results. Internally, a buddy system maintains report quality, while external consultants conduct peer reviews as a contractual requirement.
Implement real-time charging in order to recoup our operational costs to ensure alignment of outputs (time) and inputs (income).	Real-time charging has been implemented. Accurate data derived from capturing true cost recovery across the section.

What we said we would do	How we are going
Document and promote the pre-lodgement process to ensure the best understanding of the proposal prior to its submission – a no-surprises approach.	The pre-lodgement process is a key part of our resource consent application process. Guidance is available on our website and is actively promoted by Duty Planners to help applicants be better prepared, facilitating a smoother application process.
Implement a process for the management of water take replacements for the years when these numbers are particularly high.	Since its implementation in 2022, the water replacement reminder process has reduced follow-ups significantly. Initially managed by the consents administration team, it is now overseen by a Senior Planner specialising in water, which brings greater expertise and efficiency in resolving application issues and ensuring compliance.
Develop and disseminate communication and information material around resource consent requirements.	We address inefficiencies on our website to ensure consent information is accessible and up to date. Planned improvements include redesigning application forms and creating guidance material on charging. These changes aim to increase understanding of resource consent requirements and associated costs.
Provide input into the review of the TRMP process.	This is undertaken on an as needed and ongoing basis in collaboration with the Strategic Planning Team.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We meet regulatory timeframes and apply best practice when processing applications.					
 The percentage of resources consents processed within 20 business days.	70%	74%	77%	78%	Target met.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Reputational, legislative and financial risks and potential environmental.	Ongoing prioritisation of the Continuous Process Improvement project.

Challenges through recovery

Severe Weather Emergency Recovery (SWER) Order in Council

The consents team continues to collaborate with Transport Rebuild East Coast (TREC) and other stakeholders in the consenting process under the Order in Council for reconstructing roads and infrastructure damaged by Cyclone Gabrielle. We support our internal and external partners in the pre-application and processing of retrospective consents related to emergency works.

National environmental standards for commercial forestry (NES-CF)

The consents teams have over the last year worked in collaboration with the Forestry Industry and landowners in the review and development of standard forestry conditions for consents which were introduced in November 2023.

What it costs

	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Operating revenue and expenditure				
Revenue From Non-Exchange Transactions	737	1,196	(459)	820
Revenue From Exchange Transactions	5,569	5,199	370	5,288
Expenses	11,465	9,500	(1,965)	10,795
Net Cost of Service	5,159	3,105	(2,054)	4,687
Capital Expenditure				
Capital Projects	20	0	(20)	62
Funded by:				
Internal Loans	20	0	(20)	62
	0	0	0	0

This activity was funded 50% from rates and 50% from fees and charges.

What was different from the budget

- 1 Revenue from non-exchange transactions was \$459k under Annual Plan. This is due to mostly to the lower than expected revenue from parking infringements and court enforced fines.
- 2 Revenue from exchange transactions was \$370k ahead of Annual Plan. This is due to an increase in building and resource consents being processed. This income is offsetting the lower than expected parking meter revenue.
- 3 Expenditure is \$1.9m over Annual Plan. This is mostly due to increased consultant costs to meet the demand for building and resource consents. In addition there were an increase in prosecutions and enforcement orders and investigation costs over what was planned.
- 4 Capital expenditure is \$20k over Annual Plan. A forklift and shipping container was purchased to aid the harbour master in an event of a marine oil spill and for increased storage.

Te Whenua, ngā Awa me te Takutai

Land, Rivers and Coastal

Land, rivers and coastal minimise and prevent damage to Tairāwhiti from floods and erosion. We do this by providing advice on preventative works, maintenance to open drains across the Poverty Bay Flats, monitoring changes to river/stream channels and the coast, providing essential river and stream maintenance, and maintaining coastal protection structures in alignment with the Wainui Beach Erosion Management Strategy.

What we do

This activity is responsible river asset management, flood control schemes, land drainage schemes, river channel maintenance and maintenance of coast protection structures. The total network replacement value is around \$110.6m.

Rivers Asset Management

We are responsible for monitoring changes to the coast, rivers, and stream channels that could affect our community. We also advise stakeholders on preventative maintenance for rivers and streams, on issues such as flood control, coastal and land erosion protection, land drainage and coast protection. River water level monitoring also provides timely flood warnings to the community for specified rivers.

Flood Control Schemes

To protect the community, land, buildings, and infrastructure from flooding, Council administers and maintains two flood control schemes, one river improvement scheme, one river erosion protection scheme and two flood protection assets (Stopbanks constructed by ECCB) within our district:

- Waipaoa River Flood Control Climate Change Resilience project.
- Te Karaka Flood Control Scheme.
- Tūranganui-Taruheru Rivers Scheme.
- Waiapu Erosion Protection Scheme.
- Mangahauini River Flood Protection Scheme.
- Tikitiki Flood Protection Scheme.

Together these schemes include 47km of river channel, 68km of stopbanks and 740 hectares of floodway land.

Land drainage schemes (including pump stations)

Council construct and maintain a network of open drains across private farmland to provide land drainage. This allows the effective subsurface drainage of the Poverty Bay Flats within specific areas (generally land drainage schemes). A total network of 277km of drains are maintained, spanning 17 drainage districts. Council undertakes this work in response to landowner requests via legislation as required.

River channel maintenance

Council provides essential river channel maintenance and infrastructure works for 303km of identified rivers and streams to protect land, properties, and river assets. Council also undertakes this work in response to landowner requests via legislation, as required.

Highlights from the Year

Marina Car Park Revetment Damage

During Cyclone Gabrielle, Marina Park experienced significant flooding and silt inundation, and a large portion of the river frontage was lost to erosion, leaving the site vulnerable to future events. A 51-metre-long sheet pile wall was installed around the Ormond Road side of the boat ramp. The repair work was completed within three months and finished in September 2023.

ANZAC Park Revetment Damage

The timber pile revetment at ANZAC Park, constructed in 2010, sustained extensive scour and damage to the left bank of the Waimata River due to Cyclone Gabrielle in February 2023. The timber piles were completely destroyed. A tender for the repair was awarded in April 2024, and work started in May.

Silt Clearing of Land Drainage System

The clearing of silt from the network was completed by February 2024.

Te Arai Willow Management Programme

The Te Arai willow management programme was established as part of post-recovery efforts. An agreement was reached with the Te Arai Catchment Group, and the first section of the programme was successfully delivered in April 2024.








Coastal property protection scheme

We maintain the existing coastal areas in a defined area along Wainui Beach, in alignment with the Wainui Beach Erosion Management Strategy (adopted in 2014). Council owns and maintains about 2067m of erosion protection structures including rock and timber revetments, gabions, concrete walls, and groynes.

Why we do it

Council's flood protection schemes are intended to keep people and properties safe from flooding, river erosion and coastal erosion in identified areas. River monitoring also provides flood warnings to the community for specified rivers in a timely and effective manner.

Contribution to community outcomes



Community outcomes	Contributions	Objectives
 Resilient communities.	We take into account the forecasted impacts of climate change and changing community demands, as they relate to access to key services.	We use a risk-based approach to manage natural hazards and climate change adaptation.
 A vibrant city and townships.	We plan and deliver an upgraded flood protection scheme along the Waipaoa River. This supports: <ul style="list-style-type: none"> • Quality urban infill development. • Protection of homes, property, and livelihoods. 	Our city and our rural townships are supported by sustainable infrastructure.
 Connected and safe communities.	Explore and strengthen pathway connections between local reserves to enhance their use as well as the liveability of our communities.	Development and delivery of cycle trails to provide connections between schools, townships and community spaces following the Waipaoa stopbanks and/or on flood control owned land.
 We take sustainability seriously.	Increasing the resilience of land, rivers and coastal to both short and long-term risks and events, particularly climate change and natural hazards.	Adopt sustainable land use practices that contribute to ecological diversity, healthy waterways and marine environments, and the health and well-being of local communities.
 We celebrate our heritage.	In partnership with Iwi, we will continue to deliver our suite of collaborative projects.	Support mana whenua in the exercise of kaitiaki responsibilities over the environment.
 A diverse economy.	We utilise and support local contractors and engineering professionals, where possible.	We have the required skills for our local industries to succeed.
 Delivering for and with Māori.	Our interactions with Māori collectives are evolving constantly and we aim to move away from transactions into more relationship-based partnering with Māori.	The mana of the whenua and mauri of the waterways is restored in Te Tairāwhiti.

Our progress

What we said we would do	How we are going
Continue to provide a flood protection warning service for some river schemes.	An on-call Flood Warning service is provided 24/7 by a team of flood warning officers for the Te Arai River, Waipaoa River, Waimata River, and Hikuwai River catchments. E-texting and Facebook updates have been introduced for community flood warnings. The 'Arrows' model, which provides river level predictions during rain events, is under review. The team is exploring an inter-Council approach to combine funding and develop a common operating platform.
Continue with bulk earthworks construction to upgrade the Waipaoa River Flood Control Climate Change Resilience project protection level to a 1:100-year event taking into consideration the effects of climate change out to 2090. Construction priority will focus on upgrading the eastern side stopbanks to protect Gisborne City first.	Since February 2019, 48 km of stopbanks have been successfully upgraded. This includes 25 km on the eastern side (city side) of the Waipaoa River and 23 km on the western side, approximately between the ocean and Pātūtahi Township. There are 16.5 km of stopbanks left to upgrade.
Undertake flood mapping to make more informed decisions.	Region-wide LiDAR data was collected in late 2023. This data will be used for flood mapping and hydraulic modelling in some areas.
Respond to Council's Request for Service (RFS) system to manage and track all service requests that the public make.	Responses to public faults and general advice continue to be monitored and provided.

What we said we would do	How we are going
Capture private assets in drains (survey and input into Council's Data Management System) and review ownership/ management policy.	A database for drainage assets was prepared to guide private owners on the replacement of private assets.
Review Te Karaka Level of Service considering the effects of climate change. Depending on findings and community consultation on these findings, a potentially additional budget may be sought in the 2024 LTP to undertake remedial works.	A hydraulic model was built by DHI to understand the effects of Cyclone Gabrielle and investigate potential flood resilience improvement options for the Township. A 'calibrated model' became available in June 2024, and 'optioneering' work to improve the flood resilience for the community commenced in August 2024.
Review of Waipaoa River rock/groynes protection.	All critical bends alongside the Waipaoa River near the Waipaoa stopbank have been inspected and reviewed from a rock armouring perspective. The replenishment and reinforcement of two bends with additional rock riprap have been recommended. The physical work for this is planned for 2025/26.
Review, amend and consider adopting best practice operational manuals for the Waipaoa River Flood Control Climate Change Resilience project.	Progress on this item has been limited due to the prioritisation of other works.
Replacing Waimata -Taruheru River wooden revetment damaged by Cyclone Gabrielle with a sheet pile revetment.	A 51m sheet pile wall was reconstructed behind the marina car park to protect the riverbank as part of the cyclone recovery project.
Removal of Council coastal infrastructure/assets once they become a health and safety risk and making areas safe, to protect the community and coastal users.	All health and safety issues on the coastline were addressed. River outlets and sandbars were opened to prevent further damage to public and coastal assets.
Review how we do things compared with other similar teams across New Zealand.	Regular updates are received via the River Managers Special Interest Group (SIG) on river management practices by other Unitary and Regional Councils.
Complete the review of the Wainui Beach Erosion Management Strategy.	The review has started. Original delivery timeframes have been extended due to the project's complexity and community engagement. Completion is expected in late 2024 or early 2025.
Continue to improve the management of assets.	Ongoing. Work Orders are logged within the IPS AM system. From the next financial year (2024/25), all work orders will be created through IPS, improving information updates in the database and monitoring past work.
Beach erosion monitoring.	Ongoing. Beach cross-section surveys are conducted in February and August for Wainui Beach each year to monitor coastal changes and sand movement.
Improve fish passage.	Fish passage improvements were undertaken on the Whatatuna Floodgates to keep the gates open longer during tidal cycles.
Willow Poles for edge protection.	During the 2023/24 financial year, preparations were made for the planting of approximately 1000 willow poles in July 2024 to stabilise slopes against lateral erosion risks. These poles are sourced from a newly established willow pole nursery at Bushmere Road next to the Waipaoa River, managed by the Catchment Group. This initiative supports ongoing efforts for riverbank stabilisation and edge protection.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Ensuring the community is safe and prepared, we'll actively monitor and manage the drainage of rivers and streams to minimise flood risk and coastal erosion.					
 System and adequacy – Flood control stopbank length is inspected annually and maintained to a 1-in-100-year protection standard. (Total stopbank length 77km). <i>Mandatory measure – DIA</i>	25%	25%	29.8%	25%	Target met.
 Percentage of requests for Service resolved within target time frames.	80%	72%	66%	60%	Target not met. Service request response times were delayed as priority was given to Cyclone Gabrielle recovery efforts. The team faced a significant workload, particularly with silt removal from LRC assets and repairs to damaged floodgates, which led to slower response times for other service requests.

Significant effects of delivering this activity

Significance negative effects	Mitigation
<p>Environmental</p> <p>There are design limits and at some point, they will be exceeded. An over-reliance on structural engineering solutions can lead to a shift from regular flood events to rare and catastrophic disasters. Increased development and intensification within protected areas by flood control schemes mean that when a scheme eventually fails, the consequences can be severe.</p>	<ul style="list-style-type: none"> Increasing design limits e.g., designing for climate change. Reducing the amount of development and intensification in the area protected by a stopbank. Change land use to reduce peak catchment runoff rates e.g., from pastoral to forestry. The management of unsustainable hill country to reduce sediment loads and bed/berm aggradation.
<p>The maintenance and installation of hard coastal erosion protection assets to protect coastal property can have the negative effects of locking up sand resources and lowering general beach level, reducing the amenity value and usability of the area.</p>	<p>Taking a different approach from hard structures to soft structures e.g., sand push-ups and dune planting. Alternatively adopting a managed retreat approach e.g., requiring relocatable housing, planning provisions, and allowing natural erosion processes over hard structures.</p>



Challenges through recovery

Delays in completing physical works contracts

Most recovery work faced delays due to saturated ground conditions and ongoing wet weather. Despite these challenges, the majority of the recovery work began in spring and was successfully completed by February 2024.

Makaretu Stream clearing delays

Clearing of the Makaretu Stream was postponed when inanga eggs were found at the site, necessitating a temporary halt to the work. The situation was further complicated when the area flooded in June 2024, leading to additional delays in completing the project. The work is now planned for completion in November, ensuring that inanga spawning is not disrupted.

What it costs

Operating revenue and expenditure	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Revenue From Non-Exchange Transactions	79	0	79	132
Revenue From Exchange Transactions	74	292	(218)	(277)
Expenses	3,498	2,927	(571)	2,550
Net Cost of Service	3,345	2,635	(710)	2,694
Capital Expenditure				
Capital Projects	10,062	4,272	(5,790)	5,320
Funded By:				
Grants and Subsidies	6,213	0	(6,213)	3,062
Other Capital Revenue	0	0	0	2
Depreciation or Other Reserves (Renewals)	0	0	0	143
Internal Loans	3,849	4,272	423	2,112
	0	0	0	0

This activity was funded 92% from rates and 8% from fees and charges.

What was different from the budget

- 1 Revenue from non-exchange transactions is \$79k ahead of Annual Plan. This is related to grants and subsidies from National Emergency Management Agency (NEMA) for restoration of damaged infrastructure after the cyclone.
- 2 Revenue from exchange transactions is \$218k under Annual Plan. River licence fees were reduced while the Waipaoa stopbanks were being completed.
- 3 Expenditure is \$571k over Annual Plan. This is due to additional costs for maintenance in drainage areas and ongoing recovery work in rural areas.
- 4 Capital Expenditure is \$5.8m over Annual Plan. This is mostly due to the Waipaoa River Flood Control works with a spend of \$8.8m, out of which \$5.5m is 90% funded by Crown Infrastructure Partners (CIP).

Ngā Rori me ngā Ara Hīkoi Roads and Footpaths



Roads and footpaths is about Tairāwhiti being a city and district that is safe and easy to get around. We want to have a connected, resilient and sustainable transport system that is reliable and accessible to everyone and caters to a variety of transport needs, modes and choices.

What we do

This activity is responsible for the extensive land transport network in our region, all operational elements of road maintenance and renewals, capital projects, walkways, and cycleways. Council also manages the two public bus services, nine school bus services, and road safety education initiatives, including campaigns for wearing seat belts, and against drunk driving and speeding.

The local road network forms 85% (1899km) of Tairāwhiti's roads and equals the same distance as driving from Kaitaia to Invercargill. 87% of the roads are rural and 54% are unsealed. Other assets include 413 bridges, culverts, and drains, 263km of footpaths, footbridges, 3703 streetlights 20 roundabouts, 18.5km of cycleway shared paths, street signs, railings, retaining walls, one set of traffic lights, and bus shelters. Waka Kotahi provides two-thirds of the funding for these assets, from the National Land Transport Plan (NLTP) except for some non-assisted assets such as carparks and wharves.

The Land Transport Management Act 2003 requires Council as a regional authority to have a Regional Land Transport Plan and a Regional Public Transport Plan. These plans are reviewed every three years, at the same time as the Long Term Plan, and is our bid to the NLTP funding.

Why we do it

Transport is a key tool through which Council delivers on wellbeing outcomes for the community. The roading activity provides critical infrastructure and is a key enabler of community connectivity. It also connects sparsely populated and isolated communities as well as key regional producers with market destinations. These linkages are crucial for the region's economic activity and employment, with the primary sector accounting for 20% of local jobs.

The walking and cycling network, consisting of a mixture of footpaths, shared paths, footbridges, bike lanes, boardwalks, and cycle ways, is expected to grow to meet the community's wellbeing outcomes.

Highlights from the Year



Reduced costs for Temporary Traffic Management





Local operating procedures have been developed for long-term unattended sites, resulting in cost reductions.

Contractor Panel Agreements

Panel agreements have been established with seven contractors to expedite bridge repairs. Similar agreements are being developed for addressing road dropouts.










Contribution to community outcomes



Community outcomes	Contributions	Objectives
 Resilient communities.	Future planning will look to opportunities of changing climate and how it can be used to advance understanding of and planning for resilient infrastructure.	Our region's infrastructure will not be compromised by climate change and will provide the service expected by the community.
 Connected and safe communities.	Transport infrastructure investment is targeted to improve access to safe and efficient transport options.	Our roads and pathways are safe to use by the community to access jobs, services, education and leisure.
 We take sustainability seriously.	Encourage and support businesses and communities to explore more efficient sustainable practices through innovative solutions like the re-use of waste for fuel.	Businesses and communities are supported to explore the potential for developing a circular economy.
 A diverse economy.	Infrastructure supports innovative growth opportunities so Te Tairāwhiti can keep and grow local talent within the region.	Our regional economy has depth and variety, and we have the required skills to support it.

Our progress

What we said we would do	How we are going
<p>Reduce the number of fatal and serious crashes occurring in the district by:</p> <ul style="list-style-type: none"> A focused road safety education programme. The development of a speed management plan and implementation. Safety engineering projects near schools and urban intersections. Hazardous tree removal to improve visibility improvements on rural roads. 	<p>We have been collaborating with partners to execute activities aligned with the region's road safety action plan to reduce harm on our roads and support safe systems while meeting targets.</p> <p>The Interim Speed Management Plan has been enacted, reducing speeds around most schools and townships.</p> <p>The Palmerston/Derby roundabout has undergone a safe systems treatment, including raised crossings.</p> <p>Tree hazard mitigation efforts continue.</p> <p>Local operating procedures for temporary traffic management have been trialled successfully.</p>
<p>Maintain the reliability and resilience of the roading network:</p> <ul style="list-style-type: none"> Continue with the bridge strengthening programme to address freight access constraints. Continue to implement the local roads route security business case. Ensure Council's ongoing emergency works programme is delivered. 	<p>The June 2023 event necessitated an additional \$11.3m in emergency works followed by \$1.1m in November, adding to a backlog of \$13.4m from previous events. Both route security and 50MAX bridges (designed to support vehicles up to 50 tonnes) have been severely impacted by ongoing severe weather events attributed to climate change.</p> <p>Work has commenced on a business case to determine future resilience levels of service and priorities for local roading in response to climate change scenarios.</p>
<p>Improved access for communities with a choice of transport mode:</p> <ul style="list-style-type: none"> Progress the Taruheru River Walking and Cycling project to achieve the goals set in the Tairāwhiti 2050 (Spatial Plan). Complete a strategic network review of our public transport services to ensure it is meeting the requirements of our community. Complete Council's footpath renewals and maintenance programme. Develop a Tairāwhiti Walking and Cycling Network Plan, in conjunction with investment partners (pending funding). Deliver the proposed Ūawa Cycleway (pending funding). 	<p>A Mode Shift Plan and Active Transport Strategy were consulted on in February, with hearings in April. The deliberations report is scheduled for August 2024.</p> <p>A section of the Taruheru River Path between Grey Street and Derby Street, alongside Mitre10, has been completed, as has the footpath renewals and maintenance programme.</p> <p>The first stage of the Ūawa Cycleway around the township, which received funding, has been completed.</p> <p>The 'Streets for People' project has been completed in Grey Street with the Tairāwhiti Adventure Trust, and construction is scheduled for Ūawa in August 2024. The trials will remain in place for at least a year to allow for feedback during the summer.</p> <p>Work has begun on a new contract for the Public Transport service, incorporating improvements from the review.</p>

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We ensure the roading network is designed and managed for safe use with low crash and injury rates					
 Road safety – The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. <i>Mandatory measure – DIA</i>	Decrease	4 Fatal 37 serious	3 Fatal 15 serious	0 Fatal 13 serious	Target met.
 Percentage of Requests for Service reviewed and actioned within target time frames.	80%	72%	96.9%	97%	Target met.
We operate and maintain a reliable roading network that is up to date, in good condition and fit for purpose.					
 Response to service requests – The percentage of customer service requests relating to roads and footpaths to which Council responds within the time frame specified. <i>Mandatory measure – DIA</i>	80%	69.3%	80.2%	82%	Target met.
 Road condition – The average quality of ride on a sealed local road network, measured by smooth travel exposure. <i>Mandatory measure – DIA</i>	80%*	81%	84%	Not measured	Not measured. The roading network was severely compromised, with 47 road closures across the district. This significantly impacted Council's ability to perform this work, resulting in the activity not being completed in the 2023/24 period. From 1 July 2024, all road condition monitoring across New Zealand will be delivered by NZTA as part of a national contract. Gisborne District Council's network is scheduled for monitoring in November 2024.
 Road maintenance – The percentage of the sealed local road network that is resurfaced. <i>Mandatory measure – DIA</i>	5%	3.7%	8.1%	6%	Target met. 120 lane-kilometres were resurfaced out of a total of 1,587 lane-kilometres in the sealed network.
 Footpaths – The percentage of footpaths that fall within the service standard for the condition of footpaths that is set out in the Engineering Code of Practice. <i>Mandatory measure – DIA</i>	90%	86.5%	95%	Not measured	Not measured. Resourcing challenges among independent contractors, compounded by the large volume of recovery work being undertaken, resulted in this activity not being measured. However, the footpath renewal programme has been completed, with 0.481 km out of a total 264 km (0.18%) renewed. The Engineering Code of Practice is currently under review.
We provide and maintain affordable and accessible transportation services that balance the needs of all users.					
 Percentage of residents using the walking and cycling network as found in the Resident Satisfaction Survey.	Increase	59%	74%	77%	Target met.

Measure	Target	2022	2023	2024	How did we perform?
 Percentage of customers who rate the passenger transport system as excellent/good.	80%	Not measured	Not measured	Not Measured	Target not met. A review of the city's bus network was completed at the end of 2023, informing the new Regional Public Transport Plan (RPTP). The RPTP, adopted in June 2024, outlines the base urban bus service network, potential improvements, and supporting policies, including fare and ticketing changes.
 The number of bus passengers per annum.	121,000**	116,408	123,343	123,943	Target met.

* The sealed road network has a roughness reading of less than 150 NAASRA

** Target amended in AP23/24 from >145,000 to 121,000 to align with the Regional Land Transport Plan.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Environmental The land transport function is road maintenance and construction; on occasion this may lead to high greenhouse gas emissions.	We are implementing an efficient maintenance schedule, promoting mode shift, and exploring the use of alternative materials to reduce carbon emissions. Contracts now include broader outcomes, such as the reduction of carbon emissions and waste.

Challenges through recovery

Road Infrastructure Recovery and Resilience Efforts

Cyclones Hale and Gabrielle have had a severe impact on our roading network, resulting in landslides, floods, and extensive damage. Eight bridges were destroyed, 54 were significantly damaged, and over 3,000 faults were reported across local roads. More than 200 major road sections were affected, leading to closures, including Tiniroto Road and Tiniroto Bluffs.

The estimated cost to fully restore the network is \$465m, with \$725m needed to achieve a more resilient standard. The central government has provided a support package of \$125m for emergency response costs; however, this leaves a significant funding shortfall. We are actively working with central government to address this gap.

An assessment of our 424 bridges identified 62 as being directly affected, with erosion impacting over 250 sections. Key work includes the Bridge Rebuild and Repair Programmes, which are focused on restoring essential connections. Additionally, we are strengthening 90 bridges, implementing temporary solutions for isolated areas, and carrying out minor repairs on 35 bridges. Debris clearance has been a priority, with slash removed from 77 bridges.

The Tiniroto Road, an alternative route to State Highway 2 (SH2) South connecting with Wairoa, has secured \$45m in business case funding. The project includes plans to reopen the bluffs section, finalise the Project Management Plan, and undertake geotechnical and hydrology works.

Addressing road dropouts is ongoing and will require an additional \$8.5m in funding. Council also negotiated, with iwi support, an Iwi Projects package totalling \$27 million to address community resilience challenges across the district.

As of 30 June, 31 roads had been successfully reopened, alongside repair work on slips, bridge repairs, and general road safety improvements across the district.

While progress has been made in 2023/24, work will continue over the next three years as outlined in our 2024–2027 Three Year Plan.

Details of the recovery efforts are available on the Council's website:

www.gdc.govt.nz/services/tairawhiti-road-to-recovery/flood-damaged-road-network

What it costs

Operating revenue and expenditure	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Revenue From Non-Exchange Transactions	58,658	76,815	(18,157)	71,865
Revenue From Exchange Transactions	94	124	(31)	(2,392)
Expenses	83,976	100,049	16,073	91,135
Net Cost of Service	25,224	23,109	(2,115)	21,662
Capital Expenditure				
Capital Projects	42,466	28,076	(14,390)	19,804
Funded By:				
Grants and Subsidies	36,982	20,855	(16,128)	15,541
Other Capital Revenue	300	300	0	11
Depreciation or Other Reserves (Renewals)	2,639	5,525	2,886	3,859
Internal Loans	2,544	1,396	(1,148)	393
	0	0	0	0

Non-Subsidised Local Roads funded from 100% rates, Subsidised Local Roads, public transport and road safety is funded from 34% depreciation/loans/rates and 66% from subsidies from Waka Kotahi.

Flood Damage and Emergency Reinstatement is funded from 14% rates and 86% from subsidies, with Cyclone Hale and Gabrielle funded 100% from subsidies.

PGF and PGF Emergency work is 100% funded jointly from Waka Kotahi and MBIE.

What was different from the budget

- 1 Revenue from non-exchange transactions is \$18.2m under Annual Plan. This is due to more capital works for the reinstatement of critical road and bridge infrastructure. This is consistent with the increase in capital grants and subsidies of \$16m as shown in the table below.
- 2 Revenue from exchange transactions relates to corridor access requests and beecards revenue. This revenue is partially offset by the accounting loss on disposal of bridges (\$47k) destroyed as a result of Cyclone Gabrielle.
- 3 Expenditure is \$16m under Annual Plan. This is due to more capital works undertaken for the reinstatement of critical road and bridge infrastructure and consistent with the increase of capital grants and subsidies of \$16m as shown below.
- 4 Capital Expenditure is \$14.4m over Annual Plan. Renewals through to June account for just under half of the capital spend. The variance is mostly related to the capital emergency works for the reinstatement of bridges and roads. This is externally funded by CIP and Waka Kotahi.

Para Mārō

Solid Waste



Solid waste manages waste and promotes effective and efficient waste management and provides minimisation services and activities within the district, to minimise the effects on our health and the environment.

What we do

This activity is responsible for managing the region's solid waste and promoting waste minimisation initiatives. We do this through:

- Rural and urban kerbside collections.
- Rural transfer operations.
- Recycling initiatives.
- Cleaning of public places.
- Landfill operations and aftercare.

Why we do it

Council has a statutory duty to not only ensure waste is managed effectively and efficiently, but also to minimise it. We also have a responsibility to promote the reduction, reuse, and recycling of waste to reduce the potential harmful effects of waste on people and the environment.

The provision of solid waste activities is a requirement for every district or city within New Zealand under the Local Government Activity and Public Health Act 1956. We are using our adopted 2018–2024 Waste Management and Minimisation Plan to guide us in making sure we manage our waste as best we can for the benefit of our community's health, our local economy, and our environment.

Highlights from the Year






Funding Secured for Tokomaru Bay Landfill Remediation

Council has secured nearly \$5m through the Contaminated Sites Remediation Fund (CSRF) from the Ministry for the Environment to remediate the legacy landfill site in Tokomaru Bay, preventing waste exposure caused by severe weather erosion. This two-year project started in mid-2024 and aims to protect the Mangahauini River and the surrounding environment. The landfill, which has been exposed multiple times in recent years, presents a significant risk to the local ecosystem and community lifestyle.









Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	<p>It's our vision that the community becomes part of, and shares with Council the responsibility for the service provision.</p>	<p>The community becomes part of and shares with Council the responsibility for the service provision.</p>
 A vibrant city and townships.	<p>Maintaining clean public places and amenities enhances the community's and our visitors' enjoyment of our city and townships.</p> <p>We will work to ensure that our activities are of the standard the community expects and in the locations required.</p>	<p>Solid waste activities are of the standard that the community expects and in the locations required by the community.</p>
 We take sustainability seriously.	<p>We work with community groups to promote and advocate for increased waste minimisation and diversion from landfill.</p>	<p>Community groups and businesses promote sustainability by repairing or re-purposing. Waste minimisation efforts within the region are maximised and through a collective community effort, greater waste diversion from landfill is achieved.</p>

Our progress

What we said we would do	How we are going
Review of our kerb side rubbish and recycling collection contract.	The current kerbside collection contract extension to be finalised.
Review the implemented Council bylaws to comply with statutory requirement.	An internal review has been conducted. The existing waste bylaws and practices have been assessed as suitable and appropriate. The waste assessment was completed, with a recommendation to amend our current Waste Management and Minimisation Plan (WMMP).
Continued support of Enviroschools.	We continue to provide resources to Enviroschools and collaborate on environmental projects. Additional Early Childhood Education Centres (ECEs) have signed up for the Enviroschools programme. Ongoing collaboration with other council teams supports initiatives that align with the Enviroschools kaupapa.
To actively engage the community and provide information, education and resources to support community actions and community initiatives for waste minimisation.	Contestable waste funding applications closed in February. Applications were reviewed, and five applicants were allocated funding to support initiatives aimed at increasing waste minimisation activities within Tairāwhiti.
Increase funding to businesses and community groups to empower and educate environmental awareness and waste minimisation.	Council's Waste Minimisation Fund is aiding local businesses, with ongoing partnerships to further environmental awareness.
Continue to roll out new litterbins for the city and regional townships as part of asset management practices. Look into options of big belly smart bins and recycling bins.	Litter bin upgrades are aligned with broader township and playground enhancements. Options for big belly smart bins and recycling bins are being explored.
Continue to work with Ministry for the Environment (MfE) on projects such as the 'Resource Recovery Transfer Station' and work towards implementation as per the results of the feasibility study.	Continued discussions with MfE on Resource Recovery projects, including funding applications for a purpose-built resource recovery centre. We are supporting community groups with additional funding applications to MfE for waste reduction programmes. We participated in a Waste and Resource Recovery Infrastructure Roadmap facilitated by BECA and MfE.
Engage professional services to undertake a region-wide public engagement process to gauge the appetite for change to the day-to-day operation of solid waste (e.g., a change to wheelie bins or kitchen waste bins).	A community survey supported the transition to wheelie bins, and funding has been secured for their purchase. This will be incorporated into the tender for a kerbside collection contract.
Risk assessment of current and historic landfill sites to determine the urgency of remediation and subsequent remediation.	Existing risk assessments are due for an update. We are working through a process to complete this in the next financial year.
Continue remediation of the Pāōkahu closed landfill and Awapuni lagoon waterways.	A draft peer review has been completed, with the final report pending, which will inform future works on this site. A consultant is drafting a proposal for a review of the site management plan to help inform the next steps.
Increase cooperation alongside other Council teams to maximise community opportunities.	We hold regular hui with other councils to discuss current and emerging issues. We are working together to explore different opportunities for waste minimisation and reduction.
Undertake works at our closed landfills to improve consent compliance.	Ongoing works are being undertaken to maintain compliance.
Continue to work with the Ruatōria community in regard to the future of the Waiapu landfill to determine the preferred solution and apply for any consents needed (consent expires 2025).	The Waiapu working group is to be reestablished to work toward outcomes for the community, pending the consent expiry in 2025.
Apply to renew consent for Te Araroa transfer station (consent expired 2023).	Consent renewal is progressing for this site.

Our levels of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Solid waste facilities are adequate and accessible to the community, including regular kerbside collection services and transfer stations.					
 Resident satisfaction with kerbside collection as found in the Resident Satisfaction Survey.	90%	84%	81%	81%	Target not met.
 Total waste received as illegal dumping (tonnes).	Decrease on prior year result	297.72t	392.84t	775.4t	Target not met. There has been an increase in the collection of illegally dumped waste, with instances commonly occurring outside waste management facilities after hours. We conduct regular clean-ups, have installed signage, and cleared grass and foliage in specific areas, which has resulted in a decrease in dumping. We are also working on a broader communications campaign to address illegal dumping across the district.
Public information and programmes promote waste minimisation.					
 Support information and education programmes or workshops that raise awareness and promote waste minimisation.	Minimum of 5 per year	6	6	22	Target met. This year's workshops have increased community awareness of different waste minimisation kaupapa. Workshops were delivered to more than 1,800 people on various topics.
Waste is diverted from landfill via waste minimisation method.					
 Total solid waste to landfill in kg per head of population.	285kg	341kg	388kg	389kg	Target not met. This is on par with the previous financial year but is 317kg less than the national waste statistics of 706kg per person.
 Ratio of recycling to landfill waste (tonnes).	30:70	23:77	24:76	21:79	Target not met. There has been a decrease in local diversion rates in the region. This aligns with a 2.9% decrease in the Ministry for the Environment (MfE) national waste statistics.
No adverse effects on the environment or human health from the Paokahu and Waiapu Landfills.					
 Number of resource consent breaches for Paokahu and Waiapu landfills.	< 5 active at year end	0	1	1	Target met. One abatement notice is in place for the Paokahu Landfill. The management plan is under review to achieve compliance.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Potential for odour, dust, vermin, litter, and noise from waste minimisation facilities (e.g., landfills), which may affect neighbours and public health.	Continue to manage and monitor facilities to ensure there are no effects on the public. Improve kerbside service and cleaning of public areas. Working with our contractors on pest management of sites to reduce number animal pests.
Increased traffic movements to transport waste to landfill (increased carbon emissions from truck movements and landfill). Increasing volume of waste rotting in landfills.	Continue to work with the contractor and community groups to look at new ways to increase waste minimisation. Working with contractors to maximise loads when transporting waste across the district or out of district. Reduce movements where possible, combine product for movement where possible, maximising space where possible.
Noise may be a factor for the city transfer station.	Continued management of the contract and ensuring the contractor meets the required resource consent conditions.

A tātau mahi Our activities

Significance negative effects	Mitigation
Contamination of waterways. Waste deposited on beaches. Waste or leachate ingested by birds and fish.	Protection of old landfills from erosion. Capping of landfills to reduce saturation of materials within the landfill. Improvements to subsoil drainage to collect and treat leachate.
High volumes of waste in landfills affect the environment.	Implementation and improvements to provide waste minimisation through Council's Waste Management Plan (WMP).
Potential environmental damage. Potential high fines for significant breaches. Potential damage to Council reputation.	Managing the sites through significant weather events.



Challenges through recovery

Increased volume of illegal dumping

There has been an increase in the volume of illegal dumping, including a significant amount of recyclable materials. These materials are often contaminated and sent to landfill. Many dumped household items, such as whiteware, could have been diverted to metal recyclers. Other items could have been disposed of properly rather than ending up as illegal dumping.

What it costs

Operating revenue and expenditure	Actual	AP	Variance	Actual
	2024	2024	Favourable	2023
	\$000s	\$000s	/(Adverse)	\$000s
Revenue From Non-Exchange Transactions	23,263	26,400	(3,137)	1,326
Revenue From Exchange Transactions	400	234	165	244
Expenses	29,695	31,054	1,359	7,085
Net Cost of Service	6,032	4,420	(1,612)	5,515
Capital Expenditure				
Capital Projects	2	3,948	3,947	81
Funded By:				
Grants and subsidies	0	2,765	2,765	68
Other Capital Revenue	275	275	0	450
Depreciation or Other Reserves (Renewals)	(275)	(153)	122	(414)
Internal Loans	2	1,061	1,059	(23)
	0	0	0	0

This activity was funded 85% grants, 15% rates and 1% fees and charges.

What was different from the budget

- 1 Revenue from non-exchange transactions is \$3.1m under Annual Plan. This variance is related to large woody debris and silt removal costs, where grants and subsidies are only recognised to the extent of costs incurred.
- 2 Revenue from exchange transaction is \$165k over Annual Plan. More income was received from Waste Minisation levy.
- 3 Expenditure is \$1.3m under Annual Plan. This relates mostly to the large woody debris and silt removal project, the project will continue over the next 2-3 years. Any unspent funds arising from Woody Debris grants, will be used within the first half of 2024/25.
- 4 Capital expenditure is \$3.9m under Annual Plan. The major projects are for the relocation of Tokomaru Bay transfer station and Wheelie Bins project. A location for the new transfer station has been selected; works are anticipated to start in 2025. Unspent budgets for both of these projects has been carried over to 2025.

Waikino

Wastewater



We provide Tairāwhiti with reliable and sustainable wastewater services to protect both the health of our people and our waterways. We want to continue to provide a service to collect, treat, and dispose of wastewater in a safe, healthy and sustainable way.

What we do

Council collects, treats, and disposes of wastewater from residential and industrial properties. This includes Gisborne city, the western industrial area, and Te Karaka. We own, operate and maintain a network of pipes and pump stations that carry wastewater for treatment to the treatment plants. We also own and administer the four septage disposal sites at Te Araroa, Tikitiki, Ruatōria (Waiapu) and Te Puia Springs.

The remaining communities in our district are served by non-Council administered private septic tank systems. The wastewater activity does not include the administration and monitoring of the on-site wastewater systems.

Within Gisborne city, certain industries are served by a separate industrial wastewater network. This network discharges to the Wastewater Treatment Plant (WTP) where it is screened and is then discharged to the marine outfall. The industrial wastewater does not go through the domestic treatment system. These industries are required to treat their own waste onsite.

Gisborne domestic wastewater is collected at the WTP, screened, has the grit removed, is treated biologically, clarified, biological solids removed, and is then UV disinfected and discharged to the marine outfall.

Council regulates trade waste discharges to the Gisborne city wastewater systems by means of the Trade Waste Bylaw.

Council is upgrading the existing WTP. The plant is operational, and currently working through the optimisation and performance proving process with a focus on meeting performance targets in 2024.

Depending on where you live in Tairāwhiti, wastewater is treated in one of these ways:

- Gisborne City: biologically treated, clarified, wastewater has solids removed and is then UV disinfected, which discharges via a marine outfall into Tūranganui-a-Kiwa/Poverty Bay.
- Council's large industrial users: have a dedicated industrial wastewater line which contains no human waste, and their waste is managed and treated on their sites to comply with their Trade Waste consent. This allows a discharge directly

Highlights from the Year



Improved Wastewater Quality

Wastewater is now biologically treated, clarified, with solids removed, and disinfected by UV. These additional treatment stages have significantly improved the quality of water discharged into the bay.

DrainWise programme continues to be effective in improving the performance of our wastewater network.

88 private property downpipes have been removed from discharging rainwater into our wastewater network, which is equivalent to 4400 houses worth of normal wastewater flows.

to the marine outfall after screening at the Wastewater Treatment Plant.




- Te Karaka township: wastewater is treated via an oxidation pond that discharges its treated wastewater to the Waipaoa River. Investigations and consultation for alternative options to redirect the discharge away from the Waipaoa River was planned but deferred due to impact on Te Karaka community due to Cyclone Gabrielle. Budget has been allocated in the 3year LTP recovery to investigate alternative options.
- Rural townships: onsite septic tanks with septic tank cleanouts (septage) disposed of at purpose-built sites at Te Araroa, Ruatōria, Te Puia (to be closed), as well as the Gisborne Wastewater Treatment Plant.

Planning is underway to provide a new septage disposal site near Tolaga Bay to replace Te Puia and the now closed Tikitiki sites.

Why we do it

Council considers wastewater infrastructure to be of high priority. Providing a well-managed wastewater reticulation and treatment system is a critical and essential service which protects the health of public as well as avoiding contamination of the physical environment.


Contribution to community outcomes









Community outcomes	Contributions	Objectives
 A driven and enabled community.	Maintaining and increasing capacity in the urban wastewater network in line with Council's Tairāwhiti 2050 (Spatial Plan).	Work together (within Council business activities) to achieve collective aspirations for Te Tairāwhiti.
 Resilient communities.	Maintain essential wastewater services during unforeseen and emergency situations.	We have taken the community with us on the journey to resilience and engaged in community-led adaptation planning.
 We take sustainability seriously.	Increasing the resilience of Three Waters service provision to both short and long-term risks and events, particularly climate change and natural hazards.	Use green infrastructure to deliver greater resilience, long-term cost savings and quality environmental outcomes.

Our progress

What we said we would do	How we are going
Construct and commission stage 2 upgrade to the wastewater treatment plant.	Civil works completed. Stage 2 plant substantially operational. All wastewater screened, grit removed, biologically treated, clarified, solids removed, and UV disinfected. Trial operations underway. 100-day compliance testing to start following successful conclusion of trial operations phase.
Ensure major industries comply with new trade waste consents required to achieve Council's discharge consent requirement by mid-2024.	Industry compliance targets have been set, and ongoing work with industries is ensuring they maintain compliance standards.
Continue DrainWise rapid inflow inspection programme to reduce wastewater overflows.	Rapid inflow assessments are ongoing, with 5,126 properties inspected to date. A total of 2,266 gully traps have been repaired, and 88 downpipes have been removed.
Continue to renew critical, old and leaking sewer pipes.	The 2023/24 renewal programme has been completed successfully.
Renew ageing plant/equipment at the wastewater treatment plant and wastewater network pump stations.	This is an ongoing programme. The Dunstan Road wastewater pump station has been renewed, and Stage 1 upgrades to the wastewater treatment plant have been actioned.
New infrastructure in the Taruheru Block to allow for future growth.	The new Oakview pump station project has been completed.
Investigate and implement discharge to land for treated effluent from the Te Karaka Oxidation pond.	This project has been budgeted for the 2024/25 financial year.
Complete improvements to septage sites subject to land acquisition, community consultation and resource consents.	The process for establishing a new septage site has been budgeted for the 2024/25 financial year.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We provide a well-managed wastewater reticulation and treatment system which protects public health and the physical environment					
 System and adequacy – The number of dry weather sewage overflows from the territorial authority's sewerage system, expressed per 1000 sewerage connections to that sewerage system. <i>Mandatory measure – DIA</i>	1	0.83	0	0.25	A total of three dry weather overflows occurred during the year.

Measure	Target	2022	2023	2024	How did we perform?
Discharge compliance – Compliance with resource consents for discharge from the wastewater system measured by the number of: <i>Mandatory measure – DIA</i>					
 abatement notices	0	0	0	1	Two of four targets met.
 infringement notices	0	0	0	2	An abatement notice was issued in July 2023 related to the WWTP Stage 2 Project, specifically for silt flows from a soil embankment. This notice, which was not directly related to the wastewater network but rather to construction activities on-site, was lifted on 19 June 2024. Additionally, in October 2023, two infringement notices were issued, also associated with the WWTP Stage 2 Project. These were related to soil movement and soil height. While these issues are connected to the broader wastewater treatment project, they do not directly pertain to the operation of the wastewater network.
 enforcement orders	0	0	0	0	
 convictions.	0	0	0	0	
Fault response times – Council responds to wastewater overflows resulting from a blockage or other fault in wastewater system (hours):					
 Median attendance time from the notification of the fault to the time that service personnel reach the site. <i>Mandatory measure – DIA</i>	< 1 hr	3.13 hr	3.43 hr	1.34 hr	Target not met. While still over the target of less than 1 hour, attendance time has significantly improved from previous years.
 Median resolution measured from the notification of the fault to the time that service personnel confirm resolution.	< 15 hr	15.46 hr	24.29 hr	3.73 hr	Target met.
Customer satisfaction – Complaints about odour, system faults, blockages and Council's response to issues with its wastewater system: The total number of complaints per 1000 connections received. <i>Mandatory measure – DIA</i>					
	< 10	21.48	33.94	19.83	Target not met. Although this was the lowest number of complaints in the last three years, the target was still not met. Adverse weather events continue to cause issues, increasing the volume of faults and blockages.
	4 or less	1	0	4	Target met.
Discharge to rivers. The annual number of events where sewerage is discharged from Council's reticulation into rivers or streams (in a less than a 1-in-10-year rain event).					

Significant effects of delivering this activity

Significance negative effects	Mitigation	Changes since LTP21-31
Health risks from overflows from gully traps onto private property.	A 10-year DrainWise Programme to reduce frequency of overflows.	Council has obtained a resource consent for the managed discharge for wet and dry weather overflows. This consent requires measures to reduce overflows over a ten-year period.
Contamination from controlled emergency discharge of wastewater into waterways.	A 10-year DrainWise programme to reduce the quantity and frequency of overflows.	

A tātau mahi Our activities

Significance negative effects	Mitigation	Changes since LTP21-31
Treated discharges of wastewater to the ocean continue to be culturally offensive to Māori.	Oversight to improving and removing wastewater from the marine outfall is provided through the Wastewater Management Committee, KIWA Group and through other consultation channels.	Alternative use and disposal options are being investigated.
Odours, visual effects, and effects on groundwater from the septage disposal sites.	Closure of some septage sites and the development of a new site, including the upgrading of other sites.	The Tolaga Bay septage project is currently in its preliminary stages of development, with a proposed site identified.

Challenges through recovery

Increased overflow incidents

Damage to the outfall pipe caused by the impact of Cyclone Gabrielle, combined with multiple weather events and high groundwater, resulted in five wet weather overflow events into our rivers and onto private property.

Increased number of tomos

Tomos, or sinkholes, form when the ground surface collapses due to water erosion or failure of underlying infrastructure. Normally, the network would only experience a few tomos in any given year. In 2023/24, 50 tomos of varying sizes, from small to large, required repair.

What it costs

	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Operating revenue and expenditure				
Revenue from Non-Exchange Transactions	165	0	165	304
Revenue From Exchange Transactions	745	536	209	274
Expenses	11,458	11,792	334	9,086
Net Cost of Service	10,548	11,256	708	8,507
Capital Expenditure				
Capital Projects	5,248	3,943	(1,305)	21,699
Funded By:				
Grants and Subsidies	1,016	0	(1,016)	918
Other Capital Revenue	200	200	0	0
Depreciation or Other Reserves (Renewals)	54	2,766	2,712	(64)
Internal Loans	3,978	977	(3,001)	20,845
	0	0	0	0

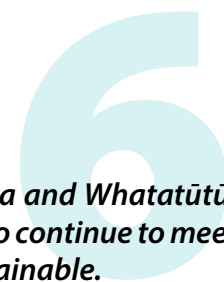
This activity was funded 95% from rates and 5% from fees and charges

What was different from the budget

- Revenue from non-exchange transactions was \$165k ahead of Annual Plan. This is due to additional revenue received from National Emergency Management Agency (NEMA) for costs incurred on work to reinstate infrastructure resulting from Cyclone Gabrielle.
- Revenue from exchange transactions was \$209k ahead of Annual Plan. This is mostly related to timing differences between the previous financial year and the current financial year. It relates to revenue from trade waste charges.
- Expenditure was \$334k under Annual Plan. This is due to lower operating costs resulting from delays in the Wastewater Treatment Plant (WWTP) stage 2 project.
- Capital expenditure is \$1.3m over Annual Plan. This is mainly due to additional costs for the reinstatement of infrastructure, these costs are covered by external funding from National Emergency Management Agency (NEMA). WWTP is in the commissioning stage. Completion is pending resolution of the clarifier performance issue with the designer and supplier.

Whakaranea Wai

Water Supply



We provide piped treated water supplies to connection in Gisborne City, Te Karaka and Whatatūtū. Muriwai and Pātūtahi have piped treated supply to collection facilitates. We want to continue to meet our legislative requirements to deliver water supply services that are safe and sustainable.

What we do

Council is the water supplier and service provider for treated water to Gisborne city, Mākaraka, Manutūkē, Muriwai, Te Karaka and Whatatūtū. Trucking treated water for delivery is drawn from filling facilities at Muriwai, Pātūtahi and Bushmere. We are responsible for the Te Arai Bush Intake and the Mangapoike dams which are the main sources of water supply for the Gisborne area. The drinking water treatment plants are located at Waingake, Bushmere (on the Waipaoa River), Te Karaka and Whatatūtū. Our public water supplies provide:

- Safe water for domestic, commercial, and industrial purposes.
- Water for fire-fighting services for Gisborne city.
- Water for emergency management in the event of natural or system emergencies.
- Water to public service providers and community facilities within the connected areas such as schools, hospitals, public pools, sporting facilities and grounds.
- Tanker-filling point for carted water.

All other areas in Tairāwhiti, use non-reticulated private water supply systems that are not administered by Council.

Why we do it

Council provides a continuous on-demand supply of safe drinking water to city area connections. We also provide supplementary (top-up) supply of drinking water to Te Karaka, Whatatūtū and Manutuke residential areas and some rural property along the supply pipeline route. A safe public water supply system contributes to community health and disease prevention and is essential for residential, commercial, industrial, schools, public and social facilities. Safe and reliable water supply impacts on economic conditions, public health, and social and cultural wellbeing.



Highlights from the Year

Ensuring Sufficient and Safe Water Supply

The implementation of Water Safety Plans focused on safer water services led to full compliance in 2024. This included gains in asset improvements, more suitable resourcing levels, and Long-Term Plan (LTP) budget allocations for improving resilience.

There were no area-wide supply interruptions or restrictions from July 2023 to June 2024, despite construction of new drinking water treatment infrastructure, multiple weather events, and several supply pipeline breaks.




Protecting Treated Water Within Distribution Pipes

Backflow prevention measures have been replaced and improved, with 58% of Gisborne residential connections and all Whatatutu connections completed to date. Backflow improvements at higher-risk commercial, residential care, and public facility connections were also a focus for 2023/24.

Replacement and Installation of Water Meters

Water metering and cost recovery for water use apply to most non-residential connections. Efforts to address unmetered connections resulted in the installation of 35 new meters where they were previously absent. Additionally, 79 faulty meters, many impacted by flooding, have been replaced.








Contribution to community outcomes

Community outcomes	Contributions	Objectives
 <p>We take sustainability seriously.</p>	Increasing the resilience of three waters service provision to both short- and long-term risks and events, particularly climate change and natural hazards.	Tūranga – Gisborne has a secure and sustainable supply of water for drinking, industry, primary production and other uses.
 <p>Resilient communities.</p>	Ensuring continuity and delivery of our drinking water.	To increase the resilience of our infrastructure, economy and our communities.
 <p>A driven and enabled community.</p>	Maintaining the urban drinking water network in line with Council's Tairāwhiti 2050 (Spatial Plan).	Work together (within Council business activities) to achieve Council's collective aspirations for Te Tairāwhiti.


Our progress

What we said we would do	How we are going
Continue to renew critical components at the water treatment and distribution facilities.	Renewals have been completed at treatment plants and pump stations. This includes re-roofing and an automation upgrade at the Dams Pump Station. Treatment plant renewals have been carried out, including the replacement of electrical boards, automation components, compliance meters and analysers, pumps, valves, and pipes.
Replacement of asbestos cement watermains.	The programme has been completed, with water mains replaced at Andrew Street, Howarth Street, Birrell Street, Munro Street, Puriri Street, and a bridge section on Oswald Street.
<p>Additional Recovery Projects</p> <p>Reinstate Waingake - Pipeline restoration and reinstate production from Waingake treatment plant.</p>	<p>Construction of the pre-filtration Lamella and sediment vacuum system was completed in January 2024.</p> <p>Restoration of supply pipe coatings progressed through autumn and winter 2024.</p> <p>Protections at one critical pipeline bridge and repairs were completed in June 2024.</p> <p>Repairs at two pipeline breaches were completed under emergency conditions in November 2023 and June 2024.</p> <p>Supply pipeline cathodic protection anode beds at two sites were replaced following cyclone damage.</p>
Continue refurbishment of the raw and treated water pipeline and bridges – carry over from 2022/23 due to storm interruption.	Coatings and encapsulation of pipeline joints have been completed at target areas.
Residential Backflow protection renewal of manifolds at residential connections.	This ongoing project is in Year seven. A total of 794 connections were completed this year.
Renew Whatatutu reticulation components.	Whatatutu connections and backflow protection were completed in June 2024, controlling backflow risk to the community supply water mains.
Renew Te Karaka network pipes and connections with backflow protection	Te Karaka network renewals have been transferred to 2024/2025 due to flooding impacts and recovery planning in the Te Karaka community.
Renew water meters.	Malfunctioning meters were replaced, and a focused programme to rectify the lack of metering at some commercial properties was started. A total of 119 metered locations were updated between July 2023 and June 2024.
Review our Water Safety Plans (WSP), Water Demand Management Strategy, and operational procedures to meet new regulatory requirements, mitigate risks and facilitate budget planning.	The rolling review has progressed, with Whatatutu supply plans completed to date.
Progress cross-council adaptation and resilience planning for drinking water assets/service provision.	A water loss strategy and a growth strategy have been prepared, including resilience planning for the short to long term. A new water pipeline to support future growth in the Taruheru Block is planned to be completed within the 2025 budget.







Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We provide water supply infrastructure for delivering safe, clean water that meets the needs of our community.					
 The percentage of residents satisfied with the water supply system as found in the Resident Satisfaction Survey.	75%	87%	60%	78%	Target met.
 Customer satisfaction – The total number of complaints received about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply, and f) Council’s response to any of these issues (expressed per 1000 connections to the local authority’s networked reticulation system). <i>(Mandatory measure – DIA)</i>	< 10	4.43	11.97	6.04	Target met.
 Demand management – The average consumption of drinking water per day per resident within the district. (Gisborne City supply - Population 39,000). <i>(Mandatory measure – DIA)</i>	≤ 308L	204L	187L	176L	Target met. A wet year contributing to less water used.
Fault response times – Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured <i>(Mandatory measure – DIA)</i>					
 Attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site, and	4 hr	0.57 hr	0.58 hr	0.28 hr	Target met.
 Resolution of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	8 hr*	1.82 hr	2.33 hr	1.01 hr	Target met.
 Attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site	4 hr	3.49 hr	4.01 hr	1.95 hr	Target met.
 Resolution of non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	48 hr	19.12 hr	20.49 hr	7.63 hr	Target met.

A tātau mahi Our activities

Measure	Target	2022	2023	2024	How did we perform?
 Maintenance of the reticulation network – The percentage of real water loss from Council's networked reticulation system. (Mandatory measure – DIA)	< 15%	14.7%	14.7%	19.4%	Target not met. Following Cyclone Gabrielle, during winter and spring 2023, reduced metered water usage and multiple faulty meters impacted the percentage of real water loss modelling.

*Target amended in AP24/25 from 6 hours

Measure	Target	Water supply	2023/24	How did we perform?
Safety of drinking water (Mandatory measure – DIA)				
The extent to which the drinking water supply complies with the following parts of the drinking water quality assurance rules*: (c) 4.7.1 T2 Treatment Monitoring Rules; (d) 4.7.2 T2 Filtration Rules; (e) 4.7.3 T2 UV Rules; (f) 4.7.4 T2 Chlorine Rules; (g) 4.8 D2.1 Distribution System Rules; (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; and (j) 4.11.5 D3.29 Microbiological Monitoring Rule.	Treatment Plants T2 Treatment - Met T3 Bacterial - Met T3 Protozoal - Met Distribution Zones D3 Microbial-Met D3 Residual Chlorine-Met	Gisborne Water Supply		
		Treatment plant		T3 Bacterial – Met T3 Protozoal – Met
		Distribution zones		D3 Microbiological – Met D3 Continuous Monitoring Residual Disinfection – Partially Met**
		Te Karaka Water Supply		
		Treatment plant		T3 Bacterial – Met T3 Protozoal – Met
		Distribution zones		D3 Microbiological – Met D3 Residual Chlorine – Met
		Whatatutu Water Supply		
		Treatment plant		T3 Protozoal – Met (July 2023-March 2024) T2 Treatment – Met (April 2024-June 2024) T3 Bacterial – Met
		Distribution zones		D2 Residual – Met

*From July to December 2022, Council's reporting adhered to the Drinking Water Standards 2015/18. In January 2023, our reporting transitioned to align with the Drinking Water Quality Assurance Rules 2022, legislated under Section 49 of the Water Services Act 2021.

**In the Muriwai distribution zone, there were two short periods (1-4 July and 28 August 2023) when the Free Available Chlorine (FAC) levels dropped below the required standard of 0.1 mg/L. Although the Muriwai pipeline is registered as a distribution zone, it mainly operates as a bulk filling point, and reports show there was little to no use of this water supply during these periods.

Significant effects of delivering this activity

Significance negative effects	Mitigation
<p>Environmental</p> <p>Effects on the Te Ārai River ecosystem and Waipaoa River during low summer river flows.</p>	<p>Council mitigates these potential negative effects through asset operations, management, maintenance, and planning including:</p> <ul style="list-style-type: none"> • appropriate water source management • appropriate water treatment processes • meeting resource consent requirements • Implementation of demand management initiatives including water conservation education and water restriction implementation.
<p>Social</p> <p>Health and safety risks associated with the construction, maintenance, or operation of the water supply infrastructure.</p> <ul style="list-style-type: none"> • Property damage resulting from occasional water mains failures. • Potential damage to household hot water valves caused by corrosion by-products where galvanised iron components remain. • Short-term impacts on households and industry from water restrictions. 	<p>H&S controls are implemented for operations and projects with particular focus on traffic management controls and public safety.</p> <p>Asset condition assessments and renewals are ongoing to minimise risk of breakages on most vulnerable pipes.</p> <p>Water corrosiveness and water quality is managed by blending source waters and managed water treatment processes.</p> <p>No area wide restrictions July 2023 – June 2024. Short interruptions – none longer than 8 hours for water mains renewal, new connections, and network asset repairs.</p>
<p>Cultural</p> <ul style="list-style-type: none"> • Loss of access to whenua for Iwi in the Mangapoike catchment area. • Impact of water supply water take on Te Ārai River flows and associated kaitiakitanga of Iwi. 	<ul style="list-style-type: none"> • The ongoing relationship within the Mangapoike water catchment is currently being maintained through the partnership with the Waingake Transformation Programme and the ongoing recovery efforts following Cyclone Gabrielle, including the wood debris removal programme. • Water take for water supply slows or ceases when Te Ārai River flows are low.

Challenges through recovery

Preparation and Planning

Heightened vulnerability continues for the Waingake water pipeline following Cyclone Gabrielle and subsequent weather events. Four supply pipeline breaches occurred due to storms or accidental damage during recovery works. River scouring and slips present a high risk of damage. Each pipeline repair required a treatment plant interruption, but due to planned contingencies, city water restrictions were avoided. Rapid repairs were needed for each erosion event, and addressing vulnerable pipe bridges is planned for 2024/25.

City Water Supply and Treatment

Environmental damage from Cyclone Gabrielle led to dirty source waters with high silt concentrations for the Gisborne City supply. The Waingake water treatment plant can treat this dirty water due to lamella filters designed and installed urgently in 2023, commissioned in January 2024 to meet summer water demand. Throughout 2023, the Waipaoa Treatment Plant continued treating water despite poor source water quality. Together, the two facilities ensured a sufficient safe water supply for all uses without restrictions. However, increased costs were incurred from operating two plants, including higher volumes of chemicals for flocculation and additional resourcing for operations, maintenance, and repairs.



What it costs

	Actual	AP	Variance	Actual
Operating revenue and expenditure	2024	2024	Favourable	2023
	\$000s	\$000s	/(Adverse)	\$000s
Revenue From Non-Exchange Transactions	22	0	22	861
Revenue From Exchange Transactions	3,172	4,098	(926)	3,067
Expenses	8,620	7,660	(959)	8,407
Net Cost of Service	5,426	3,562	(1,864)	4,479
Capital Expenditure				
Capital Projects	9,609	9,556	(53)	7,625
Funded By:				
Grants and Subsidies	3,332	6,284	2,952	3,175
Depreciation or Other Reserves (Renewals)	2,360	3,026	666	2,822
Internal Loans	3,918	246	(3,671)	1,628
	0	0	0	0

This activity was funded 44% grants, 28% rates and 28% fees and charges.

What was different from the budget

- 1 Revenue from non-exchange transactions relates to grants and subsidies from National Emergency Management Agency (NEMA) for costs incurred to restore critical infrastructure.
- 2 Revenue from exchange transactions is \$926k under Annual Plan. The lower revenue is from commercial water meter and is due to reduction in usage.
- 3 Expenditure is \$695k over Annual Plan. This is due to increased operating costs. After Cyclone Gabrielle, both the Waipaoa and Waingake treatment plants needed to be operating in order to produce sufficient clean water to meet city demand. Normally the main treatment plant - Waingake Treatment Plant - would have been needed.
- 4 Capital expenditure is inline with Annual Plan. Council spent \$2.6m on renewals of water supply assets. The post-cyclone restoration and upgrades account for \$1.3m of the spend, of which 60% is funded from National Emergency Management Agency (NEMA). Lamella filtration at the Waingake treatment plan had a spend of \$5.6m, this project was partially funded by NEMA.

Waiāwhā Taone

Urban Stormwater



Urban stormwater is about providing our city with services that protect people and properties from flooding and manage the quality of our stormwater. We want to continue to maintain and develop stormwater services that improve, promote and protect public health and the mauri of the waters.

What we do

Stormwater is rain that runs off hard surfaces such as roofs, paved streets, driveways, and roads. Council owns and operates the public stormwater systems for Gisborne city including Mākaraka and Wainui/Okitū, and urban areas in 12 rural communities from Wharekahika/Hicks Bay to Matawai.

Our networks are a mix of open drains and hard infrastructure (pipes). Much of the network is provided through the roading system and has strong links with land use.

Stormwater systems carry away surface water overflow from heavy rains, protecting properties from flooding, the environment, and public health where possible by reducing pollutants discharged into natural waterways.

Our stormwater system is made up of:

- The primary stormwater system comprising of piped reticulation, open drains, swale drains, sumps, and channels.
- The secondary stormwater system engages during significant heavy rain when capacity of the primary network is exceeded and results in overland flowpaths. This includes stormwater flow-paths through reserves, private properties and along road corridors.
- A range of measures that reduce the level of pollutants discharged into natural waterways, including swale drains, green infrastructure such as rain gardens, sumps with sediment traps, gross pollutant traps.

Highlights from the Year



Douglas Street stormwater improvement project completed.

Network improvements in Douglas and Frances Streets have improved stormwater management in the area.

We manage a network including 172km of stormwater pipes, most of which are reinforced concrete, around 32km of channels and swales, 6390 stormwater sumps, and assets across the city and townships. Most of the network was built 30-60 years ago and is in average condition based on the estimated remaining life of the pipes.



Why we do it

The aim of this activity is to protect people, dwellings, private property, and public areas from flooding and to minimise health and safety risks. We do this by managing the collection, treatment, and disposal of stormwater in such a way that it also reduces the impact on the environment.

This leads to the improvement of the mauri and water quality of Tūranganui-a-Kiwa/Poverty Bay coastal marine area, in partnership with tangata whenua.












Contribution to community outcomes

Community outcomes	Contributions	Objectives
 <p>A vibrant city and townships.</p>	<p>We plan and deliver new and upgraded stormwater infrastructure that supports:</p> <ul style="list-style-type: none"> • Quality urban infill development. • Improved housing choices. • The creation of healthier homes. • Intensification and redevelopment of the city centre. 	<p>Look to new technologies as well as new funding mechanisms to deliver the infrastructure necessary to support an urban intensification/compact city model of development.</p>
 <p>We take sustainability seriously.</p>	<p>A large part of the urban stormwater network is 'green infrastructure.' This means – rather than hard infrastructure like underground pipes, much of our urban stormwater is channelled into grassed swales. These are permeable, meaning the amount of stormwater entering the piped system is reduced. They also act as filters for heavy contaminants from road runoff.</p>	<p>We recognise the intrinsic value of ecosystems and biodiversity – and the link between this and stormwater management. To this end we will lend support to projects that rehabilitate urban waterways through landscaping, planting of native plants and water quality improvement.</p>

Our progress

What we said we would do	How we are going
Continue to implement priority renewals and upgrades in Gisborne City.	Renewals have been completed on Stout St, Disraeli/Childers Rd, and Ngaio St. The project on Graham Road has been placed on hold due to site conditions and is now planned for 2024/25.
Continue to improve our stormwater asset information for Gisborne City and rural townships.	Rationalisation of stormwater asset information across multiple sources is underway in both our GIS and asset management system (IPS).
Investigations, designs and upgrade / network extension works to address known stormwater flooding issues on private property in Whataupoko, city centre, Elgin.	Investigation and design efforts are in progress to reduce the frequency and severity of flooding in the Whataupoko and Mangapapa areas. These will inform construction projects for 2024/25 and 2025/26.
Investigate and prepare integrated catchment management plans for 2025.	The draft Stormwater Integrated Catchment Management Plan (ICMP) has been developed. Iwi and community consultation on the ICMP is programmed for 2024/25.
Undertake growth related upgrades or land purchases in the Taruheru block.	This project is currently on hold due to the withdrawal of the developer.
Continue to develop strategy and policy to guide asset management in response to climate change and growth pressures, as informed by local and Central Government.	The Future Development Strategy (FDS) was adopted by Council on 14 March 2024.
Continue to roll out the DrainWise Implementation Programme with significant effort on managing compliance and enforcement processes.	Council is on target with property inspections to repair broken gully traps, remove non-compliant downpipes, and identify properties where on-property flooding is entering the sewer network.
Continue to assist homeowners with private property stormwater renewals and upgrades in a project management capacity.	The DrainWise property inspections team actively supports and guides property owners in finding solutions for issues identified on their properties.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We protect people, dwellings, private property, and public areas from flooding by managing the collection and disposal of stormwater in a way that protects the environment and public health.					
 <p>The percentage of residents satisfied with the district's urban stormwater services as found in the Resident Satisfaction Survey.</p>	50%	47%	52%	51%	Target met.
 <p>Customer satisfaction – The number of complaints received by a territorial authority about the performance of its stormwater system (Expressed per 1000 properties connected to the territorial authority's stormwater system). <i>(Mandatory measure – DIA)</i></p>	< 12	12.75	19.2	15.52	Target not met. The frequency of weather events during 2023/24 led to an increase in both the volume and severity of issues.
System and adequacy <i>(Mandatory measure – DIA)</i>					
 <p>The number of flooding events that occur in a territorial authority district.</p>	≤ 2	0	7*	1	Target met.
 <p>For each flooding event, the number of habitable floors affected (Expressed per 1000 properties connected to the territorial authority's stormwater system).</p>	≤ 2	0	6.12	0.07	Target met.
Discharge compliance – Management of environmental impacts Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: <i>(Mandatory measure – DIA)</i>					
 <p>abatement notices</p>	0	0	0	0	Target met.
 <p>infringement notices</p>	0	0	0	0	Target met.
 <p>enforcement orders</p>	0	0	0	0	Target met.
 <p>successful prosecutions received by the territorial authority in relation to those resource consents.</p>	0	0	0	0	Target met.
 <p>Response time – The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site. <i>(Mandatory measure – DIA)</i></p>	30 min	0 min	71.68 min	164 min	Target not met. The frequency of weather events during 2023/24 led to an escalation in both the volume and magnitude of issues, limiting response times to flood events.

* Revised result. The value shown in AR22/23 (89 flooding events) was incorrect.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Stormwater downpipes directed into gully traps, and inflow through on-property flooding, have a significant impact on our wastewater network, resulting in the risk of wastewater discharge on private property and into rivers.	Continue the DrainWise programme with on-property inspections to identify and resolve private property issues. Identify significant areas of localised flooding on private properties that can affect gully traps and the wastewater network. Implement projects through the Public Drains on Private Properties (PDPP) programme to redirect stormwater to the public network.
Insufficient control of secondary flow paths can cause flooding on private property, inundating housing and buildings during heavy rains.	Stormwater upgrade projects have been a major Council commitment and will be ongoing due to climate change and urban growth.



Challenges through recovery

Continued impact from frequency and severity of weather events

The frequency and severity of recent weather events have continued to impact our infrastructure. In response, we have prioritised operational maintenance programmes and stormwater upgrade projects, focusing on improving the resilience of our network. This approach aims to reduce the risk of future flooding, improve water flow management, and ensure that critical infrastructure can withstand extreme weather conditions.

What it costs

	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Operating revenue and expenditure				
Revenue From Non-Exchange Transactions	240	0	240	0
Revenue From Exchange Transactions	(50)	0	(50)	(31)
Expenses	3,647	3,420	(227)	3,030
Net Cost of Service	3,457	3,420	(37)	3,061
Capital Expenditure				
Capital Projects	1,328	3,103	1,775	1,104
Funded By:				
Grants and subsidies	0	301	301	0
Depreciation or Other Reserves (Renewals)	788	1,686	897	329
Internal Loans	540	1,117	578	775
	0	0	0	0

This activity was funded 8% from grants and 92% from rates.

What was different from the budget

- 1 Revenue from non-exchange transactions was \$240k ahead of Annual Plan. Revenue from National Emergency Management Agency (NEMA) for costs incurred for the restoration of critical infrastructure.
- 2 Revenue from exchange transactions was \$50k adverse, due to the accounting loss on disposal of damaged assets resulting from the Cyclone.
- 3 Expenditure is \$227k over Annual Plan. This is consistent with the increase in revenue from NEMA for costs incurred to repair TOMO's (sinkholes) from the cyclone.
- 4 Capital Expenditure is \$1.8m under Annual Plan. This is mostly due to the ongoing investigations and design works, the unspent budget has been carried over to 2025, where the majority of construction is expected to occur.

Te Rōpū Nohoanga Hapori Liveable Communities

We provide strategic direction for Council’s Liveable Community assets and activities to meet future needs. Our portfolio covers essential community and environmental functions, including biodiversity, reserves, catchments, and sustainable open spaces. Through our integrated planning, we ensure the effective delivery of community facilities and functions, creating safe, engaging, and enjoyable spaces.

Catchments and Biodiversity

What we do

The Integrated Catchments and Biodiversity activity is responsible for leading Council’s biosecurity, biodiversity, land management functions, as well as providing education and advocacy of Council’s regional statutory functions.

The team implements the Regional Pest Management Plan (RPMP), Tairāwhiti Resource Management Plan (TRMP), and other legislation and statutory plans and supports both regulatory and non-regulatory projects.

The team also manages the soil conservation nursery, supports a range of farm environment plans (FEPs), develops wetland and biodiversity plans, and engages and advocates with private landowners and tangata whenua throughout the district.

Integrated catchments work with Central Government, research institutes, Iwi, and landowners to enhance the environmental footprint of permanent forests, agriculture, plantation forestry and horticulture.

Advocacy services include providing environmental information and links to source expertise for landowners, Iwi, and the community. The Integrated catchments team also assists landowners, Iwi, and community groups in accessing funds for projects and develops and presents relevant educational information.

Why we do it

Council manages the use, development, and protection of our natural resources, now and into the future to support our community and environment to thrive.

The Integrated Catchments activity enables Council to give effect to statutory plans and responsibilities under the Biosecurity Act 1993, Resource Management Act 1991, Soil Conservation and Rivers Control Act 1941, Water and Soil Conservation Act 1967, Local Government Act 2002 (LGA), National Environmental Standards (NES), e.g., NES-Plantation Forestry and requirements of National Policy Statements (NPS), e.g., NPS-Freshwater Management. Involvement will be required in implementing Freshwater Farm Plans (FWFPs)- and the National Policy Statement for Indigenous Biodiversity.

Highlights from the Year



Land Use Planning and Erosion Control Initiatives



The Land Management Team has partnered with landowners to develop new Land Use Classification maps and Erosion Control Plans. These initiatives provide insights into land suitability and offer tailored recommendations to reduce soil erosion and improve water quality.

Launch of Community Group Support Package

A support package has been introduced to assist catchment and community groups. It includes resources for group establishment, technical land management advice, and facilitation of strategic planning. This package helps groups identify challenges and priorities, build local connections, and develop action plans that align with regional planning objectives.








Contribution to community outcomes

Community outcomes	Contributions	Objectives
 Resilient communities.	Providing a diverse range of sustainable land uses with long-term economic opportunities for landowners, Iwi, and our district.	New and innovative ways to improve environmental quality.
 We take sustainability seriously.	Our soils are a finite resource, therefore protecting our soils resource is paramount to long-term sustainability of the district.	Matching land uses to achieve long-term sustainability and protection of our land and water.

Our progress

What we said we would do	How we are going
Partnership projects with Ngāti Porou and Ministry for Primary Industries (MPI) to restore the Waiapu River as part of a 100-year project.	The programme is awaiting a renewed commitment from the signatories to the MoU, signed in 2014, regarding the restoration of the Waiapu Catchment.
Provide technical support to the Whakaoratia te Mana o te Waiapu project and other initiatives e.g., technical advice and support.	The Land Management Team is providing ongoing support to the Whakaoratia te Mana o te Waiapu project.
Administer Phase 1 of the Waiapu River restoration community grant planting of poplar and willow poles alongside the Waiapu River.	Further planting and blanking of losses due to high river flows are progressing as plant material becomes available.
Support further realistic funding applications to the Erosion Control Funding Programme (ECFP) community grants and One Billion Trees initiatives, inclusive of indigenous plant establishment alongside the Waiapu River and its tributaries.	We continue to support landowners to progress existing grant applications.
Support Iwi in funding applications, e.g., the Freshwater Improvement Fund and other funding initiatives.	Ongoing support is being provided, although limited funding opportunities are available this quarter.
Forming further relationships such as the Whakaoratia te Mana o te Waiapu project and Waingake Restoration programme, including exploring further land treatments with long-term benefits, establishment of indigenous species and improving water quality.	We continue to supervise and support the Whakaoratia te Mana o te Waiapu and Waingake Restoration projects while clarifying landslide susceptibility and conducting gully assessments in relation to land use transition options.
Ongoing participation with Iwi in environmental projects, such as the Whakaoratia te Mana o te Waiapu initiative.	Ongoing support includes the installation of new structures at various existing waterways and new sites. We are building relationships with other catchment groups, particularly where there is a significant proportion of Māori-owned land.
Working with Iwi to enhance mahinga kai opportunities.	Efforts in this area have increased following disruptions caused by Covid and cyclones, which led to limited access.
Development of a plan for protection and enhancement of Protection Management Areas (PMAs).	Aspects of the plan have been used to provide appropriate PMA management advice to landowners and land managers following site visits.
Develop an integrated approach to FEPs through pilot case studies with a wide-ranging focus integrating soil health, freshwater health, indigenous biodiversity, soil conservation, biosecurity, and climate change resilience.	The focus on Freshwater Farm Plans is uncertain due to unclear government direction. However, Land Use Capability mapping and Erosion Control Plans are ongoing.
Provide advice and support to the Waimatā Catchment Group on the community-led restoration project.	Ongoing support includes tree planting alongside the Waimatā River and participation in the Nature-Based Solutions-Waimatā Awa Project. Additionally, possum control has been completed on 3 out of 5 properties to support the upper Waimatā Catchment Group's pest control efforts.
Provide support to Māhōra Wetland by taking a collaborative biodiversity approach towards the Kōpūaroa Catchment.	Discussions are ongoing with landowners and potential purchasers of adjoining land regarding future land use.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Biosecurity – Pest animals and pest plants are controlled to minimise their adverse effects on biodiversity, production, amenity and cultural values.					
 Percentage of exclusion programme pests found established in the district for the first time visited and all pests controlled as defined in the RPMP.	100%	100%	100%	100%	Target met.
Land and soil – We will work with iwi, landowners and the community to reduce soil erosion risk and remediate severe erosion within the district.					
 Total overlay 3A severely erodible land covered by a draft or final overlay 3A work plan or an overlay 3A resource consent.	45,500ha	44,400ha	44,900ha	45,900ha	Target met.
 Number of Land Use Capability property maps produced per year	Five maps /year	New measure	New measure	5	Target met.
 Number of Erosion Control Plans produced per year	Five plans /year	New measure	New measure	5	Target met.
 Number of reports on Condition and Recommendations for PMAs per year	25 reports /year	New measure	New measure	25	Target met.

Challenges through recovery

Post-cyclone disruptions

The aftermath of severe weather events, particularly Cyclone disruptions, has posed significant challenges in accessing remote work areas. Despite these ongoing difficulties, improved access is now enabling increased support and assistance. We have collaborated closely with landowners to address these issues.



Cultural Activities

What we do

Theatres

The War Memorial Theatre and the Lawson Field Theatre provide facilities and services to support performing arts and events for the enjoyment of residents as well as visitors. These facilities are suited for productions, conferences, weddings, and other community activities. Pātūtahi Hall is mainly used by rural residents.

Museum and public art

Council owns and maintains some of the Tairāwhiti Museum buildings and contracts services to the Gisborne Museum of Art and History Trust, trading as the Tairāwhiti Museum. The museum is our public institution for collection and exhibition of arts, culture and heritage. Council supports provision of a range of public art.

HB Williams Memorial Library

The library serves Gisborne’s urban and rural communities and visitors. The library provides access to space and resources including relevant collections of materials and programmes for adults, teens, children and other targeted special interest groups. Included are meeting rooms, digital learning programmes and e-library.

Navigate Tairāwhiti

Navigate Tairāwhiti is a programme of projects delivered together with tāngata whenua and partner organisations. They are realised through well connected and integrated design, landscaping and stories.

- Restoration of Titirangi maunga (Co-managed with Ngāti Oneone through the Whāia Titirangi planting and conservation programme).
- Upgrade of the inner harbour area.
- Tūpapa historical interpretations.
- Installation of Hawaiki Tūranga.
- Redeveloped Puhī Kai Iti/Cook Landing site.
- Te Mārō sculpture.



Highlights from the Year

1000-Year Bridge

A grant-funded footbridge connecting Tītirangi/Kaiti Hill and the Puhī Kai Iti/Cook Landing Site is nearing completion, offering views of the historic arrival point used by navigators over the past 1,000 years.

Massive uptake in online users

The digital library has become an essential resource for the community, serving as an accessible space for study, business, contacting insurers and government, and enjoying films, reading, and audiobooks. Use of digital resources increased by 240% as more people become familiar with online interactions and rely on Council-provided resources and use of computers and devices.

Why we do it

Theatres

Theatres provide a space for local, national and international events to enable residents to participate in a global arts and corporate environment. Venues provide a place to grow and celebrate our people’s talents, special occasions and achievements and expose audiences to a broad range of performing arts.

Museum and public art

The Tairāwhiti Museum’s facilities, services and collections represent, reflect and identify our region’s history and current creators. Public art demonstrates a sense of pride and local distinctiveness that reflect our region’s cultural diversity.



HB Williams Memorial Library

The library contributes to our community’s lifelong learning, literacy and education, as well as meeting intellectual, recreational, economic and cultural needs.

Navigate Tairāwhiti

This programme showcases our region to locals and visitors alike. It also delivers a range of benefits that add value to our community, economy and lifestyle from tourism, economic and environmental initiatives – along with an enhanced sense of place, pride and natural beauty.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A vibrant city and townships.	Library, theatres, museum are centralised and have flexibility to reach out with services in satellite townships. Art installations are present in the city and townships, particularly with the rise in popularity of murals.	To create community places focused upon cultural activities that recognise and include tāngata whenua, that support social cohesion and are available to everyone.
 Connected and safe communities.	Our library, museum and theatres are neutral civic spaces with indoor and outdoor areas that provide places for people to meet and stories to be shared in a safe environment.	Theatres and library are regarded as the ‘third space’ after home and work for residents and visitors.

Our progress

What we said we would do	How we are going
Consult with community and/or Iwi before accepting gifted public art.	Consultation with community groups and Iwi is a part of our standard practice when considering gifted public art.
Review leases and service contract with Gisborne Museum of Art and History Trust.	The review of leases and service contracts has been completed. We are in the final stages of completing the schedules, which will be finalised soon.
Support the governance review of the Pātūtahi Reserve Board.	The governance review for the Pātūtahi Reserve Board was initiated in 2021 and is ongoing.
Review the consultation, project management and handover protocols for public art works.	The review is currently in development. This review is linked to the emerging renewal of our Art in Public Places Strategy
Continue to grow relationships with mana whenua where facilities are located.	Building and nurturing relationships with mana whenua remains a core focus of our operations. This ongoing effort is strongly supported by the Māori Partnerships Team, ensuring that these relationships are meaningful and productive.
Continue to further embed bicultural capacity in all areas of library services.	The integration of bicultural capacity across library services is an ongoing priority. Our approach involves incorporating bicultural perspectives in all aspects of library operations, ensuring that our services are inclusive and reflect the diverse community we serve.
Exponentially grow visitors to use digital library resources.	The promotion of digital library resources has been highly successful, with visitor numbers exceeding our targets.
Strengthen existing and develop new partnerships, inclusive of outreach services where communities need it most, support for users to upskill their digital toolkit, find jobs and make connections.	Our efforts to strengthen existing partnerships and develop new ones are ongoing. We focus on outreach services that address the specific needs of our communities.
Expand and strengthen library e-tools such as Radio Frequency Identification functionality (RFID), website and access to e-library to encourage independent user engagement.	We have successfully embedded improvements to our library e-tools, including improvements to our website, and expanded access to e-library resources.
Develop and deliver operation plans for both library and theatre services.	The development and delivery of operational plans for our library and theatre services have been completed.
Ensure a range of activities in theatres that encourage audience development including non-users.	We are committed to providing a diverse range of activities in our theatres to encourage audience development, including reaching out to non-users.
Continue to support delivery of Navigate Tairāwhiti projects with Ngāti Oneone	Our support for the delivery of Navigate Tairāwhiti projects with Ngāti Oneone is well-established and ongoing.
Complete design and consent for the Titirangi maunga summit project, Te Panuku Tū, with Ngāti Oneone.	The design phase for the Te Panuku Tū project is complete. The project is currently paused.
Complete design and delivery of viewing platform to Te Mārō in partnership with Ngāti Oneone.	The design for the viewing platform at Te Mārō is complete, and funding has been secured. The project is temporarily paused.
Support installation of Endeavour model in Ūawa alongside community.	The installation of the Endeavour model in Ūawa is on hold due to the increased risk of severe weather events. The project is being reassessed to ensure it is designed to withstand future weather-related challenges.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Cultural facilities are accessible to Tairāwhiti residents and visitors.					
Number of visitors to HB Williams Memorial Library per annum:					
✓ Online	100,000	235,912	179,821	614,277	Target met: Use of digital resources increased by 240% in line with national trends.
✗ Onsite	150,000	63,489	91,890	113,628	Target not met: The introduction of our "Fines Free" initiative in its first year resulted in a 24% increase in visitor numbers compared to the previous year. However, there has been a trend of more people accessing services online rather than onsite.
Regular and varied programmes, events and exhibitions to support community wellbeing are provided at cultural facilities.					
✓ Number of visitors to Tairāwhiti Museum per annum.	45,000	33,024	35,825	47,480	Target met.
Number of booking days per annum:					
✓ Lawson Field Theatre	100	143	186	210	Target met.
✓ War Memorial Theatre	100	126	111	146	Target met.
Maintain cultural facilities at a fit-for purpose, clean and safe standard.					
Percentage of residents satisfied with the cultural facilities and services as found in the Resident Satisfaction Survey:					
✗ Lawson Field Theatre	90%	86%	82%	80%	Targets not met. Over the past year, significant efforts have been made to promote these spaces as vital community resources, particularly in the wake of Cyclone Gabrielle. While we are trending similarly to previous years, we have still not met the targets set for this period.
✗ War Memorial Theatre	90%	89%	87%	83%	
✗ Art in public places	80%	74%	73%	70%	
— Tairāwhiti Museum	90%	85%	85%	87%	
✗ HB Williams Memorial Library	90%	89%	86%	84%	

Challenges through recovery

Encouraging return to community spaces

In the last financial year, Council faced challenges in encouraging people to return to community spaces after damaging weather events. Despite this, library visitor numbers rose by 24%, supported by recovery programmes. The Tairāwhiti "Fines Free" initiative removed barriers for non-users, encouraging greater library engagement.

Theatres also saw a 31% increase in bookings at the Gisborne War Memorial Theatre, indicating growing community participation. Local bookings at Lawson Field Theatre outpaced non-local by 3:1, and 5:1 at the War Memorial Theatre. Local groups, schools, and arts organisations booked 167 days, showing strong community engagement.

Recreation and Amenity

What we do

Open space and amenity

Council manages a variety of multi-use open spaces and facilities. These are maintained in partnership with external contractors including community-based kaitiaki, while our internal amenity and horticulture team maintains Gisborne's amenity gardens and flowerbeds.

This activity includes parks, reserves, playgrounds, sports grounds, walkways, coastal foreshore areas, amenity gardens and street trees as well as a range of assets such as picnic tables, water fountains and other amenities.

About two thirds of these assets are in the Gisborne area, with the balance spread across Tairāwhiti, roughly in proportion with our population distribution.

Community property

We manage lease and licence agreements for our assets and open spaces and provide facility management for community buildings (including public conveniences) and monuments.

Cemeteries

Council manages and maintains 11 cemeteries; one cemetery within the city, the remainders located across Tairāwhiti. This activity is responsible for burials and meeting regulations within these cemeteries. We also provide a recordkeeping service to fulfil Council's legislative requirements and in response to community interest.

Public conveniences

Council provides a number of public convenience facilities. These are distributed across the region and located in destination/visitor areas including sports parks, coastal/regional destination areas, suburban shopping precincts and townships.

Aquatic facilities

The redevelopment of Council's pool complex is currently being completed with the Olympic Pool Complex being replaced by the Kiwa Pools Complex. The Kiwa Pools indoor complex was completed on 23 August 2023, and was opened to the public on 2 September 2023. The redevelopment of the old Olympic Pool site is continuing with the administration block being removed and the old 50m pool being filled in and grassed.



Highlights from the Year

Hawaiki Tūranga site remediation

The remediation of the Hawaiki Tūranga site has been completed, paving the way for Phase 2, which involves the installation of sculptures. This next phase is scheduled for completion in the 2024/25 year.

Peel Street toilets

The building restrengthening for the Peel Street toilets has been completed. In the upcoming 2024/25 year, a new unisex toilet unit will be installed inside the heritage building, improving accessibility and convenience for the public.

Why we do it

Open space and amenity

Open space and amenity areas provide cultural, sporting and recreational activities to support community wellbeing and provide a sense of place. We are responding to the impacts of climate change through further enhancement of natural buffers (including riparian and coastal margins and native restoration projects).

Community property

We ensure leases and licences meet the requirements under relevant legislation, and that community buildings and associated services meet community needs and aspirations for their areas of interest.

Cemeteries

Our cemeteries provide a final resting place, and a place of remembrance. We maintain cemeteries out of respect to people who are buried there, and we provide accurate records so whānau and friends can locate their loved ones and tipuna/ancestors.

Public conveniences

Public conveniences provide a critical level of service for our community and visitors. Providing public toilets also encourages the use of other facilities and open spaces across the district, such as sports parks.

Aquatic facilities

The pool complex provides a safe aquatic destination for our community. With the Kiwa Pools indoor facility aiming to provide a fun, family friendly space for sports and recreation, including gatherings and play.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	We engage community contractors directly to maintain levels of service across Te Tairāwhiti. We take a partnership approach with Iwi, hapū and stakeholders to provide, maintain and care for our special places.	Work with Iwi, hapū and stakeholders, in partnership, to promote and enable change in the region.
 A vibrant city and townships.	We work with our community to ensure our city and townships look vibrant, reflect our culture, have the amenities necessary for visitors, and are well cared for.	Our city and townships have vibrant centres and are destinations for business, employment and tourism. We know we are in Te Tairāwhiti as our spaces and places reflect our identity.
 We take sustainability seriously.	We support wide-scale planting and natural habitat areas to enable greater resilience, long-term cost savings through reduced maintenance (e.g., mowing of riparian and coastal margins) to achieve quality environmental outcomes.	Support wide-scale planting and natural habitat areas to enable greater resilience and long term cost savings through reduced maintenance to achieve quality environmental outcomes.

Our progress

What we said we would do	How we are going
Complete the redevelopment of the Pool complex to meet the recreational, health and fitness needs of our community.	The Kiwa indoor complex is complete. The redevelopment of the old complex, including the removal of the administration block and the old 50m pool, is on track for completion in 2024.
Complete the redevelopment of Titirangi Summit in partnership with Iwi, recognising our co-management relationship with Ngāti Oneone.	We are currently working through the resource consent process with support from our Iwi partners at Ngāti Oneone.
Deliver support and provide access to Council's open spaces/reserves for coast care/dune care and riparian restoration in partnership with others including Iwi, community and Central Government agencies.	The project is ongoing and progressing well.
Deliver renewal programme for park furniture and playgrounds, including new park furniture for Titirangi Maunga and a new playground in the Nelson Park area.	The programme is ongoing.
Investigate partnership opportunities to deliver mobile pop-up play modules across Tairāwhiti.	Ongoing. We successfully delivered a pop-up play piece at Waikanae and Lytton West play spaces during the 2023/24 financial year.
Support delivery of the Community Facilities Strategy Implementation Plan through providing reserves land, where possible, to align with business case and funder expectations.	Ongoing.
Improvements to the Botanical Gardens, including a tree succession plan. Investigate the development of a Rongoa garden in partnership with Iwi, to further support the Native Bush area.	Improvements to the Native Garden bush walkway, including the installation of mesh over the boardwalk for improved safety, have been completed. Efforts to improve the quality of the pond water are underway, and plans for a Rongoa garden are being explored.
Deliver the Street Tree Planting Programme, including new tree planting and replacement planting.	Completed.
Deliver improvements at Waihire Domain in partnership with marae/hapū, and consistent with expectations of a regional visitor area.	In progress. The concept phase, in partnership with hapū, is underway.
Support the Whāia Titirangi programme and the restoration of Titirangi maunga in partnership with Ngāti Oneone.	Ongoing, with monthly operational hui continuing.

What we said we would do	How we are going
Reduce reserve turf management at key locations as part of a riparian and coastal margin reversion programme to support restoration of natural buffers and to enable stronger responses to the impact of climate change.	Planting has been undertaken through the Freshwater Improvement Fund at Nelson Park Reserve, Lytton Road Reserve, Waiteata Park, and Heath Johnstone Reserve, reducing amenity turf. Further opportunities for planting are being considered to improve natural buffers.
Prepare a master plan for Taruheru Cemetery providing for future use and community expectations.	Future planning is underway.
Complete a review of public conveniences considering rationalisation of facilities to support service and cost efficiencies.	Completed.
Provide replacement public convenience facility at Tokomaru Bay wharf and consider new facility for Tolaga Bay Wharf to meet user needs and likely visitor number increases.	Completed. The provision requirements for Tolaga Wharf have been considered through the public convenience rationalisation process.
Continue to support implementation of Regional Plan Pest Management Plan.	Ongoing, in partnership with others.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Open space, recreation and amenity areas are accessible, valued and enjoyed by Tairāwhiti residents and visitors.					
Percentage of users satisfied (as found in the Resident Satisfaction Survey) with the quality of:					
Parks	85%	89%	69%	69%	Targets not met.
Sports parks	80%	80%	63%	60%	Lower satisfaction levels for parks are likely due to disruptions in access and usual service levels as a result of weather events and necessary remediation works.
Council playgrounds	85%	90%	63%	64%	
Pool	80%	66%	56%	71%	
We provide and maintain cemeteries for whānau, friends and visitors.					
Percentage of residents that have visited a Council cemetery in the last 12 months, as found in the Resident Satisfaction Survey.	50%	50%	42%	39%	Target not met. High groundwater levels at Taruheru Cemetery in 2023/24 resulted in fewer burial services, which may have led to a decrease in visits by our community.
Percentage of visitors satisfied with cemeteries, as found in the Resident Satisfaction Survey.	80%	88%	77%	81%	Target met.
Our public conveniences are accessible and well maintained.					
Percentage of users satisfied with cleanliness of the public facility, as found in the Resident Satisfaction Survey.	50%	New measure	71%	71%	Target met.
Our aquatic facilities are well maintained, safe and meet community demand.					
Council aquatic facilities are safe and operate in accordance with PoolSafe NZS guidelines.	100%	100%	100%	100%	Target met.
Percentage of time Council aquatic facilities pool water quality meets NZS 5826:2010.	95%	95%	95%	95%	Target met.



Challenges through recovery

Repeated weather events disrupted our liveable spaces

Our liveable spaces faced continued disruption due to repeated weather events. Significant remediation has been completed, and future renewals and investments are proposed under a 'build back stronger' approach. This strategy focuses on resilience and includes a network approach for providing assets such as public conveniences, play spaces, and dune restoration programmes.

Woody debris on our beaches

Our beaches continue to face challenges as woody debris is mobilised during weather events. Cleanup efforts are ongoing, supported by Central Government funding.

What it costs

Operating revenue and expenditure	Actual	AP	Variance	Actual
	2024	2024	Favourable	2023
	\$000s	\$000s	/(Adverse)	\$000s
Revenue From Non-Exchange Transactions	788	854	(66)	510
Revenue From Exchange Transactions	2,167	3,623	(1,456)	1,267
Expenses	20,865	19,564	(1,302)	16,462
Net Cost of Service	17,910	15,087	(2,823)	14,686
Capital Expenditure				
Capital Projects	8,216	12,567	4,351	23,078
Funded By:				
Grants and Subsidies	3,016	3,892	876	20,107
Other Capital Revenue	58	0	(58)	22
Depreciation or Other Reserves (Renewals)	764	3,745	2,981	725
Internal Loans	4,378	4,930	552	2,224
	0	0	0	0

This activity was funded 18% grants, 68% rates and 14% fees and charges.

What was different from the budget

- 1 Revenue from non-exchange transactions is mostly in line with Annual Plan. However, it is slightly lower than expected from the Hill country erosion project.
- 2 Revenue from exchange transactions is \$1.4m under Annual Plan. Most of this is related to an accounting loss for the disposal of assets and lower than expected income from Kiwa Pools. At the time of adoption of the Annual Plan, the Kiwa Pools was expected to operating for the full year. Kiwa Pools opened 2 September 2023.
- 3 Expenditure is \$1.3m over Annual Plan. This is mostly due to increased operational costs in reserves and conveniences. Reserves had higher costs due to reinstating, removing and pruning trees, after the damage caused by Cyclone Gabrielle. Convenience activity had higher than expected costs for reactive maintenance costs to fix aging infrastructure. Also, there was higher than expected power costs for the pool, due to the increase in pricing of unit rates.
- 4 Capital expenditure is \$4m under Annual Plan. Kiwa pools project was finished in the first quarter, demolition of the old pool is likely to be finished August 2024. Savings made on weed control management in Waingake transformation project. The 1000 Year Walkway Bridge is expected to be completed in 2025, unspent budget has been carried over to 2025 to coincide with completion. In addition, the Annual Plan included \$2.5m for community facilities strategy for the indoor stadium. This unspent provision has been transferred into the 2024-2027 Three Year Plan.

Te Aratakina me ngā Ratonga Tauawhi ā-rohe

Regional Leadership and Support Services



This group activity drives the positive culture of Council and contributes to the ongoing emphasis of a customer-focused organisation that supports its unique community. These teams focus on building individual and organisational capability and knowledge to meet current and strategic requirements and promoting a learning culture to embed high performance across the organisation.

Emergency Management

What we do

Tairāwhiti Emergency Management (TEM) plays a key role in planning and preparing for emergencies and the coordination of response and recovery for emergency events. The primary functions of the team align to the four 'R's (response, recovery, readiness and reduction).

The team undertakes community education, emergency planning for disasters, inter-agency training exercises, and upskilling of personnel to support preparedness for emergencies and minimise risks. The team monitors and communicates warnings, and in the event of an emergency, offers leadership and coordination to support the response and recovery, including the coordination of resources, supplies, evacuations, welfare support, and liaison with the National Emergency Agency (NEMA).

In 2022/23, the team managed three local states of emergency, including during Cyclone Gabrielle, which saw unprecedented flooding, landslides, and damage to homes, businesses, and infrastructure.

Why we do it

Council undertakes this activity to increase our community's awareness and understanding and to ensure communities can prepare for, manage and recover from emergencies.

The relevant statutory requirements guiding CDEM activities are the Civil Defence Emergency Management Act 2002.

Highlights from the Year




Annual National 'ShakeOut' Campaign 24 October

Tairāwhiti achieved the highest participation rate in New Zealand for ShakeOut 2023, with 24% of the community taking part for the third consecutive year. A total of 12,415 individuals, 70 businesses, 63 schools, and 269 households across Tairāwhiti signed up for the annual earthquake and tsunami drill, demonstrating strong community engagement and preparedness.

Taituarā Local Government National Excellence Award

The Tairāwhiti Civil Defence Intelligence Dashboard was recognised with the inaugural Member's Choice Award at the Taituarā Local Government National Excellence Awards. This award acknowledges the dashboard's significant role in improving civil defence emergency management by providing real-time information and identifying resource gaps during ongoing and increasing emergency events in the region.




Contribution to community outcomes

Community outcomes	Contributions	Objectives
 Resilient communities.	Preparing the community for the next emergency.	Plans are current, effective and follow best practice.

Our progress

What we said we would do	How we are going
Review and refocus the CDEM Group Plan for 2021–2026.	The CDEM Group Plan review will begin in 2024. Although the CDEM legislative reforms are still progressing through Parliament, the development of the Group Plan will begin with a planned timeline to achieve Ministerial signoff in 2025.
Review by the NEMA Technical Advisory Group.	This has yet to begin. NEMA is redefining its assurance role and developing a sector-wide approach with a focus on assurance.
Build a fit-for-purpose Emergency Coordination Centre (ECC).	The Emergency Coordination Centre is now fully operational.
Undertake controller and key staff training as part of national training programmes and local training exercises.	Training for the Local Alternate Controller cohort began in late 2023 and is ongoing. Training for key function leads within the ECC will be conducted as part of the regular scheduled training sessions over 2024.
Establish partnerships that enable iwi/hapū to actively participate in the decision-making and execution of our CDEM Group Plan.	The Tairāwhiti CDEM Group Plan 2016-2021 is being updated and consultation with iwi/hapu, this will provide input into the plan development. The group plan reflects the regional context for emergency management integrated with the statutory requirements for CDEM Group plans.
Invite our Iwi partners to our training exercises in the physical ECC.	Training activities now include iwi partners at both the ECC level and in regional training for individual community Emergency Operations Centres (EOCs).
Build capacity to send suitably qualified and experienced support to other regions for their emergency responses.	Staff training with regional CDEM Groups and NEMA is ongoing, forming part of continuous professional exchanges and development.
Continue to maintain and build new partnerships with Iwi and communities.	Given the impacts of climate change and adverse weather events, TEMO is providing training and support to new community groups that wish to become connected entities.
Further develop a CDEM Communications Plan, including greater use of social media and other modes of communication.	A permanent part-time Public Information Manager (PIM) has been added to the team, embedding a dedicated communications professional.
Concentrate on building ECC capacity.	Ten CIMS courses were conducted between October 2023 and August 2024. Additionally, sub-function training is provided for CIMS functions to develop role-specific expertise.
Rebuild the Welfare Group and establish a full-time Welfare Manager.	The Welfare Group now benefits from a dedicated full-time employee (FTE) who has developed systems, processes, and relationships. These have been activated for numerous weather events in the region. The welfare collective is recognised nationally as a functional and connected entity with experiential knowledge gained from operational responses.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We help to build a more resilient district where communities understand and manage their hazards and risks.					
 Community's survivability (in days) in the event of a natural disaster as found in the Residents Satisfaction Survey.	7 days or more	74%	61%	67%	Target met.
 At least six public education activities occur annually.	6	40	30+	30+	Target met.
 The community is made aware of Civil Defence Emergencies within 60 minutes of declaration.	60 mins	100%	18 mins	Not applicable	There were no declarations for 2024. The notification process and system for declared emergency events were well tested in the previous year, based on the number of events the region had addressed.

Engagement and Māori Partnerships

What we do

Engagement

The internal and external communications of Council are managed through Council’s website, face to face mainstream media and social media channels as well as Council’s intranet. Community engagement and consultation is at the heart of our work, and it is promoted through the channels we use. The development and implementation of communication plans and township plans are managed within the hub. Additional services include customer services, event approvals on Council land, and the management of specific funds for community development.

Māori Partnerships

We have developed a Māori responsiveness plan and programme to deliver on our obligation to be a responsive and confident Te Tiriti partner. This plan changes our approach as a team and influences the lens Council applies to how we think about the future. It also positions the organisation to be able to implement national directives that require meaningful working relationships with mana whenua e.g., freshwater, urban growth and development, wider resource management planning and other relevant reforms.

Why we do it



Engagement

We communicate and engage with our community in different ways to keep them informed of issues about matters that could impact them. Our approach involves tailored communication and engagement strategies that enhance the visibility and understanding of issues to empower residents to have their say and actively participate in decisions that may have an effect on them.

Māori Partnerships

Council’s intent is to be good treaty partner. Being a good partner under Te Tiriti o Waitangi requires us to be responsive to the needs, aspirations, vision for rangatiratanga, and realities of our mana whenua partners. This is a key driver for why we ‘do’ our mahi.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	The ongoing emphasis of a customer-focused organisation that supports its unique community.	We focus on building individual and organisational capability and knowledge to meet current and strategic requirements and promote a learning culture to embed high performance across the organisation.
 Delivering for and with Māori.	Manage and facilitate engagement with hapū and Iwi on behalf of the organisation.	To build and deliver on a plan that will serve as a baseline for growing a partnership model that meets the aspirations of mana whenua and tangata whenua now, and into the future.



Highlights from the Year

Engaging Our Community: 3YP Success

Formal consultation on the Three Year Plan (3YP) took place from Wednesday, 20 March to Friday, 19 April 2024. The campaign included:

- Innovative hard copy and online tools for presenting the Three Year Plan Consultation Document, “Healing our region for our future,” to the community and collecting submissions.
- Extensive advertising and promotion through local print, radio, social media, and digital channels.
- 31 community conversations and events, led by councillors and supported by staff, with approximately 700 attendees. These included community conversation sessions, group meetings, events, and drop-in sessions.

A total of 173 formal submissions were received, with 28 speakers presenting to Council during hearings. This inclusive consultation process played a key role in shaping a community-focused 3YP.

Fresh water – Te Mana o te Wai engagement

We have undertaken extensive hapū and catchment-based engagement over the last financial year. This groundwork positions us well to develop fresh water plans that reflect the aspirations of whānau, hapū, and marae.



Launch of the Te Tiriti Compass

This financial year marks the launch and implementation of the Te Tiriti Compass. This innovative framework will guide how Council honours and delivers on its Treaty commitments.



Our progress

What we said we would do	How we are going
Engagement	
Embed the Customer Services Promise (CSP) through the organisation.	This initiative was being embedded by Council's Quality Improvement Circle (QIC) forum, which has been inactive due to cyclone Gabrielle. The QIC forum will be reinitiated in the next quarter.
Māori Partnerships	
Develop and implement our Māori Responsiveness Programme.	The programme for this team will undergo a reset in August. The appointment of a new manager and the addition of a chief advisor Māori partnerships role requires that strategic reset. Operational deliverables will continue while the strategic and operational priorities are reset.
Develop and monitor an appropriate Level of Service and associated performance measure in collaboration with Iwi/hapū stakeholders to ensure we are effectively engaging with Māori.	The state of relationships and agreements stocktake, coupled with the new strategic Treaty risk bowtie will provide a new foundation for Council to monitor and measure levels of service in a meaningful way. An evaluative component has also been added to the Te Matapihi engagement pathway. This will provide a project based stream to evaluate our effectiveness on delivery as well as quality of partnership relationship.

Our level of service and how we measure progress


Measure	Target	2022	2023	2024	How did we perform?
Engagement					
We support the organisation to provide good quality information to the public to enable communities to participate in the decision-making process.					
 Percentage of residents satisfied with Council's provision of information on its website, social media pages, newsletters, brochures, and consultation documents, as found in the Resident Satisfaction Survey.	80%	60%	53%	52%	Target not met. Despite increased communication activities and engagement, resident satisfaction has not met the target. Website traffic reached 999,117 page views from 220,202 users. Our CDEM Facebook page has 23.4k followers with a reach of 358.5k users, and 150 posts were made. The GDC Facebook page has 24.4k followers with a reach of 563.9k users and 435 posts were made. We are undergoing a refresh of our communications and engagement strategy.
 Percentage of residents satisfied with how Council engages the community in its decision-making processes, as found in feedback from the Three Year Plan Consultation.	60%	36%*	30%*	77%	Target met. An average of 77% of participants agreed with the preferred options across key consultation areas such as water, roads, land drainage, and waste disposal. This demonstrates that while general satisfaction rates in previous years had declined, residents who participated in these targeted consultations reported stronger satisfaction with the Council's decision-making processes.

*In 2021/22 and 2022/23, this measure was based on data from the Resident Satisfaction Survey. From 2023/24, this was replaced by feedback from the Three Year Plan Consultation, which is more specific to key areas of Council's decision-making processes.

Measure	Target	2022	2023	2024	How did we perform?
We support the organisation to deliver quality, cost effective services to our community and encourage the community to provide feedback on our performance and direction.					
 Percentage of residents who are satisfied with Council customer service (as found in the Resident Satisfaction Survey) at first point of contact.	85%	70%	67%	54%	Target not met. Feedback from the Resident Satisfaction Survey indicates opportunities to further develop staff skills, improve communication and follow-up processes, and empower staff to resolve issues more effectively. Embedding the Customer Service Promise across Council will be a key focus, emphasising service, helpfulness, and responsiveness.
 Percentage of residents who are satisfied with Council customer service (as found in the Resident Satisfaction Survey) at first point of contact by email, phone, in-person, or online).	85%	83%*	62%	59%	Target not met. Community feedback indicates opportunities to improve point of contact services by streamlining communication and ensuring timely follow-up.

*Result based on the average of phone and in-person responses, as email and online survey options were unavailable.

Maori Partnerships

We continue to develop effective and meaningful collaboration with mana whenua, ensuring a long-term role in future planning and decision-making for the region.					
 The percentage of priority Iwi projects and relationships including Deeds of Settlement and all MOU assessed for quality of engagement by mana whenua.	90%	Not measured	Not measured	Not measured	This measure will be replaced in the 2024-2027 Three Year Plan with new metrics for evaluations of relationship agreements. These will include risk analysis and assessments in Te Matapihi, establishing a baseline for the new performance measures.

Challenges through recovery

Reporting requirements

The complexity and volume of reporting to multiple agencies have been challenging. To address this, a dedicated resource was allocated to streamline reporting processes, which has been further supported by integrating these processes back into business as usual.

Increased customer service workload

A recovery case coordinators team has been established to help the community navigate the challenges arising from Cyclone Gabrielle. This team plays a critical role in managing the increased volume of recovery-related enquiries and providing timely support to those affected.



Governance and Democracy

What we do

Governance

This activity provides for:

- Democratic local decision making.
- Advocacy at a national level on policy, issues affecting our local community, wider participation and representation.
- Support membership of Local Government NZ (LGNZ) and participation in its sector groups.
- Protection of Council assets including those invested in Council Controlled Organisations.
- Supporting the relationship with Trust Tairāwhiti and meeting Council's obligations under the Trust Deed.
- Meeting Council's obligations to be a good employer.

Democracy

This activity supports the elected members in their roles and ensures the purposes of the Local Government Act 2002 (LGA) are met and principles in the LGA are applied. As a Council we are required to ensure that:

- Governance arrangements are effective, open and transparent.
- Decision making for regulatory and non-regulatory matters are kept separate.
- The relationship between elected members and management is effective.
- We provide a fair and active triennial election process for Council that is compliant with the Local Electoral Act 2001 (LEA).
- We comply with the LEA, which also controls representation reviews.
- Resources are provided to the Office of the Mayor, including administrative support, expert advice and the delivery of civic functions and events.
- Obligations of the Mayor and councillors under the LGA are met.
- Elected members' remuneration, allowances and expenditure processes are in line with Remuneration Authority determinations.
- Local Government Official Information and Meetings Act (LGOIMA) requirements and processes to service Council and its committees are complied with.
- Official information requests are responded to within legislative timeframes and conform to best practice and legislative requirements.



Highlights from the Year

Marae Meetings: Bringing Council to the Community

Two Council meetings held offsite at Rangiwaho and Potaka Marae were highly successful and warmly received by the local communities. These meetings offered a valuable opportunity to engage in meaningful dialogue within culturally significant settings.

Public Access and Engagement

In the last financial year, Council's meetings calendar page received 19,524 views, reflecting strong public engagement. Agendas are easily accessible through the Council's website, and our YouTube channel offers livestreams of Council and Committee meetings, ensuring transparency and wider community access.

Councillor Engagement in 3YP Community Consultation

Councillors played a pivotal role in the Three Year Plan (3YP) consultation process, leading 31 community conversations and events from 20 March to 19 April 2024, with support from staff. These sessions attracted approximately 700 attendees and included community conversations, group meetings, events, and drop-in sessions. Councillors also listened to 28 speakers over two days of hearings, ensuring the community's voice was heard and incorporated into the development of our 3YP.

Why we do it




Governance

- Provide democratically accountable community representation and decision-making.
- Provide stewardship of Council's assets and implement the laws that enable physical and natural resources to be allocated.
- Work across Council to enable meaningful partnerships with Māori.

Democracy

- Support elected members and staff to provide transparent local decision-making on behalf of the Tairāwhiti community.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	Our meeting and reporting processes ensure our community is informed and enabled to participate in Council decision-making.	Our community is more engaged in Council's decision-making processes, enabling better representation of community views in Council's decisions.
 Resilient communities.	Our Council and committee reporting templates take into account climate change and the changing needs of our communities.	Council and committee decisions take into account climate change. Elected members are better informed as to the impacts of climate change and our organisation is more able to respond appropriately to its effects.
 Delivering for and with Māori.	Council and committee decisions are reflective of our hapū and Iwi aspirations and include mātauranga Māori and a te ao Māori lens.	Council and committee decisions incorporate te ao Māori, mātauranga Māori and te reo Māori.

Our progress

What we said we would do	How we are going
Governance	
Continue to grow our strategic relationships with partner organisations.	Our focus has shifted from the Resource Management Act (RMA) Tranche 1 due to the direction of the new government. We are adjusting our strategies to align with new priorities.
Co-governance with tangata whenua - Local Leadership Body (LLB) as determined by the Ngai Tamanuhiri Settlement Act.	Our iwi partners on the LLB have confirmed their membership, as has Council. Implementation discussions are underway, and meetings are anticipated to occur in the 2024/25 financial year.
Build on the existing Joint Management Agreement work between Council and Te Rūnanganui o Ngāti Porou.	Council is actively collaborating with Ngāti Porou representatives to develop the Waiapu Catchment Plan. An additional technical assessment for the Waiapu River has been identified as necessary, given its significance as a primary gravel source in our region. We will finalise the draft plan upon completion of the technical assessment.
Democracy	
The Local Government election was held in October 2022. We will manage and deliver a fair election process and increase voter participation including actively encouraging the young Māori demographic to vote.	The next elections are scheduled for 2025. It is likely that a poll on Māori Wards will be held concurrently, subject to legislative changes.
Support our elected members to become effective community leaders for the people of Tairāwhiti by introducing professional development opportunities, including training relating to te ao Māori.	Council has subscribed to Local Government New Zealand Akona. A mid-term review was conducted by Meeting and Governance Solutions with elected members in May 2024.
Work with other teams to ensure effective Māori participation in Council decision making.	Guidance for report writers on Te Tiriti Compass Writing has been implemented into report templates for Council and Committee meetings.
Improve Council technology to allow offsite Council and committee meetings to be live streamed especially on marae.	Two offsite Council meetings were held in the 2023/24 financial year. The first was at Rangiwaho Marae in August 2023, and the second at Potaka Marae in May 2024.
Continue to create a welcoming and accessible environment for the public so that it is easy for them to understand local government decision making.	Agendas are easily accessed by the public through the meetings page on Council's website. We had 19,524 views of our meetings calendar page in the 2023/24 financial year. Our YouTube channel features the livestreaming of Council and Committee meetings and other videos.
Monitor and improve the quality of reports and their effect on good decision making.	The NZIER report benchmarking Council's policy advice against other Councils gave us a score of 7.3, slightly below the Local Government median score of 7.5.
Improve and strengthen the LGOIMA request process.	A Privacy Policy has been approved, and together with Privacy Principles training, it will be rolled out to all staff in August 2024.

A tātau mahi Our activities

What we said we would do

Conduct a Representation Review for the 2022 and 2025 Local Government elections including Māori Wards following Council's decision in 2020. There is also the opportunity to explore rural township representation through communities of interest.




How we are going

The next Representation Review will occur in 2026/27 for the 2028 and 2031 elections. The Local Government Commission has advised that the need for Community Boards should be included in their determination.

Continue delivering and identifying opportunities for improving governance across the organisation.

We are developing an implementation plan following the review of the Engagement and Māori Partnerships Hub. This plan aims to improve alignment between strategy, policy, governance, and engagement.

Our levels of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We provide for the representation of the community in an open and democratic way.					
 Percentage of the community who agree that decisions made by Council represent the best interests of the community as found in the Three Year Plan Consultation.	60%	29%*	30%*	77%	Target met. Responses to our Three Year Plan consultation in 2024 indicated a significant increase in community agreement, with 77% of respondents feeling that decisions made by the Council represent the best interests of the community.
<small>*In 2021/22 and 2022/23, this measure was based on data from the Resident Satisfaction Survey. From 2023/24, this was replaced by feedback from the Three Year Plan Consultation, which is more specific to key areas of Council's decision-making processes.</small>					
We manage the LGOIMA requirements for meetings, agendas and official information requests and complaints to the Ombudsman.					
 Agendas for meetings (other than extraordinary meetings) of Council and committees are publicly available at least two working days before advertised meetings.	100%	100%	100%	100%	Target met.
 Number of complaints upheld by the Ombudsman.	0	0	0	1	Target not met. A complaint made by the Gisborne Herald was partly upheld, resulting in the release of previously withheld information.

Science

What we do

This activity is made up of Environmental Science and Environmental Monitoring. These teams monitor freshwater, air, soil and the coastal marine area and undertake research projects to improve knowledge and understand of our natural ecosystems. Environmental Science and Monitoring are a source of technical and scientific expertise to support strategy, consenting, compliance, CDEM, and other hubs in Council.

Why we do it

We monitor and undertake research on air, water, soil/land, coastal marine area and natural hazards so that we protect, enhance, and maintain our natural ecosystems and natural environments.



Highlights from the Year

Release of Groundwater Model

Tūranganui-a-Kiwa/Poverty Bay Flats Groundwater Model has been completed and is now available for public use. This model will serve as a valuable resource for developing groundwater management strategies and will support informed decision-making regarding water resource allocation and sustainability in the region.


Decision support tools

We have developed new decision support tools to enhance community engagement with state and trend analysis results for Gisborne. These tools provide insights into environmental data, including assessments of 'Threatened' and 'At risk' species in the Gisborne region. The tools will be instrumental in facilitating community involvement and promoting awareness and understanding of regional environmental issues.

Inanga spawning habitats

We partnered with Te Aitanga a Hauiti and Rongowhakaata Iwi Trust to monitor and restore Inanga spawning habitats.

Contribution to community outcomes






Community outcomes	Contributions	Objectives
 <p>We take sustainability seriously.</p>	<p>Providing robust evidence and analysis for the review and updating of our resource management plans allowing Council to effectively regulate and use activities and advocate good practice so we can maintain the health of our soils, air, freshwater, urban and coastal environments.</p>	<p>Land uses across the region are optimised to suit their physical and cultural setting and have adapted to changing climate patterns.</p>

Our progress

What we said we would do	How we are going
<p>Implement the projects, described in detail (and updated six-monthly) within the Science Programme, to ensure delivery of Council's statutory environmental objectives.</p>	<p>We have made significant progress in delivering key projects outlined in the Science Programme to support Council's statutory environmental objectives.</p> <p>In the Freshwater sector, we've completed the Tūranganui-a-Kiwa/Poverty Bay Flats Groundwater Model and bore drilling, along with state and trend analyses of river water quality. This includes identifying species that contribute to regional biodiversity and understanding the relationship between sediment and E. coli to guide mitigation efforts. We have also assessed river health through macroinvertebrate studies and completed Inanga habitat mapping and restoration.</p> <p>In the Coastal sector, we've provided training on estuary monitoring and conducted reef monitoring to support coastal health. For Land and Soil, soil monitoring initiatives have been successfully undertaken.</p>
<p>Undertake a comprehensive, strategic, and cost-effective environmental monitoring programme and ensure these results are communicated to Council and the community.</p>	<p>We have completed soil monitoring at 30 sites.</p> <p>For Freshwater, we have implemented the core recommendations from the NIWA review, ensuring robust environmental monitoring practices are in place and communicated effectively to Council and the community.</p>

What we said we would do	How we are going
Partner with Iwi, the community, industry, and other organisations to monitor and improve Tairāwhiti's environment.	<p>Estuary monitoring workshops were conducted in collaboration with Iwi and the community, while Kaiti Beach reef system monitoring was carried out with Ngāti Oneone.</p> <p>We partnered with Te Aitanga a Hauiti and Rongowhakaata for Inanga spawning locations and restoration, and with Te Aitanga a Māhaki, Rongowhakaata, Te Whānau a Kai, and Nga Ariki Kaiputahi for the Tūranganui-a-Kiwa/Poverty Bay Flats Groundwater Model.</p>
Work with Iwi and hapū to monitor and evaluate the mātauranga Māori of our environment.	We have conducted estuaries monitoring research using mātauranga Māori and taonga species and utilised the maramataka (Māori lunar calendar) to identify Inanga spawning locations.
Deliver the scientific evidence for the freshwater plans required by December 2024 as part of the National Policy Statement for Freshwater Management (NPSFM).	<p>We have developed options for low flow limits for the Waipaoa and Te Arai Rivers, and completed the Tūranganui-a-Kiwa/Poverty Bay Flats Groundwater Model.</p> <p>Baseline and target measures for water quality have been set, water quality and river health trends have been updated to 2023, and river water quality has been assessed using data from 2019 to 2023.</p>
Work with Iwi and hapū to ensure we understand and protect the value of Te mana o te Wai (under the NPSFM).	This work is ongoing.
Partner with Council's Resource Consents team to provide robust technical advice for the assessment of resource consents and provide training to carry out assessment of 'low risk' environmental resource consent applications.	We have partnered with Council's Resource Consents team to provide robust technical advice for resource consent assessments.
Provide strategic scientific advice to internal and external stakeholders e.g. during pre-application stage of resource consents.	We have consistently provided strategic scientific advice to internal and external stakeholders with resource consents. This advice supports policy, consents, compliance, biodiversity teams, and addresses landowner and ratepayer queries.
Provide annual performance updates to Council on health of region's land, air, and fresh and coastal water quality.	We have delivered annual performance updates to Council with a focus on freshwater quality.
Implement communications plan to help communicate science to our community and enable improved engagement and collaboration.	<p>This work is ongoing, including:</p> <ul style="list-style-type: none"> • Media releases have covered the 2023/24 summer crop survey, saltwater wedge mapping, and Inanga monitoring as part of the Rongowhakaata Iwi Trust project, which connects taura with their whenua. • Online decision support tools to improve community engagement with freshwater state and trend results for Gisborne, as well as assessments of 'Threatened' and 'At Risk' species for 2024. • Brochures, presentations, and reports have been released to share the results of the Groundwater Model.
Provide a robust evidence base for the Tairāwhiti Resource Management Plan (TRMP) review.	We have provided a robust evidence base for the TRMP review, completing the Tūranganui-a-Kiwa/Poverty Bay Flats groundwater model and developing low flow options for Te Arai and Waipaoa Rivers. Scientific evidence has been provided to support regional freshwater quality improvement and habitat conservation efforts.
Ensure sufficient information on Tairāwhiti's groundwater is available for our statutory requirements, inclusive of the development of groundwater models and the renewal and potential drilling of groundwater monitoring bores	The Tūranganui-a-Kiwa/Poverty Bay Flats groundwater model is complete, and we have undertaken bore drilling, replacing four Tūranganui-a-Kiwa/Poverty Bay Flats monitoring bores and establishing 11 new East Coast sites.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
We will collect and manage environmental data to support good resource management decisions and enable a clear understanding of the state of our environment.					
 The number of hits received on environmental data pages on the Council and Tairāwhiti section of Land, Air, Water Aotearoa (LAWA) websites.	30,000	72,895	226,684	115,108	Target met. Severe weather events are the key driver of environmental webpage hits.
 Undertake and report weekly monitoring of freshwater and coastal bathing water sites throughout the bathing water season.	95%	100%	94%	100%	Target met.
We will collect, analyse, and report environmental information under the requirements of the RMA (1991).					
 For highly productive land, undertake soil surveys for the five land use types in Tairāwhiti. To ensure the scientific evidence is robust, thirty surveys per land use type will be required (150 in total by year six).	Yr1: 25 Yr2: 50 Yr3: 75	12 samples	30 samples	30 samples	Target nearly met. A total of 72 samples have been collected since the start, against the three-year target of 75.
 The percentage of freshwater attributes monitored as required by the National Policy Statement for Freshwater Management (2020) in locations determined by Council and the community.	Yr3:100%	73%	73%	80%	Target not met. We did not achieve our Year 3 goal of monitoring 100% of attributes. This will be reassessed and addressed in our ongoing review process.
 The percentage of attributes monitored as required by the New Zealand Coastal Policy Statement (2010).	Yr3 20%	17%	17%	17%	Target not met: We have prioritised the enhancement of water quality policy and are building capacity to meet the criteria for the remaining policies.

Challenges through recovery

Managing Unplanned Operational Work

Despite challenges faced during recovery, the team successfully prioritised and delivered significant improvements by expanding the river webcam and rainfall gauge network, which has strengthened our flood intelligence and response capability for future events. While some unplanned operational work and delays, such as soil monitoring at certain sites, occurred, the team largely delivered on the commitments outlined in the Long Term Plan.



Strategic Policy & Planning

What we do

This activity develops and reviews strategies, policies, plans and bylaws. These documents provide:

- Strategic direction across the organisation to ensure its activities are working together to achieve the aspirations of our communities.
- The policy framework for managing the use, development, and protection of our natural and physical resources, now and into the future.
- A strategic approach to investment in infrastructure, facilities, and services.
- This activity is responsible for:
- Ensuring that Council's strategies, policies, and bylaws are consistent with statutory obligations and underpinned by a robust evidence base and community, Iwi/hapū and stakeholder engagement
- Providing guidance and advice to the wider organisation on the implementation of strategies, policies, plans and bylaws.

A major focus for this LTP (Long Term Plan) is the review of the Tairāwhiti Resource Management Plan (TRMP). The TRMP review (including our freshwater planning obligations) is a large programme of work that will take place over much of the next decade and will require significant investment of resources and time from Council, Iwi, key stakeholders, and the community.

We ensure the organisation anticipates and adapts to major shifts in Government legislation. Changes to resource management law and new legislative requirements for the provision of water infrastructure will affect many activities across Council. Strategic Planning has a role in assessing the implications of these changes and helping other teams adapt to them.

Why we do it

Overall, everything we do links back to the purpose of local government, which is to:

- Enable democratic local decision-making and action by, and on behalf of, communities
- Promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Our work ensures that Council's decision-making, priorities, and investments are transparent, evidence based and consistent with our vision, community outcomes, strategic priorities, the Local Government Act (LGA) and other relevant legislation.

Council's strategic documents link Council's goals with its operations – they are the direction and guidance that make action possible and achieve the long-term aspirations of our communities.

Our activity needs to respond to and anticipate significant legislation changes in the next 10 years due to reform programmes in a number of key policy areas for Council, such as resource management, three waters, and climate change.



Highlights from the Year

Adoption of Future Development Strategy

This strategy provides a 30-year vision that builds on the Tairāwhiti 2050 Spatial Plan and Urban Development Strategy. It outlines our preferred areas for accommodating housing growth in Tairāwhiti.







Further work is needed through the TRMP review and other related plans to achieve the vision and outcomes set out in this strategy.

Adoption of a Regional Land Transport and Public Transport Plans

The review of these plans resulted in a substantial rewrite due to the changed operating environment. Unlike other statutory requirements where we received modified requirements or exemptions, such as the Three-Year Plan, these plans were required to be produced under business as usual conditions. The change in government direction late in the projects also posed challenges to ensuring they were completed on time.

Despite our unique challenges, we successfully progressed with consultation, hearings, and adoption earlier than many other regions, which was a significant achievement for everyone involved.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A vibrant city and townships.	Plan for the management of community facilities and spaces to ensure they are fit-for-purpose, meet the region's changing age demographic and provide diversity across the region.	Update the TRMP to enable the best use of available land including infill development, intensification and redevelopment of the city centre to support mixed use with open space and high-quality medium density residential housing.
 Connected and safe communities.	Transport planning that responds to our unique regional challenges and opportunities so we can invest wisely in keeping our communities connected, safe, sustainable and healthy.	Improve access and safety of cyclists and pedestrians, including through the use of dedicated pathways in the city centre, and a connected and effective public transport system.
 We take sustainability seriously.	Update our resource management plans to allow Council to regulate land use activities so we can maintain the health of our soils, air, fresh water, urban and coastal environments.	Land uses across the region are optimised to suit their physical and cultural setting, and have adapted to changing climate patterns.
 We celebrate our heritage.	Ensure our historic and natural heritage values are recognised and given adequate protection.	We research and understand heritage values of our region.
 A diverse economy.	Update our resource management plans to ensure development and recovery planning contributes to a thriving economy in a sustainable way.	Council supports the strategic development and investment by providing clearer direction and more certainty through the rules and guidance in the TRMP.
 Delivering for and with Māori.	Support and enable new and existing partnership forums with Māori – including the Joint Governance Group, Joint Management Agreement Forum, Local Leadership Body, project steering and advisory input opportunities, various co-management arrangements and co-governance forums.	Incorporate the values, culture and beliefs of Te Tairāwhiti Māori into Council and Government policy, including mātauranga Māori and te ao Māori

Our progress

What we said we would do	How we are going
Resource management planning Commence and progress the review of the TRMP including our freshwater planning obligations. This includes reviewing and updating the Regional Policy Statement, regional plans, and the District Plan, including policies and provisions for growth management.	The TRMP continues to make progress. Some highlights include: <ul style="list-style-type: none"> • Adoption of the Future Development Strategy. • The inaugural meeting of the TRMP Review Committee was held on 13 June, with two independent external commissioners appointed. • Very active freshwater engagement is ongoing across catchments with communities, key stakeholders, and tangata whenua. There are also three active freshwater advisory groups: Waipaoa, Waimata-Pakarāe, and Regional. • The combined forestry/farming/freshwater Ūawa Advisory Group was established. • Technical work is progressing to underpin potential forestry-related plan changes.
Transport planning Prepare the 2024–2034 Regional Land Transport Plan as well as the 2024–2034 Regional Public Transport Plan, in consultation with Council's Roads and Footpaths team. Undertake supporting policy work, research and monitoring.	The 2024–2034 Regional Land Transport Plan and Regional Public Transport Plan were adopted in June 2024. Work is almost complete on the Active Travel Strategy and Mode Shift Plan (consulted on in February 2024). Additional supporting policy work, research, and monitoring are ongoing, aligned to work programme priorities and available resources.

A tātau mahi Our activities

What we said we would do

Climate change planning. Continue to develop Council's response to climate change through adaptation and mitigation planning for the organisation and the region. This includes completion of a Council Climate Change Plan and support for the development of a regional climate change risk assessment.

How we are going

There have been delays in the delivery of key projects due to a focus on recovery and the Future of Severely Affected Land programme.

Progress has continued on:

- Ensuring we remain connected regionally and nationally.
- Ensuring we remain connected regionally and nationally.
- Advocacy to Central Government.
- Wainui coastal adaptation planning process.
- Water security.
- Working with other councils on configuring a local emissions data platform.

Review existing strategies, policies and bylaws, when required, to ensure compliance with statutory requirements.

We conduct regular reviews and updates of existing strategies, policies, and bylaws within the work programme to ensure compliance with statutory requirements. We remain on track with statutory dates associated with planned reviews.

Strategic leadership

Support the organisation with leadership in strategic thinking on critical issues and opportunities for our region.




We have several projects where we support and guide our organisations with leadership for the region:

- **Climate Change Adaptation:** We are working alongside Te Weu on the citizens' assembly project, which focuses on deliberative democracy, demonstrating strategic thinking and prioritising the community.
- **Strategic Risk and Reputation:** We contribute to interhub conversations about strategic risk and reputation, aligning these discussions with our work programme and ensuring the alignment of all projects for shared thinking and active collaboration.
- **Te Tiriti Integration:** We are continually integrating Te Tiriti Compass and guidance from Te Matapihi into our projects.
- **Workshops and Guidance:** We hold and attend workshops at cross-functional levels to provide strategic guidance, ensuring alignment within the work programme.

Staff have been focused on the Ministerial Inquiry into Land Use and Special Legislation processes since Cyclone Gabrielle.

We are turning our attention to new Government priorities and proposals as they are announced or confirmed.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Council has a clear, rigorous and current suite of strategies, plans and policies across the range of Council activities including resource management, infrastructure and social and economic development.					
 All plans under development and review meet national directions and statutory timeframes for notification (where applicable).	Achieved	Achieved	Achieved	Achieved	Target met.
We support communities to engage in Council decision-making through appropriately planned, designed and delivered engagement processes.					
 Percentage of externally facing projects that have a communications and engagement plan in place (commensurate to the significance of the project).	100%	100%	100%	100%	Target met.
Our decision-makers are provided with credible and robust advice on which to make decisions.					
 Percentage of Strategic Planning sample reports meet a threshold of good to high quality (e.g. marked between 7-10 out of 10) when independently assessed annually.	80%	67%	86%	67%	Target not met. Continuous improvements in report writing remain a focus for the team.



Challenges through recovery

Delays to deliverables and key milestones in projects

Several projects experienced delays due to the response and recovery efforts required following Cyclones Hale and Gabrielle in early 2023. Community consultations related to business-as-usual policy projects were cancelled or postponed to focus communication resources to immediate recovery priorities and to acknowledge the limited capacity of tangata whenua and the community to engage.

Key projects affected include:

- **Notification of the Mōtū Catchment Plan:** Notification is now expected in late 2025.
- **Finalisation of the Draft Future Development Strategy:** The strategy faced delays as the Council's infrastructure team focused on response and recovery efforts, limiting their capacity to participate in growth planning. Additionally, staff undertook further work to review natural hazards in growth areas based on lessons learned from Cyclone Gabrielle. The strategy was ultimately adopted in March 2024.

Support Services

What we do

Finance and Performance

Areas of responsibility for finance and performance include financial services, revenue, internal audit, risk management, management accounting, and the development and implementation of Council's organisational performance management and reporting framework.

Health and Safety

This team works to create and support a positive health, safety, and wellbeing culture at Council, ensuring compliance under health and safety legislation, including the management of contractors.

Information Services

The team is responsible for providing information and technology services, ongoing support, advice, and business solutions to Council – developing, implementing, and maintaining systems, data, information, knowledge, and business process initiatives in support of efficient and effective governance, policy development, and service delivery.

Legal Services

The team provides legal advice and support across Council in order to achieve Council goals and community outcomes.

People and Capability

People and Capability is dedicated to empowering our leaders with expert guidance in key areas such as recruitment, retention, onboarding, policy implementation, organisational culture, change and performance management, learning and development, industrial relations, and employee wellbeing. Our support enables informed decisions that drive the organisation's success.

Why we do it

Finance and Performance

Financial Services are required and mandated by statute including the Local Government Act (LGA) and LGA (Rating) Act 2002. Finance supports the effective and efficient running of day-to-day transactional accounting for Council operations, delivers monthly reporting of financial results, asset accounting, treasury management, rates and revenue, and debt collection and looks at how we can make financial business improvements across Council. Our Internal Audit and Risk Management team provides independent assurance that Council's risk management, governance, and internal control processes are operating effectively. The Performance team supports the organisation to plan effectively and contribute to organisational accountability, from implementing performance frameworks within the LTP to reporting how we are tracking within Annual Reports.

Health and Safety

This activity aims to provide a safe working environment for our staff, contractors and community while undertaking Council duties or while working on, or visiting, Council facilities and worksites. We help embed safe business-as-usual practices and simple constructive solution-based behaviours. Staff are empowered to actively manage their health, safety and wellbeing risks while ensuring compliance under health and safety legislation.

Information Services

Information Services plays a crucial role in providing technological support and expertise to ensure that the Council can effectively and responsibly manage information. Our focus is on understanding the unique needs of our customers, enabling the Council to maintain a strong information management strategy for both current and future generations, and fulfilling all legislative mandates related to information retention.



Legal Services

The Legal Services team aims to ensure Council maintains a high standard of statutory compliance and that our interests are protected. The legal advice informs prudent decision making throughout the organisation at all levels.

People and Capability

People and Capability functions align to Council's strategic priorities by ensuring recruitment, retention, and development of teams to ensure our staff are trained and equipped to engage with our community and customers and are delivering outcomes that make our people proud – Piritahi Tairāwhiti.

Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	The ongoing emphasis of a customer-focused organisation that supports its unique community.	We focus on building individual and organisational capability and knowledge to meet current and strategic requirements and promote a learning culture to embed high performance across the organisation.
 Delivering for and with Māori.	Manage and facilitate engagement with hapū and Iwi on behalf of the organisation.	<p>To build and deliver on a plan that will serve as a baseline for growing a partnership model that meets the aspirations of mana whenua and tangata whenua now, and into the future.</p> <p>Improve the cultural capacity of the organisation through the development of tools and support initiatives.</p>

Our progress

What we said we would do	How we are going
Ensure all support services continue to perform business-as-usual activities and, where possible, streamline business processes to improve practices, advice, and services.	We continue to support the efficient functioning of Council services with fit-for-purpose technology. Where possible, we are implementing new technology to help Council streamline their business processes.
Continue to develop a health and safety culture while ensuring compliance under health and safety legislation.	Additional resources have been provided to support health and safety and contractor management in the recovery space. There is a continued emphasis on staff wellbeing, including the development of a comprehensive wellbeing strategy.
Take further advantage of technological advancements to enable us to deliver effective and efficient support services to our internal and external customers.	We work to get the most value out of our ICT assets and licensed tools by analysing customer requirements regularly to determine if existing systems can meet service needs. When advancements are available that can significantly improve levels of service, we plan how to take advantage of those advancements in a cost-effective and fit-for-purpose way.
Complete the replacement of the core Enterprise Resource Planning system.	We are currently in the process of replacing our core operational software, employing a phased approach. Human Resources is now live in the new system, with more areas going live in 24-25. This replacement strategy capitalises on the latest technological advancements, which will enable Council to operate with greater efficiencies.
Review, assess and decide to obtain a credit rating based on Council's external debt.	Council debt is 130% of recurring revenue. As Council's debt increases as needed for our 2024-2027 Three-Year Recovery Plan, an assessment will be made regarding the costs and benefits of being credit rated. In the past three years, there were more costs than benefits over being credit rated.

What it costs

Operating revenue and expenditure	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Revenue From Non-Exchange Transactions	20,979	9,677	11,302	5,879
Revenue From Exchange Transactions	(2,826)	2,592	(5,417)	3,048
Expenses	57,944	46,134	(11,810)	40,153
Net Cost of Service	39,791	33,866	(5,925)	31,226
Capital Expenditure				
Capital Projects	13,962	4,480	(9,482)	4,721
Funded By:				
Grants and Subsidies	5,424	400	(5,024)	386
Other capital revenue	100	100	0	1,401
Depreciation or Other Reserves (Renewals)	1,290	1,462	172	1,278
Internal Loans	7,059	2,518	(4,541)	1,431
Asset Sales	88	0	(88)	225
	0	0	0	0

This activity was funded 36% from grants, 43% rates, 14% Dividends and 7% from fees and charges

What was different from the budget

- 1 Revenue from non-exchange transactions is \$11.3m ahead of Annual Plan. This is mostly the result of grant income for the commercial silt removal support package.
- 2 Revenue from exchange transactions is \$5.4m under Annual Plan. This is largely due to the accounting loss for FOSAL category 3 voluntary residential property buyouts of \$6.6m. The accounting loss for FOSAL category 3 property property buyouts is the difference between the purchase price of the properties and the written down value of the properties after the cyclone damage.
- 3 Expenditure is \$11.8m over Annual Plan, mostly related to the increase in costs for the commercial silt removal support package. These costs were 100% grant funded, consistent with the increase in additional revenue from non-exchange transactions above.
- 4 Capital expenditure is \$9.4m over Annual Plan mostly due to FOSAL category 3 voluntary property buyouts. It should be noted that Council's share of the FOSAL category 3 property purchases represents 50% of the joint buyout between the Crown and Council and is reflected in the increased capital grants and subsidies of \$5m shown above.

Ngā Mahinga Arumoni

Commercial Operations

10

Council's main investment vehicle is its Council Controlled Trading Organisation (CCTO), Gisborne Holdings Limited (GHL). GHL is 100%-owned by Council. GHL manages Council's commercial operations and distributions flow directly to Council to help provide for capital works and minimise demands on ratepayers.

What we do

Council's commercial operations are made up of commercial and semi-commercial investments. Some are run on a commercial basis for the benefit of Council's operations, while others supplement Council's income. Council's semi-commercial operations include:




- Community housing – 120 rental units within the Gisborne City and Te Karaka for tenants who are 55 years and over.
- Gisborne Airport.
- Small holdings of property.
- Council also maintains a number of investments, the largest being GHL, made up of a number of business units, including:
 - Property Holdings, which manages a large and diverse portfolio of property including commercial, tenant occupied rentals, and farm land. It also takes project management responsibility for GHL developments.
 - Waikanae Beach TOP 10 Holiday Park, which is the region's largest accommodation provider, covering the spectrum from tent sites to 4 1/2 star Qualmark apartments.
 - Tauwharepārae Farms Ltd, which runs the Puketawa, Tamatea, and Tauwharepārae stations as a single unit, covering 11,500 hectares of land inland from Tolaga Bay.

Why we do it

The primary focus of commercial operations is to operate profitably and to provide a non-rates income stream to Council. Council's investment strategy with GHL, as the main investment vehicle, has both shareholder-focused goals aimed at increasing the return from commercial operations assets, increasing the income stream to Council over the life of the LTP, and increasing the economic value to the community.

Council's other semi-commercial assets are not primarily focused on profit. Council provides quality and affordable housing for those aged 55 years and over who have difficulty in providing it for themselves, with rent not to exceed 90% of the market rate. The focus for the Council airport asset is to aid economic value for our area and maintain a strategic asset. Forestry assets are primarily for the protection of water supply and erosion-prone land.




Contribution to community outcomes

Community outcomes	Contributions	Objectives
 A driven and enabled community.	Promoting an open and collaborative relationship with Council and supporting them to enact positive change through the provision of information or resources.	To meet the requirements of Local Government Act 2002, Section 59 and the Statement of Intent.
 We take sustainability seriously.	Continuing to incorporate energy efficient practices into our developments, upgrades, and businesses where commercially viable.	
 A diverse economy.	Continuing to grow the business will enable GHL to work towards being a living wage employer, create and promote new training opportunities, grow returns to Council.	

Our progress

What we said we would do	How we are going
Review Council's group investments and alignment for a best-for-region approach.	Final stage where all reviews have been completed. Identification of opportunities of best for region approach will be ongoing over the 2024-2027 Three Year Plan.
Formulate climate change adaptation Plan for Council.	As a first step, a Council Group level a Group Carbon Management Policy has been initiated. This is for the management of risks around carbon assets and liabilities, and the emissions unit (NZU referred to an "Emissions Unit") price and volume exposure. It will operate for both Council and its Council Control Trading Organisation (CCTO).
Review harvesting of forestry.	By 30 June 2024, 987 hectares (89%) of the 1,100-hectare pine forecast had been harvested, generating \$5.4m in funds. A total of 119 hectares was harvested in the 2023/24 financial year. All funds received to date contribute towards replanting costs for the \$18m Waingake Transformation Programme.

Our level of service and how we measure progress

Measure	Target	2022	2023	2024	How did we perform?
Council's main investment vehicle is its Council Controlled Trading Organisation (CCTO), Gisborne Holdings Limited (GHL). GHL is 100%-owned by Council. GHL manages Council's commercial operations and distributions flow directly to Council to help provide for capital works and minimise demands on ratepayers.					
 Improve the investment return level in order to grow the return from 2% of Council revenue to 4%	2%-4%	1.8%	2.8%	0.8%	Target not met. Mostly driven by not receiving a dividend from our CCTO.
 Percentage of customers satisfied with the standard of accommodation and services of community housing, as identified in our Annual Inspection Survey.	95%	96.2%	96.6%	98.2%	Target met.
 Rent as a percentage of market-rate (lower quartile) not to exceed 90%.	Achieved	Achieved	Achieved	Achieved	Target met.



Challenges through recovery

Impact of Weather Events on CCTO Farming Operations

The severe weather events of 2023 have significantly impacted the CCTO's farm assets, damaging fences, rendering some land uneconomic to farm, and closing the main access route to Tauwhareparae Road. In response, farm management has invested \$700,000 in fencing repairs, initiated a long-term land use review, and continues to work with Council on access solutions.

What it costs

Operating revenue and expenditure	Actual 2024 \$000s	AP 2024 \$000s	Variance Favourable /(Adverse)	Actual 2023 \$000s
Revenue From Exchange Transactions	1,811	1,438	374	2,906
Expenses	1,970	1,650	(320)	2,112
Net Cost of Service	159	212	53	(794)
Capital Expenditure				
Capital Projects	136	284	148	68
Funded by:				
Depreciation or Other Reserves (Renewals)	136	284	148	68
	0	0	0	0

This activity was funded from 100% from fees and charges

What was different from the budget

- 1 Revenue from Exchange transactions was \$374k ahead of Annual Plan. This is mostly due to net forestry harvesting returns and increase in community housing rentals revenue.
- 2 Expenditure is \$320k over Annual Plan. This is due to higher operating costs, arising from insurance, repairs and maintenance costs.
- 3 Capital Expenditure is \$148k under Annual Plan. This is due to some of the work, being completed under operational costs (repairs and maintenance). In addition, some double glazing was put on hold over the winter months. The double glazing is planned to occur in the first half of 2024/25 financial year.





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Tauākī tautukunga me te kawenga

Statement of compliance and responsibility

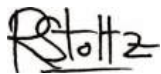
Compliance

The Council and Management of the Gisborne District Council confirm that all the statutory requirements in relation to the Annual Report, as outlined in Schedule 10 of the Local Government Act 2002, have been complied with.

Responsibility

The Council and Management accept responsibility for the preparation of the annual financial statements and the judgements used in them. They also accept responsibility for establishing and maintaining a system of internal control designed to provide a reasonable assurance as to the integrity and reliability of the financial reporting.

In the opinion of Council and Management, the annual financial statements for the year ended 30 June 2024 fairly reflect the financial position, results of operations and service performance achievements of the Gisborne District Council.



Rehette Stoltz
Mayor



Pauline Foreman
Chief Financial Officer



Nedine Thatcher Swann
Chief Executive

Tauākī moni whiwhi me ngā utu

Statement of comprehensive revenue and expenses for the year ended 30 June 2024

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Note	Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
REVENUE FROM NON-EXCHANGE TRANSACTIONS						
80,487	83,249	Grants and Subsidies - Operational	4	112,745	103,771	104,340
42,919	42,919	Grants, Donations, Subsidies and Contributions - Capital	4	34,496	55,790	55,790
1,210	1,194	Other Non Exchange Revenue	5	2,196	1,160	1,160
24,093	23,833	General Rates And Uniform Annual General Charge	3	26,189	26,312	26,157
46,387	46,387	Targeted Rates (other than a targeted rate for water supply)	3	49,168	49,319	49,319
REVENUE FROM EXCHANGE TRANSACTIONS						
1,864	1,864	Development and Financial Contributions	5	1,658	626	626
10,759	20,842	Other Revenue	5	12,795	12,711	26,041
2,870	2,856	Targeted Water Rates	3	3,771	2,883	2,760
5	5	Dividends	5	1,800	7	7
1,176	1,189	Interest Received	5	0	2,934	2,944
(1,415)	(3,776)	Other Gains/(Losses)	6	(230)	(743)	(7,016)
210,355	220,562	Total Revenue		244,588	254,769	262,128
EXPENSES						
28,965	31,975	Employee Benefit Expenses	7	33,428	31,186	34,121
130,997	135,547	Expenditure on Operating Activities	9	164,692	163,927	171,301
25,966	27,126	Depreciation and Amortisation	8	29,473	29,011	30,114
4,886	5,503	Financing Costs	10	6,158	9,015	9,758
0	0	Loss FOSAL category 3 buyback	6	0	6,636	6,636
190,814	200,151	Total Expenses		233,751	239,775	251,931
19,541	20,411	Net Surplus before Taxation and Subvention Income		10,837	14,994	10,197
300	0	Subvention Payment from GHL		400	282	0
0	421	Income Tax Expense	11	0	0	9
19,841	19,990	Net Surplus after Taxation		11,237	15,276	10,188
OTHER COMPREHENSIVE INCOME						
(151,321)	(179,220)	Gains/(Losses) on Revaluations		48,223	139,898	139,898
(64,276)	(64,276)	Impairment reversal/(loss)		0	1,390	1,390
0	(832)	Deferred Tax on Revaluations	11	0	0	0
(215,596)	(244,328)	Total Other Comprehensive Income		48,223	141,288	141,288
(195,755)	(224,338)	Total Comprehensive Revenue and Expenses		59,460	156,564	151,476

The accompanying notes form an integral part of these financial statements. Please note there are small rounding differences due to the numbers being rounded to the nearest thousand dollar.

Tauākī tūnga pūtea

Statement of financial position as at 30 June 2024

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Note	Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
CURRENT ASSETS						
28,728	31,209	Cash and Cash Equivalents	13	7,798	21,551	22,481
0	0	Term Deposits*		0	20,000	20,000
24,505	24,505	Non Exchange and Other Receivables	14	11,475	28,741	28,741
24,212	24,053	Exchange Trade and Other Receivables	14	20,471	22,475	22,305
45	281	Inventories	15	120	104	324
81	81	Current Investments	16	0	711	711
80	80	Non-current Assets Held for Sale	18	80	80	80
770	770	Derivative Financial Instruments	17 & 29A	37	694	694
78,421	80,979	Total Current Assets		39,981	94,356	95,336
CURRENT LIABILITIES						
573	573	Deposits Held	19	535	362	362
34,528	35,307	Trade and Other Payables	20	31,610	30,745	30,919
39,999	40,147	Income in advance*		7,948	45,148	45,296
3,604	4,049	Employee Benefit Liabilities	21	3,180	4,082	4,485
15,000	15,000	Borrowings	22	5,000	30,000	30,000
468	468	Provision for Other Liabilities	23	85	560	560
0	567	Taxation		0	0	(459)
94,172	96,111	Total Current Liabilities		48,359	100,897	101,161
(15,751)	(15,132)	Net Working Capital		(8,378)	(6,539)	(5,825)
NON-CURRENT ASSETS						
2,642,803	2,754,801	Property Plant and Equipment	24	3,030,144	2,838,720	2,950,822
6,480	9,676	Intangible Assets	25	7,447	6,459	9,655
1,543	21,686	Biological Assets	26	1,540	924	14,706
35,294	3,340	Investments	16	34,387	35,911	3,957
958	958	Derivative Financial Instruments	17 & 29A	861	334	334
2,687,078	2,790,461	Total Non-Current Assets		3,074,379	2,882,349	2,979,474
NON-CURRENT LIABILITIES						
109,800	120,214	Borrowings	22	143,444	147,800	157,121
111	111	Employee Benefit Liabilities	21	122	89	89
2,002	2,002	Provision for Other Liabilities	23	2,249	1,925	1,925
795	1,701	Emissions Trading Scheme Liabilities	25	2,570	812	1,717
0	4,445	Deferred Tax Liability	11	0	0	4,460
0	0	Derivative Financial Instruments	17 & 29A	0	0	0
112,708	128,473	Total Non-Current Liabilities		148,386	160,625	175,316
2,558,619	2,646,856	Net Funds Employed		2,917,615	2,715,183	2,798,332
EQUITY						
534,082	539,742	Accumulated Surplus	27	586,304	541,192	541,765
53,188	53,188	Special Funds	27	33,554	60,718	60,718
1,971,349	2,053,926	Revaluation Reserves	27	2,297,758	2,113,273	2,195,850
2,558,619	2,646,856	Total Equity		2,917,615	2,715,183	2,798,332

* Income in advance is more than Annual Plan. Due mainly to Large Woody Debris funding of \$30m and FOSAL category 3 voluntary residential buyouts revenue of \$8.5m.

The accompanying notes form an integral part of these financial statements.

Authorised for and on behalf of Gisborne District Council on 17 October 2024.



Rehette Stoltz
Mayor



Nedine Thatcher Swann
Chief Executive

Tauāki panoni tūnga pūtea

Statement of changes in equity for the year ended 30 June 2024

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Note	Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
EQUITY OPENING BALANCES						
514,910	520,421	Accumulated Funds and Retained Earnings		564,731	534,082	539,742
52,250	52,250	Special Funds and Reserves		43,890	53,188	53,188
2,187,214	2,298,524	Revaluation Reserves		2,249,535	1,971,349	2,053,926
2,754,374	2,871,194	Total Equity Opening Balance		2,858,155	2,558,619	2,646,856
CHANGES IN EQUITY						
Accumulated Surplus (Retained Earnings)						
(938)	(938)	Transfer (to)/from Special Funds and Reserves		10,336	(8,165)	(8,165)
(195,755)	(224,338)	Total Comprehensive Income		59,460	156,565	151,476
Special Funds and Reserves						
938	938	Transfer (to)/from Retained Earnings		(10,336)	8,165	8,165
(195,755)	(224,338)	Total Changes in Equity		59,460	156,565	151,476
EQUITY CLOSING BALANCES						
534,082	539,742	Accumulated Funds and Retained Earnings	27	586,304	541,192	541,765
53,188	53,188	Special Funds and Reserves	27	33,554	60,718	60,718
1,971,349	2,053,926	Revaluation Reserves	27	2,297,758	2,113,273	2,195,850
2,558,619	2,646,856	Total Equity Closing Balance		2,917,615	2,715,183	2,798,332
Attributable to:						
2,558,619	2,646,856	Gisborne District Council		2,917,615	2,715,183	2,798,332

The accompanying notes form an integral part of these financial statements.

Tauākī rerenga moni

Statement of cash flow for the year ended 30 June 2024

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Note	Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
CASH FLOW FROM OPERATING ACTIVITIES						
69,261	69,001	Receipts from Rates		73,499	74,718	74,563
14,679	27,985	Receipts from Activities		21,451	16,142	28,562
143,355	143,355	Receipts from Government Grants and Subsidies		147,518	160,704	160,704
1,176	1,189	Interest received		0	2,934	2,944
5	5	Dividends received		1,800	7	7
200	0	Subvention Payment received		400	300	0
(153,045)	(158,434)	Payments to Suppliers and Employees		(197,791)	(184,229)	(194,888)
(892)	(3,511)	Grants paid		(1,004)	(12,903)	(12,903)
(919)	(919)	Net GST paid		0	1,384	1,384
(4,522)	(5,139)	Interest paid		(6,169)	(8,397)	(9,140)
0	(1,283)	Income Tax paid		0	0	(1,018)
69,298	72,249	Net Cash Flows from Operating Activities	28	39,705	50,659	50,215
CASH FLOW FROM INVESTING ACTIVITIES						
312	2,494	Sale of Property Plant and Equipment		50	369	467
1,079	1,079	Forestry Harvesting		561	459	459
0	0	Sale of Capital Livestock		0	0	1,105
(86,901)	(87,412)	Purchase of Property Plant and Equipment		(70,229)	(89,681)	(90,898)
(855)	(855)	Purchase of Intangible Assets		0	(612)	(612)
(1,102)	(1,104)	Purchase of Investments		0	(21,370)	(21,370)
(87,467)	(85,798)	Net Cash Flows from Investing Activities		(69,618)	(110,835)	(110,849)
CASH FLOW FROM FINANCING ACTIVITIES						
39,100	34,509	Increase in Borrowings		29,914	53,000	51,907
39,100	34,509	Net Cash Flows from Financing Activities		29,914	53,000	51,907
20,931	20,960	Net Increase/(Decrease) in Cash		0	(7,176)	(8,727)
7,797	10,249	Cash at beginning of the year		7,798	28,728	31,209
28,728	31,209	Cash and Cash Equivalents at Year End		7,798	21,551	22,481

The accompanying notes form an integral part of these financial statements.

Tauākī hāngai ki te tahua taurite

Statement concerning balanced budget for the year ended 30 June 2024

Council 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s
210,355	Operating Income	244,588	254,770
(190,814)	Operating Expenditure	(233,751)	(239,775)
300	Subvention Payment	400	282
0	Income Tax Expense/(Benefit)	0	0
19,841	Net Operating Surplus After Taxation	11,237	15,278
	LESS		
1,273	Capital Rates Income	1,875	1,875
42,884	Capital Grants and Subsidies	34,496	55,760
1,899	Other Capital Grants, Donations and Contributions	1,658	656
(4,806)	Operations funded by Reserve funds	(12,784)	(8,084)
	PLUS		
10,915	Depreciation not Funded	13,547	14,126
10,494	(Decrease)/increase in Council deficit	461	20,805
0	Balanced Budget - Operating Income Agrees to Operating Expenditure	0	0

The accompanying notes form an integral part of these financial statements.

Explanation of Council's balanced budget requirement

Council is required under the provisions of the LGA 2002 (s.101) 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 its community. The LGA 2002 (s.100) requires that local authorities "balance the books". This means Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses (break-even). This is to ensure that there's access to enough funding to enable the services to continue to be provided long term. There are activities where this approach may not be practical or prudent due to the activity's long term nature or where the activity is partially funded by surpluses built up over time.

Tauākī whai wāhi i te taha o ngā CCTO's me ētahi atu kamupene

Statement of involvement in CCTOs and other companies

The Council has control of the following entities:

The Gisborne Disaster Relief Trust

The Trust has been established to provide a vehicle for the collection and distribution of funds in support of local disaster relief efforts. Council passed a resolution to exempt the Trust from Statement of Intent (SOI) reporting requirements under the Local Government Act 2002. The Trust's 2023/24 Annual Report is available on the Gisborne District Council website.

Achievements

The Trust received \$162k, (2023 \$3m) in donations to provide financial relief or assistance to people who have suffered damage or loss following the severe weather events in the Gisborne District. After paying and committing \$257k, (2023 \$2.6m) in grants, the Trust reported a liability of \$396k, (2023 \$407k) for unused donations.

Gisborne Holdings Ltd

This Council Controlled Trading Organisation (CCTO) comprises Gisborne Holdings Ltd.

The income from the above enterprise for the financial interest, finance or financial assistance of the Council is as follows:

	Dividends 2023 \$000s	Dividends 2024 \$000s	Subvention 2023 \$000s	Subvention 2024 \$000s
Gisborne Holdings Ltd	0	0	300	282

Total costs

The provision of financial assistance by the Gisborne District Council to this organisation is by way of share capital. Council holds a \$14m internal loan to finance its investment in GHL. Council incurred a \$687k (2023: \$490k) interest cost on this loan balance.

Performance targets

The Councils objective in establishing Gisborne Holdings Ltd was to provide a commercial vehicle for operating its commercial activities. Council has an obligation under the LGA to undertake regular performance monitoring of its CCTOs. The purpose of that monitoring is to ensure they are making the expected contribution to Council objectives, meeting performance targets in their SOI and Councils overall aims and outcomes. CCTO financial statements and performance targets and other measures are audited annually by an independent auditor.

After the provision of a tax deductible subvention payment of \$282k (2023: \$300k) to the Council and reporting a net revaluation increase of \$1.2m (2023: \$4.6m decrease), Gisborne Holdings Ltd reported a net loss after tax of \$5.35m (2023: net loss after tax of \$1.9m) for the year. Net assets decreased \$16.5m from 2023 \$122.7m to 2024 \$106m.

He pito kōrero mō ngā tauāki pūtea

Notes to the financial statements

Note 1: Statement of accounting policies

Reporting entity

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

The Gisborne District Council Group (the "Group") consists of Gisborne District Council and its subsidiaries, Gisborne Holdings Ltd (100% owned) and the Gisborne Disaster Relief Trust (100% controlled). Gisborne Holdings Ltd and the Gisborne Disaster Relief Trust are incorporated in New Zealand, and pursuant to the Local Government Act 2002 are Council Controlled Trading Organisations.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, the Council and Group are public benefit entities for the purpose of financial reporting.

The financial statements of the Council and Group comply with Public Benefit Entity (PBE) standards.

Basis of preparation

The financial statements of the Group are for the year ended 30 June 2024. The financial statements were authorised for issue by Council on 17 October 2024.

The Council and Group financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, which includes the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Tier 1 PBE Standards as appropriate for public benefit entities.

The 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 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.

There have been no changes in accounting policies of the Group in the year ended 30 June 2024.

Specific accounting policies

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

Basis of consolidation

Council consolidates its subsidiaries in the group, where Council has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the entity. This power exists where Council controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by Council or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary. The Group is a going concern due to the ability

of Council to access funding through LGFA up to 175% of total revenue.

Subsidiaries are consolidated by adding together corresponding assets, liabilities, revenues and expenses on a line-by-line basis. All significant inter-company/Council transactions are eliminated on consolidation. Council's investment in its subsidiaries is carried at cost less any impairment charges in Council's own "parent entity" financial statements.

The group has an interest in a jointly controlled operation. A jointly controlled operation involves use of assets and other resources of the venturers rather than establishment of a separate entity. The group recognises its interest in the assets and the liabilities of the jointly controlled operation. The Group also makes note of the expenses that it incurs and the income that it earns from the sale of goods or services by the jointly controlled operation.

Revenue recognition

Revenue is measured at the fair value of consideration received. Revenue is comprised of:

- Non-exchange transactions - rates, government grants, vested assets, rental revenue - subsidised, fees and charges - subsidised.
- Exchange transactions - targeted water rates, rental revenue - full cost recovery, fees and charges - full cost recovery, and development and financial contributions.

Non-exchange revenue in general includes revenue from activities that are partially funded by general rates, as set out in the Councils 2021–2031 Long Term Plan Revenue and Financing Policy.

The following specific recognition criteria must be met before revenue is recognised:

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The group recognises revenue from rates when the Council has struck the rates and provided the rates assessment. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable.

Government grants and subsidies

Government grants with no stipulations attached are recognised as revenue in the financial statements of the reporting period in which they are received or receivable by the Council.

To the extent that there are stipulations attached to government grants that would give rise to a liability to repay the grant amount or to return the granted asset, income in advance is recognised instead of revenue. Revenue is then only recognised once the Council has satisfied these conditions.

Council receives substantial grants from Waka Kotahi NZ Transport Agency, 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. Council also receives other government grants in addition to Waka Kotahi.

Other revenue

Revenue is recognised on an accrual basis when the service is completed.

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.

Donations, gifts and bequests are recognised at the fair value of consideration received upon receipt.

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.

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 or controlled entities have 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 or controlled entities' decision.

Income tax

Income tax expense in relation to the surplus or deficit for the period comprises current tax and deferred tax except where it relates to an item recognised in Other Comprehensive Income.

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 variances 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 surplus/deficit except when it relates to items charged or credited directly to other comprehensive income, in which case the tax is dealt with in other comprehensive income.

Leases

Group as a lessee - operating leases

An operating lease is a lease that does not substantially transfer 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.

Group as a lessor - operating leases

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term. Rent received from an operating lease is recognised as income on a straight-line over the lease term.

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 provision for impairment.

The provision for impairment of receivables is determined based on an expected credit loss (ECL) model.

In assessing credit losses for receivables, the Group apply the simplified approach and record lifetime ECL on receivables.

In measuring ECL's, receivables have been grouped into rates receivable and other receivables, and assessed on a collective basis as they possess shared credit risk characteristics. They have then been grouped based on days past due. Expected loss rates are applied based on payment profiles and corresponding historical credit losses experienced within the year. Expected loss rates are adjusted to reflect current and forward-looking factors specific to the debtors and the economic environment.

Rates are "written-off":

- When remitted in accordance with the Councils rates remission policy; and
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Maori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery.

Inventories

Inventories are recognised at the lesser 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

The Group financial assets (other than shares in subsidiaries) are initially recognized at fair value. They are then classified as, and subsequently measured under, the following categories:

- amortised cost;
- fair value through other comprehensive revenue and expense (FVTOCRE); and
- fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset at initial recognition unless the asset has been designated at FVTSD, in which case it is recognized in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council and Group's management model for managing them.

A financial asset is classified and subsequently measured as amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is to collect the contractual cash flows of the asset.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council and Group may elect at initial recognition to designate any equity investment not held for trading as subsequently measured at FVTOCRE.

Subsequent measurement of financial assets at amortised cost

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance.

Instruments in this category include community loans.

Subsequent measurement of financial assets at FVTOCRE

Financial assets in this category that are debt instruments are subsequently measured at fair value with fair value gains and losses recognized in other comprehensive revenue and expense, except ECL and foreign exchange gains and losses that are recognized in surplus or deficit. When sold, the cumulative gain or loss previously recognized in other comprehensive revenue and expense is reclassified to surplus and deficit. Council has no instruments in this category.

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognized in other comprehensive revenue and expenses. There is no assessment

for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or losses previously recognized in other comprehensive revenue and expenses is transferred to accumulated funds within equity. The Council and Group designate into the category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long term.

Subsequent measurement of financial assets at FVTSD

Financial assets in this category are subsequently measured at fair value with fair value gains and losses recognized in surplus or deficit.

Interest revenue and dividends recognized from these financial assets are separately presented within revenue.

Instruments in this category include Derivatives, LGFA Borrower Notes and Unlisted Investments.

Expected credit loss allowance (ECL)

The Council and Group recognize an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council and Group in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognized in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (lifetime ECL).

When determining whether the credit risk of the financial asset has increased significantly since initial recognition, the Council and Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council and Group's historical experience and informed credit assessment and including forward-looking information.

The Council and Group consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council and Group may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligations in full.

Shares in subsidiaries (at cost)

The investment in subsidiaries is carried at cost in the Council's parent entity financial statements.

Accounting for derivative financial instruments

The Group uses financial instruments to manage its interest rate risk from financing activities. In accordance with its treasury policy, the Group 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. The Group's derivative financial instruments are not designated as hedging instruments for accounting purposes. Accordingly, the resulting gain or loss is recognized in the surplus or deficit.

Non-current assets held for sale

Non-current assets held for sale are classified as such if their carrying amount will be recovered principally through a sale transaction, not through continuing use. Assets held for sale are measured at the lesser 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 surplus/deficit.

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.

Biological assets

Livestock

Livestock is valued at fair value less point of sale costs. Changes in the value of existing productive livestock and the numbers and/or composition of the livestock are treated as revenue items.

Forestry assets

Forestry Assets consist of the Group'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 where appropriate using a pre-tax or post-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 to Juken New Zealand Limited in respect to land. The transfer relates to one harvest cycle. Under the agreement Council has contributed the land and is entitled to a percentage of stumping. The value of the land (excluding the trees) and Council's right to a share of the stumping is reflected in the Statement of Financial Position.

Intangible assets

Intangible assets predominately comprise computer software and carbon credits.

Software acquisition and development

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

For any Software as a Service (SaaS) arrangements, for an intangible asset to be recognised, the Group must either have a software lease contract with the vendor or obtain control of the 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 the Group, 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 charge for each period is recognised in the Statement of Comprehensive Income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- computer software 8 years.

Emissions trading scheme

The Group's forestry holdings incorporates forestry assets held by the Council.

Gisborne Holdings Limited (GHL) has voluntarily entered the New Zealand Emissions Trading Scheme (ETS) in respect of 1,224 hectares of forest land located in the Tauwharepārae area. This entitles GHL to receive emission units (units) for carbon stored in the specified area from a 1 January 2008 baseline.

Council's forestry holdings separate from the subsidiaries holdings, consist of small woodlots and a further area held by the Pamoia 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 a 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 units received must be returned. Units received are recorded on the 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 Statement of Comprehensive Income. Where there is an obligation to return units this liability is recognised in the Statement of Financial Position, measured with reference to the carrying value of units on hand.

Where there are 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

Property, plant and equipment comprises:

(i) Operational assets

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

(ii) 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.

Initial recognition and subsequent expenditure

Property, plant and equipment is measured initially at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property plant and equipment is recognised only when it is probable that future economic benefit or service potential associated with the item will flow to the Group, and if the item's cost or fair value can be reliably measured.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Subsequent costs that meet the recognition criteria above are recognised in the carrying value of the item of property, plant and equipment. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met.

There are a number of building assets not revalued due to the short-term nature and lower value, where there is an uncertain future of these assets therefore they are held at cost less accumulated depreciation. For assets that are revalued, subsequent costs 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.

Measurement subsequent to initial recognition

Operational assets

All operational assets, with the exception of operational land and operational buildings, are measured using the cost model less accumulated depreciation and impairment losses. Buildings not revalued as stated above are carried at cost less accumulated depreciation.

Operational land

Operational land is measured using the revaluation model. The fair value of operational land is determined by a registered valuer using market based evidence. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. The valuation cycle for revalued asset classes is normally three years, or more frequently when there are indicators that the values may have changed substantially from carrying value.

Operational buildings

Operational buildings are measured using the revaluation model. The fair value of operational buildings is determined by a registered valuer by using either the investment, direct comparison or depreciated replacement cost approach. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. The valuation cycle for revalued asset classes is normally three years, or more frequently when there are indicators that the values may have changed substantially from carrying value.

Other operational assets - library books

General collections - All new and replacement books are recorded at cost in the year they are purchased and subsequently depreciated based on useful lives. Donated books are capitalised at fair value and subsequently depreciated based on useful life. Lost, sold and otherwise unsalvageable books are recognised in disposals. At year-end, stock on hand and remaining useful lives are determined by the Head Librarian using data maintained in the Liberty Library Management system.

Permanent collections - The permanent collection is carried at deemed cost.

Infrastructure assets

Infrastructure assets, with the exception of roading, are independently valued every 3 years at depreciated replacement cost. Between independent valuations they are updated to reflect market movements in intervening years.

Infrastructure assets - roading

Roading assets are independently revalued annually.

Infrastructure assets - 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
Sewerage 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 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.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits or service potential are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in surplus or deficit.

Upon disposal or derecognition, any revaluation reserve relating to the particular asset being sold is transferred to accumulated comprehensive revenue and expense.

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 surplus/deficit. When a revalued item is written down to recoverable amount, the write down is recognised as a downward revaluation to the extent of the corresponding revaluation reserve through other comprehensive income, and any balance recognised in surplus/deficit.

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 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 retirement 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, as a result of employee services provided at balance date.

Provisions

Provisions are recognised for future expenditure of uncertain amount or timing when the Group 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 Statement of Comprehensive Income net of any reimbursement.

Public equity

This represents the ratepayers' 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 revaluations increments or decrements.

Detail on the movement of reserves held by the Group can be found in Note 27A: Asset Revaluation Reserve on page 173.

Statement of cash flows

Operating activities include all transactions and other events that are not investing or financing activities. Cash flows from operating activities are presented using the direct method.

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.

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.

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

Term deposits include short-term investments with an original maturity of 4 to 12 months.

Critical accounting estimates and assumptions

In preparing these financial statements the Group has made estimates and assumptions concerning the future. These may differ from the subsequent actual results. Estimates and judgements 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.

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 an 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 stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition-modelling 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 underestimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income. To minimise this risk, Councils infrastructural assets' 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.

Category three properties under the Future of Severely Affected Land (FOSAL)

There are a number of assumptions and estimates used when performing the valuations in respect of category three properties post acquisition. These include:

- These properties were impaired as their recoverable amount is considered less than the consideration paid, due to the removal of the right to build a residential dwelling and, in some cases, flood damage.
- The rateable valuation done on 1 August 2023 by Lewis Wright was used as a basis of measurement by which to impair these properties.

Experienced independent valuers performed Council's rateable valuations.

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 Annual Plan are those approved by Council and published in the Long Term Plan. They have been prepared using the same accounting policies as are employed in preparing these financial statements.

Cost allocation

Expenditure has been reported by the nature of the expense.

Capital management

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

The Local Government Act 2002 (the Act) requires Council to prudently manage its revenues, expenses, assets, liabilities, investments and general financial dealings 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 intergenerational equity, which is a principle promoted in the Act and applied by Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Councils assets and not expecting them to meet the full cost of long-term assets that will benefit rate payers 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 Long Term Plan (LTP) and in its Annual Plan (where applicable) to meet the expenditure needs identified in 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.

Standards issued and not yet effective, and not early adopted

Disclosure of Fees for Audit Firms' Services (Amendment to PBE IPSAS 1)

This amendment is effective for annual periods beginning on or after 1 January 2024, with early application permitted. There are no other services provided by the auditors.

Insurance contracts

PBE IFRS 17 Insurance Contracts for public sectors was issued in June 2023. This standard establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It is effective for reporting periods beginning on or after 1 January 2026 with early adoption permitted. The group has not assessed in detail the effect of the new standard.

Note 1B: Local Water Done Well

The Local Water Done Well (LWDW) programme is the Coalition Government's plan for managing water services delivery and infrastructure following the repeal of Water Services Reform legislation (Three Waters) in February 2024. Has been initiated, emphasising local decision-making and flexibility for communities and councils in determining their water service delivery. The programme maintains a string focus on water quality and infrastructure investment, ensuring that water services are resilient to the impacts of climate change.

The most recent legislation, Local Government (Waters Services Preliminary Arrangements), enacted in September 2024 required Council to draft a Water Services Delivery Plan (WSDP). This plan is to set out how our water services will be delivered in a sustainable way and meet future health, economic and requirement regulations. the WSDP needs to be consulted upon, and submitted to the Department of Internal Affairs by September 2025.

A third Bill, the proposed Local Government Water Services Bill, is planned to be introduced to Parliament in December 2024. This Bill will set out a range of changes to the water services delivery system and to the water services regulatory system. These new rules for water quality, including wastewater and stormwater discharges, will be developed and enforced by Taumata Arowai. These rules will set standards for acceptance discharges and mitigate environmental risks to rivers and beaches ensuring that water management practices meet the highest environmental standards.

Refer to section "Our Direction and Responses" for further information on Local Water Done Well.

Note 2 : Summary cost of services by activity for the year ended 30 June 2024

Council 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s
REVENUE FROM EXCHANGE TRANSACTIONS			
2,906	Commercial Ops	1,438	1,811
5,288	Environmental Services and Protection	5,199	5,569
(277)	Land Rivers Coastal	292	74
1,267	Livable Communities	3,623	2,167
3,048	Regional Leadership and Support Services	2,592	(2,826)
(2,392)	Roads and Footpaths	124	94
244	Solid Waste	234	400
(31)	Urban Stormwater	0	(50)
274	Wastewater	536	745
3,067	Water Supply	4,098	3,172
13,394	Total Revenue From Exchange Transactions	18,136	11,155
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
0	Commercial Ops	0	0
820	Environmental Services and Protection	1,196	737
132	Land Rivers Coastal	0	79
510	Livable Communities	854	788
5,879	Regional Leadership and Support Services ³	9,677	20,979
71,865	Roads and Footpaths ¹	76,815	58,658
1,326	Solid Waste	26,400	23,263
0	Urban Stormwater	0	240
304	Wastewater	0	165
861	Water Supply	0	22
81,697	Total Revenue From Non-Exchange Transactions	114,941	104,930
EXPENSES			
2,388	Commercial Ops	1,917	2,197
14,507	Environmental Services and Protection	13,018	15,313
3,284	Land Rivers Coastal	3,554	4,157
20,578	Livable Communities	23,579	24,939
24,897	Regional Leadership and Support Services ³	31,257	43,416
94,928	Roads and Footpaths ²	103,373	87,319
7,382	Solid Waste ⁴	31,389	29,916
3,372	Urban Stormwater	3,819	4,000
10,737	Wastewater	13,197	12,871
8,740	Water Supply	8,646	9,011
190,813	Total Expenses	233,751	233,138
95,722	Net Cost of Service	100,674	117,053

¹ Expenses include internal charges, this is why the COS expense amounts differ with each activity, but the total will be the same. Each significant activity is stated gross of internal costs and revenues, and excludes general and targeted rates attributed to that activity.

² Roads and Footpaths revenue from non exchange transactions is \$18m under Annual Plan. This is due to more capital works for the reinstatement of critical road and bridge infrastructure. This is consistent with the increase in capital grants and subsidies of \$16m.

³ Roads and Footpaths expenses include \$47m of roading emergency reinstatement costs. The difference is related to more capital works for the reinstatement of critical road and bridge infrastructure. This is also consistent with the decrease in revenue from non exchange transactions of \$18m.

⁴ Regional leadership and support revenue from non exchange transactions is over Annual Plan by \$10m. This is mostly due to grant income for the commercial silt package. This is consistent with the increased expenditure of \$12m.

⁵ Solid Waste expenses relate to Large Woody Debris where there is a timing of delivery and matches income difference. The project will continue over the next 2-3 years. Any unspent funds arising from Woody Debris grants, will be used within the first half of 2024/25.

Note 3: Rates revenue

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
73,350	73,076	Gross Rates Revenue	79,128	78,514	78,236
		Gross Rates Revenue Consists of:			
7,112	6,852	General Rates	8,015	8,056	7,901
16,981	16,981	Uniform Annual General Charge	18,174	18,256	18,256
46,387	46,387	Targeted Rates	49,168	49,319	49,319
2,870	2,856	Metered Water Rates	3,771	2,883	2,760
73,350	73,076	Gross Rates Revenue	79,128	78,514	78,236
2,143	2,143	Less Remissions ¹	1,605	1,549	1,549
71,207	70,934	Net Rates Revenue	77,523	76,965	76,687

¹ Remissions include:

- Rates write-off (rate instalment amounts or arrears based on hardship)
- Penalties waived
- Rate remissions to certain ratepayers (for Permanent Crops, some Māori Freehold Land and Community, Sporting and Other Organisations).

Total remissions were \$1.5m against the Annual Plan budget of \$1.6m.

For the years ended 30 June 2024 and 2023, the annual rates income of the Council for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is the same as the rates total amount shown above in line with Deed 16.9(c).

Rating Base Information as at 30 June 2023	Rating Units	Total Capital Value \$000s
Rateable Units	22,424	16,723,773
Non Rateable Units	1,423	349,736

Note 4: Revenue from grants and subsidies

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
		REVENUE FROM GRANTS AND SUBSIDIES			
39,403	42,165	Central Government Grants	50,484	74,657	75,226
84,003	84,003	Waka Kotahi (NZTA) Rooding Subsidies	96,757	84,904	84,904
123,406	126,168	Total Revenue from Grants and Subsidies	147,241	159,561	160,130

The majority of grants and subsidies received this year relate to roading subsidies \$85m, for the reinstatement of roading emergency works and \$35m for woody debris and silt removal.

Also within the overall \$160m, grants and subsidies are capital grants - some of which has been outlined above, for roading renewals and reinstatement costs. Total capital grants made up \$55.8m (2023 \$42.9m). These capital grants were from roading costs of \$42m (2023 \$12.1m); Waipaoa flood control scheme \$5.15m (2023 nil), FOSAL category 3 voluntary residential property buyouts \$8m (2023 nil).

Some of the grants received but not fully spent during the year have therefore been recognised only to the extent that conditions have been fulfilled.

There are no other contingencies attached to grants received. Cash flows from grants and subsidies (and hence operating cost inflows) for Council with respect to these capital grants see the associated outflows recognised as investing activities.

Note 5: Revenue from operating activities

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
REVENUE FROM OPERATING ACTIVITIES					
1,864	1,864	Development Contributions	1,658	626	626
428	428	Rates Penalties	1,000	463	463
11,223	21,289	Activity Revenue	13,626	13,085	26,414
1,176	1,189	Interest	0	2,934	2,944
5	5	Dividends	1,800	7	7
319	319	Petroleum Tax	365	322	322
15,014	25,093	Total Revenue from Operating Activities	18,448	17,438	30,778

Note 6: Revenue from other gains

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
REVENUE FROM OTHER GAINS (LOSSES)					
521	456	Gain/(Loss) on Changes in Fair Value of Forestry Assets	0	(160)	(4,502)
0	(2,288)	Gain/(Loss) on Changes in Fair Value of Livestock	0	0	(2,019)
(3,277)	(3,276)	Gain/(Loss) on Disposal of Property, Plant and Equipment	50	(467)	(379)
0	0	Gain/(Loss) on Disposal of Intangible Assets	0	0	0
625	625	Net Emission Trading Income	0	7	7
700	700	Gain on Derivatives (Interest Rate Swaps)	0	(123)	(123)
15	6	Gain/(Loss) on Changes in Fair Value of Non-Current Receivables/Investment	(281)	0	0
(1,415)	(3,776)		(230)	(743)	(7,016)
0	0	Loss on FOSAL category 3 buyback	0	(6,636)	(6,636)
(1,415)	(3,776)	Total Revenue from Other Gains (Losses)	(230)	(7,379)	(13,653)

Note 7: Employee benefit expenses

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
EMPLOYEE BENEFIT EXPENSE					
31,762	34,515	Salary and Wages	39,592	36,439	39,254
876	955	Defined Contribution Plans Expense	927	988	1,058
282	461	Increase/(Decrease) in Leave Liabilities	0	338	388
(3,956)	(3,956)	Less Recharged to Other Expense Categories ¹	(7,091)	(6,579)	(6,579)
28,965	31,975	Total Employee Benefit Expenses	33,428	31,186	34,121

¹ Wages and salaries can be recharged to other expense categories and capitalised project costs.

Note 8: Depreciation and amortisation expenses

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
DEPRECIATION AND AMORTISATION EXPENSES					
787	1,947	Commercial Operations	807	790	1,893
64	64	Environmental Services & Protection	63	64	64
196	196	Land, Rivers & Coastal	237	177	177
2,367	2,367	Liveable Communities	3,592	3,311	3,311
1,715	1,715	Regional Leadership & Support Services	1,813	1,894	1,894
13,386	13,386	Roading	14,110	15,014	15,014
348	348	Solid Waste	418	248	248
1,394	1,394	Urban Stormwater	1,486	1,470	1,470
2,651	2,651	Wastewater	3,624	2,862	2,862
3,058	3,058	Water Supply	3,322	3,181	3,181
25,966	27,126	Total Depreciation and Amortisation Expense	29,473	29,011	30,114
25,294	26,453	Total Depreciation	29,473	28,355	29,458
672	672	Total Amortisation	0	657	657
25,966	27,126		29,473	29,011	30,114

Note 9: Expenditure on operating activities

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
OPERATING EXPENDITURE					
2,605	2,605	Administration Expenses ¹	2,612	3,030	3,032
244	325	Audit Fees - Financial Reporting	369	260	343
4,198	4,766	Consultants and Professional Services ²	1,981	4,012	4,408
803	1,059	Elected Members and Director's Fees	946	849	1,096
342	362	Indirect Employment Costs	152	325	338
892	3,512	Grants and Donations	1,004	866	1,171
1,646	1,762	Insurance Costs	1,782	2,234	2,369
1,918	(49)	Rental and Operating Leases	2,037	1,928	3,973
13,331	13,820	Repairs and Maintenance ³	13,173	15,656	16,062
1,731	1,731	Bad Debts Written Off - Rates	972	1,160	1,160
230	230	Bad Debts Written Off - Other	89	307	307
206	206	IRD Compliance Costs	174	238	238
2,375	2,466	Litter Bins and City Cleaning	2,028	2,444	2,546
68,107	68,107	Emergency Works ⁴	69,656	48,993	48,993
32,371	34,645	Other Operating Expenditure ⁵	67,717	81,624	85,264
130,997	135,547	Total Operating Expenditure	164,692	163,927	171,301

^{1.} Most of the higher than expected costs, relate to vehicle costs. At the same time of adoption of the 2021-2031 Long Term Plan, petrol and diesel costs were significantly lower where by 30 June 2024 prices have risen by 47%. In addition, there has been increased vehicle activity post Cyclone Gabrielle, required for inspections on our network, monitoring and enforcement, building and resource consents.

^{2.} There have been a number of significant changes since the time of the adoption of the 2021-2031 Long Term Plan (LTP), including:

- Prosecution, enforcement and investigation costs which has significantly increased
- Recovery Office needing to be stood up, including professional legal costs for FOSAL category 3 voluntary property buyouts
- Significantly increased Recovery capital works programme
- Assumption that some roles would have been resourced by employees rather than consultants.

^{3.} While Professional Services costs are more than plan, their costs have been offset from higher user fees (oncharging) in Resource and Building Consents and from lower Employee Benefit Costs.

^{4.} Repairs and Maintenance costs are more than planned due to additional road maintenance costs for unsealed pavement maintenance and routine drainage maintenance. These additional costs were externally funded by Waka Kotahi.

^{5.} Emergency Works is under Annual Plan due to more capital works undertaken for the reinstatement of critical road and bridge infrastructure and is consistent with the increase of capital grants and subsidies.

^{6.} Other Operating expenses include such items as electricity, operational contracts, treatment plants, pump stations, internal interest, vegetation planting contracts, facilities contracts and cleaning contracts.

Note 10: Finance costs

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
FINANCE COSTS					
4,677	4,677	Interest on Debentures and Interest Rate Swaps	3,510	8,184	8,184
188	805	Interest on Bank Borrowings and Commercial Paper	2,588	21	764
70	70	Line Fee	60	100	100
1	1	Losses on Derivatives (Interest Rate Swaps)	0	701	701
(50)	(50)	Discount Unwind on Provisions	0	8	8
4,886	5,503	Total Finance Costs	6,158	9,015	9,758

Note 11 : Income tax

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
19,541	20,411	Surplus Before Tax	10,837	14,994	10,196
300	0	Subvention Payment	400	282	0
5,556	5,715	Tax @ 28%	3,146	4,277	2,855
Plus/(Less) Tax Effect of:					
(5,556)	(5,275)	Net Non Taxable and Non Deductible Items	(3,146)	(4,277)	(2,798)
0	0	Group Loss Offset	0	0	(55)
0	0	Imputation credits Utilised	0	0	0
0	(20)	Deferred Tax Adjustment	0	0	7
0	421	Tax Expense	0	0	9
Made up of -					
0	1,188	Current Tax Expense	0	0	(7)
0	(767)	Deferred Tax Expense	0	0	16
0	421		0	0	9

Deferred tax asset/(liability) - group

	Property, Plant and Equipment \$000s	Biological Assets \$000s	Employee Entitlements and Other \$000s	Tax Loss Recognised \$000s	NZ Emission Units \$000s	Total \$000s
Balance as at 30 June 2022	(262)	(3,560)	66	18	(642)	(4,380)
Charged to surplus or deficit	(42)	784	18	5	0	767
Charged to Equity	(832)	0	0	0	0	(832)
Balance as at 30 June 2023	(1,135)	(2,776)	84	23	(642)	(4,445)
Charged to surplus or deficit	(1,016)	926	20	55	0	(16)
Charged to Equity	0	0	0	0	0	0
Balance as at 30 June 2024	(2,152)	(1,850)	104	78	(642)	(4,460)

Deferred tax has been calculated at 28%. Council (the parent) has recognised a deferred tax asset of \$nil (2023: nil) in relation to unused tax losses of \$nil (2023: nil). Generally local authorities are exempt from income tax, except for income derived from any Council Controlled Organisation or port activity as per section CW32 Income Tax Act 2007.

Note 12 : Reconciliation of funding impact statement with statement of comprehensive revenue and expenses

	LTP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
RECONCILIATION OF REVENUE				
Sources of operating funding				
Total operating funding (A) as per Funding Impact Statement	101,997	168,792	208,384	196,286
Add Sources of capital funding				
Subsidies and grants for capital expenditure	44,535	42,919	34,496	55,790
Development and financial contributions	1,622	1,864	1,658	626
Profit / (Loss) on Sale of Assets	50	(3,220)	50	(4,569)
	148,204	210,355	244,588	248,133
As per Statement of Comprehensive Income - Total Operating Income	148,205	210,355	244,588	248,133
RECONCILIATION OF EXPENDITURE				
Applications of operating funding				
Total applications of operating funding (B) as per Funding Impact Statement	96,359	164,848	204,278	204,127
Add depreciation and amortisation expense	24,907	25,966	29,473	29,011
	121,266	190,814	233,751	233,139
As per Statement of Comprehensive Income - Total Operating Expenditure	121,266	190,814	233,751	233,139
RECONCILIATION OF TOTAL COMPREHENSIVE INCOME				
Surplus/(deficit) of operating funding (A-B)	5,638	3,944	4,106	(7,842)
Add Subvention Payment	600	300	400	282
Add Subsidies and grants for capital expenditure	44,535	42,919	34,496	55,790
Add Development and financial contributions	1,622	1,864	1,658	626
Add Profit / (Loss) on Sale of Assets	50	(3,220)	50	(4,569)
Less Depreciation and amortisation expense	(24,907)	(25,966)	(29,473)	(29,011)
Add Gains/(Loss) on Property Revaluation	62,321	(215,596)	48,223	141,288
	89,859	(195,755)	59,460	156,565
As per Statement of Comprehensive Income - Total Comprehensive Income	89,860	(195,755)	59,460	156,565

Note 13 : Cash and cash equivalents

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
Cash and Cash Equivalents					
28,728	31,209	Cash at the Bank and in Hand	7,798	21,551	22,481
28,728	31,209	Total Cash and Cash Equivalents	7,798	21,551	22,481

The cash and cash equivalents balance of the Council included an amount of \$2.23m (2023: \$2.69m) that relates to contract retentions and are subject to restrictions. The contract retentions relate to contract work performed on various infrastructure projects, repairs and woody debris extraction. The restrictions attached to these funds specify that a percentage of the total contract is withheld until the warranty period has passed or practical completion has been met.

Note 14 : Trade and other receivables

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
8,167	8,167	Rates Receivable	8,964	9,088	9,088
21,124	21,124	Roading Subsidy Due	7,895	24,620	24,620
11	11	Community Loans	12	11	11
21,697	21,539	Other Receivables	19,905	21,267	21,097
3,054	3,054	Prepayments	1,050	1,700	1,700
54,054	53,895		37,826	56,686	56,516
(5,337)	(5,337)	Provision for Impairment of Receivables	(5,880)	(5,470)	(5,470)
48,717	48,558	Total Trade and Other Receivables	31,946	51,217	51,047
		Trade and Other Receivables Classified as:			
48,717	48,558	Current Receivables	31,946	51,217	51,047
48,717	48,558		31,946	51,217	51,047
24,505	24,505	Non Exchange Trade and Other Receivables	11,475	28,741	28,741
24,212	24,053	Exchange Trade and Other Receivables	20,470	22,475	22,305

Fair value

The carrying value of trade and other receivables (excluding community loans) approximates their fair value.

Impairment

Council does not provide for any impairment on general title land rates receivable as it has various powers under the Local Government (Rating Act 2002) to recover outstanding debts.

Below we have included tables to reflect financial assets that are past due as at the end of the reporting period but not impaired. Rooding subsidies, debtor control, GST receivable and GHIL current account are not included as not past due.

These powers allow Council to commence legal proceedings to recover any rates that remain unpaid four months after the due date for payment. If the payment has not been made within three months of the Court's judgement, Council can apply to the Registrar of the High Court to have a judgement enforced by sale or lease of the rating unit.

Because of the powers available under the Local Government (Rating Act 2002), such action is rarely necessary.

As at 30 June 2024 and 2023, all overdue receivables had been assessed for impairment and appropriate provisions applied where necessary. Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

The impairment provisions have been calculated based on the expected credit loss (ECL) model. Expected credit losses have been determined based on a review of specific overdue receivables and a collective assessment. The collective assessment is based on an analysis of past collection history and debt write offs. Individual assessment has been determined based on the significant financial difficulties and circumstances being experienced by the debtor.

Movements in the provision for impairment of receivables are as follows:

Note 14A : Impairment

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
5,523	5,523	Beginning Balance	5,337	5,337
(186)	(186)	Charge for Year	133	133
5,337	5,337	Ending Balance	5,470	5,470

The status of Receivables as at 30 June 2024 and 2023 are detailed below:

Note 14B: Receivables

COUNCIL 2023				COUNCIL 2024		
Gross \$000s	Impaired \$000s	Net \$000s		Gross \$000s	Impaired \$000s	Net \$000s
SUNDRY INVOICE RECEIVABLES						
6,606	0	6,606	Current	11,843	0	11,843
49	0	49	Past Due 1 month	70	0	70
100	0	100	Past Due 2 months	99	0	99
375	11	364	Past Due 3 months	551	14	537
7,130	11	7,119		12,563	14	12,549

GROUP 2023				GROUP 2024		
Gross \$000s	Impaired \$000s	Net \$000s		Gross \$000s	Impaired \$000s	Net \$000s
SUNDRY INVOICE RECEIVABLES						
6,444	0	6,444	Current	11,673	0	11,673
52	0	52	Past Due 1 month	70	0	70
100	0	100	Past Due 2 months	99	0	99
375	11	364	Past Due 3 months	551	14	537
6,971	11	6,960		12,393	14	12,379

Note 14C : Rates receivable

Council 2023			Council 2024	
No. Of Properties	Outstanding \$000s		No. Of Properties	Outstanding \$000s
GENERAL LAND RATES				
1,907	1,797	Current <12 months	1,960	2,182
153	662	Past Due 1 to 2 Years	180	773
51	390	Past Due 2 to 3 years	72	443
132	616	Past Due >3 years	133	727
2,243	3,465	Total Outstanding	2,345	4,125
MĀORI LAND RATES				
322	1,031	Current <12 months	268	1,192
69	730	Past Due 1 to 2 Years	141	883
54	628	Past Due 2 to 3 Years	52	684
417	2,307	Past Due >3 Years	444	2,204
862	4,696	Total Outstanding	905	4,962
METERED WATER SUPPLY				
586	508	Current	602	418
5	14	Past Due 1 month	5	63
23	3	Past Due 2 months	14	8
24	26	Past Due 3 months	20	15
638	551	Total Outstanding	641	503

Note 15 : Inventories

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
INVENTORIES					
4	4	Olympic Pool	14	14	14
9	9	Drainage	10	9	9
19	19	Soil Conservation	86	72	72
13	13	Bee Cards	10	9	9
0	7	Waikanae Holiday Park	0	0	7
0	12	Car Wash	0	0	11
0	218	Farming	0	0	202
45	281	Total Inventories	120	104	324

No inventories have been pledged as security for liabilities.

Note 16 : Investments

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
ORDINARY SHARES					
32,455	0	Gisborne Holdings Ltd	32,455	32,455	0
89	89	Civic Financial Services Ltd	100	92	92
9	9	BOPLASS Ltd	9	9	9
0	499	Shares held in unlisted Company	0	0	499
100	100	LGFA Shares	100	100	100
2,721	2,721	LGFA Notes	1,723	3,965	3,965
0	2	Top 10 Shares	0	0	2
35,375	3,421	Total Investments	34,387	36,622	4,668
Investments Classified as:					
81	81	Current Investments	0	711	711
35,294	3,340	Non-Current Investments	34,387	35,911	3,957
35,375	3,421		34,387	36,622	4,668

Civic Financial Services Ltd

The carrying amount of this investment is recorded at fair value. Movements in fair value are recognised as part of the Other Gains/(Losses) on the Statement of Comprehensive Revenue and Expenses.

BOPLASS Ltd

The carrying amount of this investment is recorded at fair value. Movements in fair value are recognised as part of the Other Gains/(Losses) on the Statement of Comprehensive Revenue and Expenses.

LGFA Borrower Notes

LGFA borrower notes are subordinated convertible debt instruments that the Council is required to subscribe for when borrowing from the LGFA, currently set at 2.5% of the amount borrowed. The LGFA will redeem borrower notes when the Council's related borrowings are repaid or are no longer owed to the LGFA or may convert them to equity under specific circumstances.

The fair value of the borrower notes is calculated using the discounted cashflows. The significant input used in the fair value measurement of borrower notes is the LGFA funding curve at 30 June 2024. The movement in fair value is recognised as part of the Other Gains/(Losses) on the Statement of Comprehensive Revenue and Expenses.

All other investments are held at cost.

Group Information

The financial statements of the Group includes Gisborne Holdings Limited (GHL). GHL is a controlled entity and the Council has 100% equity interest in GHL. The carrying value of the Council's investment in GHL is \$32.4m (2023: \$32.4m). The reporting date of the Council and GHL is 30 June.

Note 17 : Derivatives

The Group has interest rate swap contracts with a fair value asset of \$1 m (2023: asset of \$1.7m). These swaps are exposed to fair value movements as interest rates change.

The weighted average effective interest rate of the interest rate swaps was 3.28% (2023: 3.10%). Fair value of the Group's interest rate swaps is determined by bank valuations as at balance date.

The interest rate swaps are measured at fair value. As the Group does not apply hedge accounting, movements in fair value are taken directly to the Statement of Comprehensive Revenue and Expenses.

For further information on the interest rate swaps, please refer to Note 29: Financial Instruments on page 175.

Note 18 : Assets held for sale

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
80	80	Buildings	80	80	80
80	80	Total Non Current Assets Held for Sale	80	80	80

The current assets held for sale are two cabins from Churchill Park. These should be sold in financial year 2025.

Note 19 : Deposits held

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
11	11	General and Other Deposits	9	9	9
27	27	Resource Consent Bonds	28	27	27
535	535	Footpath Deposits	484	326	326
0	0	Gisborne Rural Volunteer Fire	13	0	0
573	573	Total Deposits Held	535	362	362

Note 20 : Trade and other payables

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
ACCOUNTS PAYABLE					
538	0	Gisborne District Council Disaster Relief Fund	124	446	0
2,694	2,694	Contract Retentions	1,960	2,318	2,318
179	185	Accruals - Audit Fees	151	147	147
2,047	2,455	Accruals - Other	5,561	4,527	4,581
29,070	29,973	Trade and other Payables	23,814	23,308	23,875
34,528	35,307	Total Trade and Other Payables	31,610	30,745	30,919

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 approximates their fair value.

Please refer to Note 4: Revenue from Grants and Subsidies on page 152 for more details on revenue recognised against expenditure incurred.

Note 21 : Employee benefit liabilities

	Accrued Wages & Salaries \$000s	Annual Leave \$000s	Long Service Leave \$000s	Retirement Leave \$000s	Sick Leave \$000s	Total \$000s
GROUP						
2023						
Balance at 1 July 2022	1,035	2,197	19	246	183	3,682
Additional leave accrued	1,090	3,015	(9)	31	29	4,156
Amounts Paid	(936)	(2,699)	(5)	(38)	0	(3,678)
Balance at 30 June 2023	1,189	2,513	5	239	213	4,160
2024						
Balance at 1 July 2023	1,189	2,513	5	239	213	4,160
Additional leave accrued	1,009	3,308	0	27	50	4,393
Amounts Paid	(1,007)	(2,969)	(3)	0	0	(3,979)
Balance at 30 June 2024	1,190	2,852	2	266	263	4,574
Current Portion	1,190	2,852	2	177	263	4,485
Non Current Portion	0	0	0	89	0	89
Total Provisions	1,190	2,852	2	266	263	4,574
COUNCIL						
2023						
Balance at 1 July 2022	936	2,058	19	246	94	3,353
Additional leave accrued	1,007	3,003	(9)	31	8	4,040
Amounts Paid	(936)	(2,699)	(5)	(38)	0	(3,678)
Balance at 30 June 2023	1,007	2,362	5	239	102	3,715
2024						
Balance at 1 July 2023	1,007	2,362	5	239	102	3,715
Additional leave accrued	1,101	3,284	0	27	23	4,435
Amounts Paid	(1,007)	(2,969)	(3)	0	0	(3,979)
Balance at 30 June 2024	1,101	2,677	2	266	125	4,171
Current Portion	1,101	2,677	2	177	125	4,082
Non Current Portion	0	0	0	89	0	89
Total Provisions	1,101	2,677	2	266	125	4,171

Sick leave

Provision for sick leave is made only to the extent that is expected to be used in future periods and assessed using a three yearly rolling average on actual hours taken in excess of entitlement.

Long service leave and retirement leave

Council has calculated retirement and long service leave using an estimated probability calculation. As an employee grows older and nears retirement age the probability of eligibility to their full entitlement increases.

Retirement leave calculations have been calculated at future rates of pay and been discounted to present value using a discount rate of 4.52% (2023: 4.62%) and assumed salary inflation of 2.4% (2023: 2.19%). (Treasury discount rates: 1 year 5.38%, 2 years 4.88%, 5 years 4.52%).

Note 22 : Borrowings

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
15,000	15,000	Debenture	5,000	30,000	30,000
15,000	15,000	Total Current	5,000	30,000	30,000
0	10,414	Bank Loans	73,244	0	9,321
109,800	109,800	Debenture and FRN Debt Securities	70,200	147,800	147,800
109,800	120,214	Total Non Current	143,444	147,800	157,121
124,800	135,214	Total Borrowings	148,444	177,800	187,121

Note 22A: Fair value

The carrying amounts of borrowings approximate their fair value as the Council and the Group's secured loans and debentures are on floating interest rates.

Total Borrowings includes \$20m of debentures that relates to prefunding. The \$20m is held on term deposit until the debenture matures.

Debenture and floating rate note (FRN) debt securities

Council has issued \$177.8m (2023: \$124.8m) of debentures and floating rate notes with maturities from 15 July 2024 to 8 May 2034. Interest is paid quarterly in arrears. The interest rates range as at 30 June 2024 varies from 0% to 6.54% (2023: 1.08% to 6.46%) and are subject to quarterly reset dates.

Bank facilities

Council has \$35m (2023: \$35m) worth of committed funding facilities available. At reporting date the draw down under these facilities was \$nil (2023: \$nil). Interest is payable at wholesale market rates.

GHL has a working capital facility with a limit of \$3.5m. The facilities are secured by way of a general security agreement. The balance at 30 June 2024 was \$nil (2023: \$nil). GHL also has a term facility of \$9.3m which is fully drawn at 30 June 2024. This facility is secured by way of a mortgage and a general security agreement which terminates on 31 July 2026.

Security

Council borrowings are secured by way of a Debenture Trust Deed over Council rates revenue. GHL loans are secured by way of general security agreement and mortgage.

Note 23: Provision for other liabilities

COUNCIL and GROUP	Paokahu Landfill Aftercare \$000s	Waiapu Landfill Aftercare \$000s	Other Provisions \$000s	Total \$000s
2023				
Balance at 1 July 2022	1,084	974	160	2,218
Additional Provisions Made/(Reversed)	0	0	383	383
Amounts Used	(81)	0	0	(81)
Discount unwind	(22)	(28)	0	(50)
Balance at 30 June 2023	981	946	543	2,470
2024				
Balance at 1 July 2023	981	946	543	2,470
Additional Provisions Made/(Reversed)	0	0	92	92
Amounts Used	(85)	0	0	(85)
Discount unwind	10	(2)	0	8
Balance at 30 June 2024	906	944	635	2,485
Current Portion	85	0	475	560
Non Current Portion	821	944	160	1,925
Total Provisions	906	944	635	2,485

Landfill closure and aftercare liability

The long-term nature of these liabilities means that there are inherent uncertainties in estimating costs to be incurred. To provide for the estimated costs a charge is made each year against each landfill.

Council has a legal obligation under its resource consent to provide ongoing maintenance and monitoring services at the Paokahu and Waiapu landfills after closure. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. Each separate landfill provision includes all costs associated with landfill post-closure.

The discount rate used reflects current market assessments of the time value of money and the risks specific to the cash flows associated to the aftercare.

Paokahu landfill

The landfill closed on 31 December 2002 and aftercare costs started six months after the closure of the site. It is expected that future costs will be incurred until 2037.

The following major assumptions have been made in calculating the 2024 provision:

- Future cash flows were indexed 2.05% each year before a discount rate of 4.66% was applied.

In 2023, a discount rate of 4.54% was applied, with future costs indexed each year at 2.12%.

Waiapu landfill

The current landfill cells are expected to close on 30 June 2025 with aftercare costs expected to occur six months after. The future costs have been estimated to be incurred for 30 years, until 2055.

The following major assumptions have been made in calculating the 2024 provision:

- Future cash flows were indexed 2.02% each year before a discount rate of 4.41% was applied.

In 2023, a discount rate of 4.14% was applied, with future costs indexed each year at 2.02%.

Other provisions

Other provisions includes the Risk Pool liability.

Gisborne District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call-in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in *Napier City Council v Local Government Mutual Funds Trustee Limited*, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weather-tight defects (in a mixed claim involving both weather-tight and non-weather-tight defects). Riskpool has advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

Note 24: Property plant and equipment

COUNCIL 2024	Cost/Revaluation 1 July 2023	Accumulated Depreciation and Impairment 1 July 2023	Carrying Amount 1 July 2023	Current Year Transfers	Additions	Current Year Disposals & other movements	Revaluation Current Year	Revaluation (accumulated depreciation reversed)	Current Year Depreciation	Recovered Depreciation	Impairment	Cost/Revaluation 30 June 2024	Accumulated Depreciation and Impairment 1 July 2024	Carrying Amount 30 June 2024
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
OPERATIONAL ASSETS														
Land	315,543	-	315,543	-	5,047	-	-	-	-	-	(2,534)	318,056	-	318,056
Buildings/Land Improvements	148,226	(8,401)	139,825	632	9,970	(598)	-	19	(3,284)	360	(4,102)	154,129	(11,305)	142,823
Plant /Motor Vehicles	15,730	(5,673)	10,057	3,941	1,886	(495)	-	-	(1,387)	398	-	21,063	(6,662)	14,401
Office Equipment	7,537	(5,236)	2,301	2	176	(29)	-	-	(176)	29	-	7,686	(5,383)	2,304
Other Equipment	5,421	(3,169)	2,252	79	608	(7)	-	-	(652)	4	-	6,100	(3,818)	2,283
Wharves	3,424	(941)	2,484	-	-	-	-	-	(68)	-	-	3,424	(1,009)	2,415
Library Books - General	1,460	(868)	593	-	170	(214)	-	-	(119)	147	-	1,417	(839)	578
Library Books - Permanent	336	(6)	330	-	-	-	-	-	-	-	-	336	(6)	330
Assets Under Construction	7,299	-	7,299	(4,621)	3,888	(1)	-	-	-	-	-	6,564	-	6,564
Total Operational Assets	504,976	(24,292)	480,684	33	21,745	(1,343)	0	19	(5,687)	938	(6,636)	518,775	(29,021)	489,754
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	72,631	(5)	72,626	1,618	3,135	(49)	1,104	1,706	(1,707)	1	-	78,440	(5)	78,435
Sewer and Wastewater Treatment Plant & Facilities	36,735	(3)	36,733	44,637	2,072	-	(881)	1,105	(1,111)	-	-	82,563	(9)	82,554
Stormwater Water Supply Reticulation Systems	79,667	(4)	79,663	736	1,118	(51)	2,297	1,470	(1,471)	1	-	83,767	(4)	83,763
Water Supply Reticulation Systems	70,962	(5)	70,957	719	1,933	(47)	1,666	1,784	(1,792)	8	1,287	76,520	(5)	76,514
Water Supply Treatment Plant & Facilities	67,075	(3)	67,072	2,744	6,592	(0)	1,411	1,344	(1,344)	-	-	77,822	(4)	77,818
Solid Waste	2,329	(327)	2,002	19	-	(5)	-	-	(187)	0	-	2,343	(514)	1,829
Flood Control	92,092	(0)	92,092	1,428	8,519	(11)	2,868	167	(167)	0	103	104,999	(1)	104,999
Waiapu Aftercare Provision Deferred Expense Asset	575	(469)	106	-	-	-	-	-	(53)	-	-	575	(522)	53
Roading	1,687,163	0	1,687,163	626	30,107	(46)	109,023	14,834	(14,834)	-	-	1,826,873	-	1,826,873
Assets under Construction	53,706	-	53,706	(52,560)	15,215	(232)	-	-	-	-	-	16,129	-	16,129
Total Infrastructural Assets	2,162,935	(816)	2,162,119	(33)	68,691	(441)	117,489	22,410	(22,668)	10	1,390	2,350,030	(1,064)	2,348,966
Total Property Plant and Equipment	2,667,911	(25,108)	2,642,803	(0)	90,436	(1,784)	117,489	22,429	(28,355)	948	(5,247)	2,868,806	(30,085)	2,838,720

COUNCIL 2023	Cost/Revaluation 1 July 2022	Accumulated Depreciation and Impairment 1 July 2022	Carrying Amount 1 July 2022	Current Year Transfers	Additions	Current Year Disposals & other movements	Revaluation Current Year	Revaluation (accumulated depreciation reversed)	Current Year Depreciation	Recovered Depreciation	Impairment	Cost/Revaluation 30 June 2023	Accumulated Depreciation and Impairment 1 July 2023	Carrying Amount 30 June 2023
	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
OPERATIONAL ASSETS														
Land	315,585	-	315,585	-	15	(57)	-	-	-	-	-	315,543	-	315,543
Buildings / Land Improvements	109,591	(5,747)	103,845	23,025	15,798	(189)	-	-	(2,678)	24	-	148,226	(8,401)	139,825
Plant / Motor Vehicles	9,739	(5,003)	4,736	-	6,347	(355)	-	-	(957)	287	-	15,730	(5,673)	10,057
Office Equipment	7,205	(5,171)	2,035	10	404	(83)	-	-	(145)	80	-	7,537	(5,236)	2,301
Other Equipment	5,067	(3,066)	2,001	-	820	(466)	-	-	(544)	441	-	5,421	(3,169)	2,252
Wharves	3,424	(872)	2,552	-	-	-	-	-	(68)	-	-	3,424	(941)	2,484
Library books - General	1,418	(862)	556	-	174	(132)	-	-	(117)	111	-	1,460	(868)	593
Library books - Permanent	336	(6)	330	-	-	-	-	-	-	-	-	336	(6)	330
Assets Under Construction	26,648	-	26,648	(23,035)	3,727	(40)	-	-	-	-	-	7,299	-	7,299
Total Operational Assets	479,014	(20,726)	458,288	(0)	27,285	(1,323)	0	0	(4,510)	944	0	504,976	(24,292)	480,684
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	69,740	(137)	69,603	527	525	(23)	1,863	1,738	(1,606)	0	-	72,631	(5)	72,626
Sewer and Wastewater Treatment Plant & Facilities	36,060	(89)	35,971	39	197	(17)	456	1,112	(1,027)	1	-	36,735	(3)	36,733
Stormwater Water Supply Reticulation Systems	76,827	(115)	76,713	336	667	(32)	1,868	1,503	(1,394)	1	-	79,667	(4)	79,663
Water Supply Reticulation Systems	68,523	(138)	68,385	997	3,251	(56)	229	1,829	(1,707)	10	(1,981)	70,962	(5)	70,957
Water Supply Treatment Plant & Facilities	63,462	(117)	63,346	916	794	-	1,902	1,420	(1,307)	-	-	67,075	(3)	67,072
Solid Waste Flood Control	2,303	(40)	2,263	-	33	(7)	-	-	(287)	1	-	2,329	(327)	2,002
85,206	(15)	85,191	573	4,270	(455)	4,896	199	(186)	1	(2,397)	92,092	(0)	92,092	
Waiapu Aftercare Provision Deferred Expense Asset	575	(416)	159	-	-	-	-	-	(53)	-	-	575	(469)	106
Roading Assets under Construction	1,909,674	0	1,909,674	4,379	19,119	(2,581)	(183,552)	13,218	(13,218)	-	(59,876)	1,687,163	0	1,687,163
34,958	-	34,958	(7,766)	26,567	(53)	-	-	-	-	-	-	53,706	-	53,706
Total Infrastructural Assets	2,347,329	(1,065)	2,346,264	0	55,422	(3,224)	(172,338)	21,019	(20,783)	14	(64,254)	2,162,935	(816)	2,162,119
Total Property Plant and Equipment	2,826,343	(21,791)	2,804,552	(0)	82,708	(4,547)	(172,338)	21,019	(25,294)	958	(64,254)	2,667,911	(25,108)	2,642,803

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GROUP 2024	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
	Cost/Revaluation 1 July 2023	Accumulated Depreciation and Impairment 1 July 2023	Carrying Amount 1 July 2023	Current Year Transfers	Additions	Current Year Disposals & other movements	Revaluation Current Year	Revaluation (accumulated depreciation reversed)	Current Year Depreciation	Recovered Depreciation	Impairment	Cost/Revaluation 30 June 2024	Accumulated Depreciation and Impairment 1 July 2024	Carrying Amount 30 June 2024
OPERATIONAL ASSETS														
Land	395,494	(2,809)	392,685	-	5,047	-	-	-	(181)	-	(2,534)	398,007	(2,990)	395,017
Buildings/Land Improvements	183,836	(10,835)	173,001	632	10,898	(598)	-	19	(3,896)	360	(4,102)	190,667	(14,352)	176,316
Plant /Motor Vehicles	18,332	(7,186)	11,146	3,941	2,363	(509)	-	-	(1,504)	398	-	24,127	(8,291)	15,836
Office Equipment	8,108	(5,528)	2,580	2	188	(29)	-	-	(369)	29	-	8,269	(5,868)	2,401
Other Equipment	5,421	(3,169)	2,252	79	608	(7)	-	-	(652)	4	-	6,100	(3,818)	2,283
Wharves	3,424	(941)	2,484	-	-	-	-	-	(68)	-	-	3,424	(1,009)	2,415
Library Books - General	1,460	(868)	593	-	170	(214)	-	-	(119)	147	-	1,417	(839)	578
Library Books - Permanent	336	(6)	330	-	-	-	-	-	-	-	-	336	(6)	330
Assets Under Construction	7,610	-	7,610	(4,930)	4,002	(1)	-	-	-	-	-	6,681	-	6,681
Total Operational Assets	624,023	(31,342)	592,681	(276)	23,275	(1,357)	0	19	(6,789)	938	(6,636)	639,029	(37,173)	601,855
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	72,631	(5)	72,626	1,618	3,135	(49)	1,104	1,706	(1,707)	1	-	78,440	(5)	78,435
Sewer and Wastewater Treatment Plant & Facilities	36,735	(3)	36,733	44,637	2,072	-	(881)	1,105	(1,111)	-	-	82,563	(9)	82,554
Stormwater Water Supply Reticulation Systems	79,667	(4)	79,663	736	1,118	(51)	2,297	1,470	(1,471)	1	-	83,767	(4)	83,763
Water Supply Reticulation Systems	70,962	(5)	70,957	719	1,933	(47)	1,666	1,784	(1,792)	8	1,287	76,520	(5)	76,514
Water Supply Treatment Plant & Facilities	67,075	(3)	67,072	2,744	6,592	(0)	1,411	1,344	(1,344)	-	-	77,822	(4)	77,818
Solid Waste Flood Control	2,329	(327)	2,002	19	-	(5)	-	-	(187)	0	-	2,343	(514)	1,829
Flood Control	92,092	(0)	92,092	1,428	8,519	(11)	2,868	167	(167)	0	103	104,999	(1)	104,999
Waiapu Aftercare Provision Deferred Expense Asset	575	(469)	106	-	-	-	-	-	(53)	-	-	575	(522)	53
Roading Assets under Construction	1,687,163	0	1,687,163	626	30,107	(46)	109,023	14,834	(14,834)	-	-	1,826,873	0	1,826,873
Assets under Construction	53,706	-	53,706	(52,560)	15,215	(232)	-	-	-	-	-	16,129	-	16,129
Total Infrastructural Assets	2,162,935	(816)	2,162,119	(33)	68,691	(441)	117,489	22,410	(22,668)	10	1,390	2,350,030	(1,064)	2,348,966
Total Property Plant and Equipment	2,786,958	(32,157)	2,754,800	(309)	91,966	(1,798)	117,489	22,429	(29,457)	948	(5,247)	2,989,059	(38,237)	2,950,822

GROUP 2023	Cost/Revaluation 1 July 2022 \$000s	Accumulated Depreciation and Impairment 1 July 2022 \$000s	Carrying Amount 1 July 2022 \$000s	Current Year Transfers \$000s	Additions \$000s	Current Year Disposals & other movements \$000s	Revaluation Current Year \$000s	Revaluation (accumulated depreciation reversed) \$000s	Current Year Depreciation \$000s	Recovered Depreciation \$000s	Impairment \$000s	Cost/Revaluation 30 June 2023 \$000s	Accumulated Depreciation and Impairment 1 July 2023 \$000s	Carrying Amount 30 June 2023 \$000s
OPERATIONAL ASSETS														
Land	420,184	(2,623)	417,560	-	15	(57)	(28,520)	-	(186)	-	3,872	395,494	(2,809)	392,685
Buildings/Land Improvements	148,400	(7,508)	140,892	23,025	15,876	(213)	620	-	(3,351)	24	(3,872)	183,836	(10,835)	173,001
Plant /Motor Vehicles	12,466	(6,332)	6,135	-	6,497	(375)	-	-	(1,058)	287	-	18,589	(7,102)	11,487
Office Equipment	7,754	(5,594)	2,160	10	422	(85)	-	-	(345)	80	-	8,100	(5,859)	2,241
Other Equipment	5,067	(3,066)	2,001	-	820	(466)	-	-	(544)	441	-	5,421	(3,169)	2,252
Wharves	3,424	(872)	2,552	-	-	-	-	-	(68)	-	-	3,424	(941)	2,484
Library Books - General	1,418	(862)	556	-	174	(132)	-	-	(117)	111	-	1,460	(868)	593
Library Books - Permanent	336	(6)	330	-	-	-	-	-	-	-	-	336	(6)	330
Assets Under Construction	26,648	-	26,648	(23,035)	4,038	(40)	-	-	-	-	-	7,610	-	7,610
Total Operational Assets	625,697	(26,863)	598,833	(0)	27,843	(1,369)	(27,899)	0	(5,670)	944	0	624,271	(31,589)	592,682
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	69,740	(137)	69,603	527	525	(23)	1,863	1,738	(1,606)	0	-	72,631	(5)	72,626
Sewer and Wastewater Treatment Plant & Facilities	36,060	(89)	35,971	39	197	(17)	456	1,112	(1,027)	1	-	36,735	(3)	36,733
Stormwater	76,827	(115)	76,713	336	667	(32)	1,868	1,503	(1,394)	1	-	79,667	(4)	79,663
Water Supply Reticulation Systems	68,523	(138)	68,385	997	3,251	(56)	229	1,829	(1,707)	10	(1,981)	70,962	(5)	70,957
Water Supply Treatment Plant & Facilities	63,462	(117)	63,346	916	794	-	1,902	1,420	(1,307)	-	-	67,075	(3)	67,072
Solid Waste	2,303	(40)	2,263	-	33	(7)	-	-	(287)	1	-	2,329	(327)	2,002
Flood Control	85,206	(15)	85,191	573	4,270	(455)	4,896	199	(186)	1	(2,397)	92,092	(0)	92,092
Waiapu Aftercare Provision Deferred Expense Asset	575	(416)	159	-	-	-	-	-	(53)	-	-	575	(469)	106
Roading	1,909,674	0	1,909,674	4,379	19,119	(2,581)	(183,552)	13,218	(13,218)	-	(59,876)	1,687,163	0	1,687,163
Assets under Construction	34,958	-	34,958	(7,766)	26,567	(53)	-	-	-	-	-	53,706	-	53,706
Total Infrastructural Assets	2,347,329	(1,065)	2,346,264	0	55,422	(3,224)	(172,338)	21,019	(20,783)	14	(64,254)	2,162,935	(816)	2,162,119
Total Property Plant and Equipment	2,973,025	(27,928)	2,945,097	(0)	83,265	(4,593)	(200,238)	21,019	(26,453)	958	(64,254)	2,787,206	(32,405)	2,754,801

Properties held for resale are recorded at net cost as at 30 June 2024. Refer to Note 18: Assets Held for Sale on page 160.

Roading assets

The roading asset valuation was undertaken at 30 June 2024 by Stantec Limited, independent valuers. The depreciated replacement cost of roading assets as at 30 June 2024 is \$1.8b (2023: \$1.7b).

Land and buildings

Land and buildings are externally revalued three yearly with the next revaluation scheduled for 30 June 2025.

Infrastructural assets

Infrastructural assets, excluding roading, are externally revalued three yearly with the next revaluation due on 30 June 2025. An internal CGPI uplift is applied in interim years.

Insurance disclosure

Property, plant and equipment

The total value of assets covered by insurance contracts for these assets is \$352m. The following summarises our different insurance contracts for these assets:

- Material Damage and combined Business Interruption Excluding Fire. This covers all risk including earthquake but excluding fire. Council's limit of liability varies as per Council Material Damage site schedule.
- Material Damage including Fire caused by natural disaster. This covers for fire caused by natural disaster. Council's limit of liability varies as per Council.
- Material Damage site schedule. Machinery Breakdown Coverage. This covers breakdown of insured plant and machinery. Council's limit of liability is \$1m.

Forestry

The total value of assets covered by insurance contracts for forestry is \$1.46m. This covers loss or damage to trees principally by fire and reinstatement costs. Council's limit of liability is \$1m.

Motor vehicles

The total value of our fleet is \$3m. Insurance for our vehicles covers accidental damage to Council vehicles and third party liability. All vehicles are insured for market or replacement value. Third party liability is limited to \$20m across BoPLASS.

Water, wastewater, stormwater, rivers and land drainage

The declared value for infrastructure assets is \$634m. Insurance covers physical loss caused by a natural catastrophe event. Council has a limit of liability of \$250m.

Impairment of non-financial assets impacted by Cyclone Gabrielle

As at 30 June 2023, Council identified three major classes of assets that were severely impacted by the Cyclone and required impairment, being four waters and other infrastructure, timber piles and roading which includes roads and bridges. The total accumulative impairment recognised was \$64.3m.

The value of the impairment attributed to those assets was an area of judgement based on managements and external assessment of the assets condition. This included the roading and bridge network where scoped work completed, subsequent to the Cyclone was recorded. In addition, an assessment was made based upon the percentage of damage done to the asset as a whole and/or valuing the remaining portion of a previously existing asset.

A number of these assets have been restored during 2024 and the capital costs incurred as part of the restoration process has been capitalised. As at 30 June 2024, only some roading network assets remain impaired; Roading Network \$14m (2023 \$59.9m), Flood impairment \$113k (2023 \$2.4m), and Water impairment nil (2023 \$1.98m).

Based on the prior year's calculation method, the percentage of damage was applied against the depreciated replacement cost with an uplift of current inflation rate. The remaining impairment value at 30 June 2024 is \$14.1m. The movement between last year and this year, is between the capitalised costs made in restoring assets as well as assets that were found to be unrecoverable and were written off during the year, plus a reversal of impairment an upward movement in the revaluation reserve.

Costs incurred for minor repairs to assets; general clean-up of assets including removal of woody debris and silt.; and any other cost incurred not identified as capital in nature will continue to be recognised as an expense.

Note 24A : Assets under construction

	Council		Group	
	2023 \$000s	2024 \$000s	2023 \$000s	2024 \$000s
Building/Land Improvements	90	543	403	659
Community Property Management	4,107	747	4,107	747
Conveniences	361	481	361	481
Information Management	252	326	252	326
Parks and Open Spaces	2,472	4,484	2,472	4,484
Plant	34	0	34	0
Rivers and Flood Control	1,077	1,170	1,077	1,170
Roading	1,079	12,810	1,079	12,810
Sewer and Wastewater	46,429	214	46,429	214
Solid Waste	52	35	52	35
Stormwater	1,098	617	1,098	617
Water Supply	3,971	1,282	3,971	1,282
Total Assets Under Construction	61,022	22,711	61,333	22,827

Note 25 : Intangible assets

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
OTHER INTANGIBLE ASSETS					
12,287	12,287	Balance at 1 July - Cost	12,920	13,125	13,125
0	0	Balance at 1 July - WIP	0	17	17
(7,521)	(7,521)	Less Accumulated Amortisation and Impairment	(7,307)	(8,194)	(8,194)
4,766	4,766	Opening Carrying Amount	5,613	4,949	4,949
17	17	Additions/Disposals to WIP	0	1	1
838	838	Additions	0	611	611
0	0	Disposals	0	0	0
0	0	Transfers from WIP	0	0	0
0	0	Change in Fair Value	0	0	0
(672)	(672)	Less Amortisation Charge	0	(657)	(657)
0	0	Amortisation Recovered	0	0	0
4,949	4,949	Closing Carrying Amount	5,613	4,904	4,904
Balance at 30 June					
13,142	13,142	Cost	12,920	13,755	13,755
(8,194)	(8,194)	Less Accumulated Amortisation and Impairment/Change in Fair Value	(7,307)	(8,850)	(8,850)
4,949	4,949	Closing Carrying Amount	5,613	4,904	4,904
EMISSIONS TRADING SCHEME ASSETS					
2,681	5,877	Balance at 1 July - Cost	2,681	1,531	4,727
0	0	Less Impairment	0	0	0
2,681	5,877	Opening Carrying Amount	2,681	1,531	4,727
0	0	Additions	0	0	0
(1,150)	(1,150)	Disposals	0	23	23
0	0	Impairment	0	0	0
1,531	4,727	Closing Carrying Amount	2,681	1,554	4,750
Balance at 30 June					
1,531	4,727	Cost	2,681	1,554	4,750
0	0	Less Impairment	0	0	0
1,531	4,727	Closing Carrying Amount	2,681	1,554	4,750
6,480	9,676	Total Intangibles	7,447	6,459	9,655
EMISSIONS TRADING SCHEME LIABILITIES					
2,570	3,476	Balance at 1 July - Cost	2,570	795	1,700
0	0	Additions	0	0	0
(1,775)	(1,775)	Disposals	0	16	16
0	0	Impairment/Revaluation	0	0	0
795	1,701	Closing Carrying Amount	2,570	812	1,717
736	3,026	Net Emissions Trading Scheme Assets	111	743	3,033

At balance date Council recognised 1,554,317 (2023: 1,530,895) of Emission Trading Scheme carbon units.

Note 26 : Biological assets – livestock

Biological assets

Council biological assets consist of forestry only \$924k. Group biological assets consist of sheep and cattle livestock - \$7.6m and forestry \$7.1m. The Group farms livestock for the sale of sheep, lambs, cattle and calves. As at 30 June 2024, the Group had 24,737 sheep, 3,584 cattle (2023: 29,132 sheep, 4,456 cattle). During the year the Group sold 27,066 sheep, 2,470 cattle (2023: 30,801 sheep, 2,350 cattle).

Reconciliation of Opening Balance to Closing Balance - 2024

GROUP	SHEEP		CATTLE		Total
	Quantity	\$000s	Quantity	\$000s	\$000s
Opening Balance as at 1 July 2023	29,132	4,736	4,456	4,910	9,646
Natural Increase	26,483	2,488	1,745	1,501	3,989
Purchases	60	71	23	142	213
Changes in Fair Value	0	(910)	0	875	(35)
Sales	(27,066)	(2,627)	(2,470)	(2,885)	(5,512)
Death and Killed	(3,872)	(465)	(170)	(210)	(675)
Closing Balance as at 30 June 2024	24,737	3,293	3,584	4,334	7,626

Reconciliation of Opening Balance to Closing Balance - 2023

GROUP	SHEEP		CATTLE		Total
	Quantity	\$000s	Quantity	\$000s	\$000s
Opening Balance as at 1 July 2022	32,553	6,752	4,676	5,181	11,934
Natural Increase	32,273	2,895	2,294	1,869	4,764
Purchases	83	100	15	105	205
Changes in Fair Value	0	(544)	0	498	(46)
Sales	(30,801)	(3,743)	(2,350)	(2,529)	(6,272)
Death and Killed	(4,976)	(724)	(179)	(215)	(939)
Closing Balance as at 30 June 2023	29,132	4,736	4,456	4,910	9,646

Note 26A : Biological assets – livestock

The fair value of livestock as at end of year was:

2022/23			2023/24		
Quantity	\$000s		Quantity	\$000s	
SHEEP					
29,039	4,729	Mature	24,556	3,278	
93	7	Immature	181	15	
29,132	4,736	Total Sheep	24,737	3,293	
CATTLE					
2,676	3,504	Mature	2,046	3,053	
1,780	1,406	Immature	1,538	1,282	
4,456	4,910	Total Cattle	3,584	4,335	

Note 26B : Biological assets – livestock

2022/23			2023/24				
Quantity	Average Price \$	2023 \$000s	Quantity	Average Price \$	2024 \$000s		
SHEEP							
30,801	122	3,743	Sales	27,066	97	2,627	
Less Cost of Sales							
32,553	207	6,752	Opening Stock	29,132	163	4,736	
83	1,205	100	Add Purchases	60	1,183	71	
29,132	163	4,736	Less Closing Stock	24,737	133	3,293	
			2,116	Total Cost of Sales			1,514
			1,627	Gross Profit from Sheep			1,113
CATTLE							
2,350	1,076	2,529	Sales	2,470	1,168	2,885	
Less Cost of Sales							
4,676	1,108	5,181	Opening Stock	4,456	1,102	4,910	
15	7,000	105	Add Purchases	23	6,174	142	
4,456	1,102	4,910	Less Closing Stock	3,584	1,209	4,334	
			376	Total Cost of Sales			718
			2,153	Gross Profit from Cattle			2,167

The fair value of livestock is determined by independent valuation as at 30 June 2024. The independent livestock valuation was performed by Gisborne East Coast Farmers Ltd, independent livestock agents, in accordance with the Group's accounting policy detailed in Note 1: Statement of Accounting Policies.

The independent valuation used the quoted price in an active market, minus costs to sell, as the appropriate basis for determining fair value. Where there is more than one active market that the Council and Group have access to, the most relevant market has been used. The gain on initial recognition of livestock sold is recognised in the Statement of Comprehensive Income in the year of sale. At time of harvest, wool is recorded as inventory.

No livestock or other inventories have been pledged as security for liabilities, nor are any inventories subject to retention of title clauses.

There is no financial risk management strategy for livestock.

Note 26C : Forestry

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
2,101	12,667	Balance at 1 July	1,820	1,543	12,040
521	452	Gains/(Losses) arising from changes in fair value less estimated point of sale costs attributable to price changes	(280)	(160)	(4,502)
(1,079)	(1,079)	Harvest	0	(459)	(459)
1,543	12,040	Balance at 30 June	1,540	924	7,080

Harvesting was undertaken during the year; income received from log sales was \$460k (2023: \$1.1m).

Councils forestry holdings have been valued by PF Olsen and Company Limited. A pre-tax discount rate of 7.8% (2023: post-tax 6.5%) has been used in discounting the present value of expected cash flows. The valuations are compliant with PBE IPSAS27.

The valuation of the Pamoā forestry assets as at 30 June 2024 is \$363k. (2023: \$1.0m).

The valuation of the Council's forestry assets as at 30 June 2024 is \$561k. (2023: \$0.6m).

Tauwharepārae forests

The fair value of the forest tree crop is determined by independent valuation. Independent forestry valuation as at 30 June 2024 was performed by PF Olsen and Company Limited, independent providers of professional forestry services. The fair value is assessed as follows:

- The maturity value of the existing tree crop and the future costs of realising that revenue are determined.
- Future costs and revenue are discounted.

The appropriate discount rate is determined by considering the recent sales of forests and the relative sensitivity of the value of the forest to future log prices.

Significant assumptions applied in this determination of fair value are:

- Appropriate Discount Rate (post-tax) - 6.5% (2023: post-tax 6.5%)
- Rate of Inflation - 1% (2023: 1%)
- Rate of Tax - 28% (2023: 28%)

During the year there was no forestry development expenditure capitalised to the forest asset (2023: \$nil).

Financial risk management strategies

The Group is exposed to financial risks arising from changes in timber prices. The Group is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore has not taken any measures to manage the risks of a decline in timber prices.

Note 27: Equity

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 AP \$000s	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
ACCUMULATED SURPLUS (RETAINED EARNINGS)					
514,910	520,421	Balance at 1 July	564,731	534,081	539,742
(938)	(938)	Transfers (to)/from Special Funds	10,336	(7,530)	(7,530)
269	269	Transfers from Asset Revaluation Reserve on Disposal of Property, Plant and Equipment	0	(636)	(636)
19,841	19,990	Surplus/(Deficit) for the year	11,237	15,276	10,188
534,082	539,742	Balance at 30 June	586,304	541,192	541,765
SPECIAL FUNDS AND RESERVES					
52,250	52,250	Balance at 1 July	43,890	53,188	53,188
938	938	Transfer (to)/from Retained Earnings	(10,336)	7,530	7,530
53,188	53,188	Balance at 30 June	33,554	60,718	60,718
ASSET REVALUATION RESERVES					
2,187,214	2,298,524	Balance at 1 July	2,249,535	1,971,349	2,053,926
(215,596)	(243,496)	Revaluations	48,223	141,288	141,288
(269)	(269)	Transfers to Retained Earnings on Disposal of Property, Plant and Equipment	0	636	636
0	(832)	Deferred Tax on building revaluations	0	0	0
1,971,349	2,053,926	Balance at 30 June	2,297,758	2,113,273	2,195,850

Note 27A : Asset revaluation reserve

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s	ASSET CLASSES	Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
90	90	Investments	90	90
		OPERATIONAL ASSETS		
291,759	361,252	Land	291,759	361,252
55,622	69,997	Buildings/Land Improvements	56,400	70,775
		INFRASTRUCTURAL ASSETS		
50,649	50,649	Sewer and Wastewater	53,657	53,657
48,848	48,848	Stormwater	52,609	52,609
90,042	90,042	Water Supply	97,421	97,421
1,751	1,751	Solid Waste	1,749	1,749
1,370,974	1,370,974	Roading	1,494,832	1,494,832
61,740	61,740	Flood Control	64,883	64,883
(126)	(1,417)	Deferred Tax Asset Revaluation	(126)	(1,417)
1,971,349	2,053,926		2,113,273	2,195,850

Note 27B : Internal borrowings

	Opening Balance 1 July 2023 \$000s	New Borrowings \$000s	Interest \$000s	Repayments Principal \$000s	Closing Balance 30 June 2024 \$000s
Commercial Operations	303	0	14	42	261
Environmental Services & Protection	229	20	11	22	227
Land, Rivers & Coastal	15,825	3,849	858	185	19,488
Liveable Communities	20,238	4,407	1,043	1,547	23,098
Regional Leadership & Support Services	28,016	13,599	1,492	1,332	40,284
Roading	13,038	5,517	664	997	17,558
Solid Waste	2,385	2	107	308	2,079
Urban Stormwater	9,185	540	439	692	9,032
Wastewater	58,086	3,978	2,849	1,645	60,419
Water Supply	3,645	3,918	221	258	7,304
	150,950	35,829	7,697	7,029	179,751

Note 27C: Special funds and other reserves

	Opening Balance 1 July 2023 \$000s	Transfers to Reserves \$000s	Transfers from Reserves \$000s	Closing Balance 30 June 2024 \$000s	Description / Use
Waipaoa River Flood Control Scheme	790	18	0	808	Reserve is a funding source for minor and major capital work in relation to the Waipaoa River Flood Control Scheme.
Civil Defence Disaster Relief	507	12	0	518	Reserve is to provide for civil defence emergency costs not covered by Government subsidies and for discretionary contributions to other district Civil Defence Disaster Relief activities.
Capital Development Fund	1,785	37	259	1,562	Reserve is to hold proceeds of selected asset sales which are to be utilised for capital developments as determined by Council.
Quarry Rehab	1,235	29	0	1,264	Reserve is to provide for the restoration and rehabilitation of the Patutahi Quarry.
Olympic Pool Development	31	1	0	32	Reserve is to hold donations and bequests given in relation to the Olympic Pool. Funds will be utilised for the redevelopment of the Olympic Pool complex.
Reserves Contributions	133	3	0	136	Reserve holds reserve contributions received. These contributions have now been replaced by development contributions. Funding is utilised for capital expenditure on Parks and Open Spaces resulting from growth due to developments within the district.
Land Transport - Urban Development Contributions	90	153	0	243	Reserve holds development contributions received in relation to Roading. Funding is utilised for capital expenditure on Land Transport infrastructure resulting from growth due to developments within the district.
Water Supply - Urban Development Contributions	78	62	0	141	Reserve holds development contributions received in relation to Water Supply. Funding is utilised for capital expenditure on Water Supply infrastructure resulting from growth due to developments within the district.
Wastewater - Urban Development Contributions	1,458	316	248	1,526	Reserve holds development contributions received in relation to Wastewater. Funding is utilised for capital expenditure on Wastewater infrastructure resulting from growth due to developments within the district.
Stormwater - Urban Development Contributions	(585)	96	52	(542)	Reserve holds development contributions received in relation to Stormwater. Funding is utilised for capital expenditure on Stormwater infrastructure resulting from growth due to developments within the district.
Reserves - District Development Contributions	410	35	0	445	Reserve holds development contributions received in relation to Parks and Open Spaces. Funding is utilised for capital expenditure on Parks and Open Spaces resulting from growth due to developments within the district.
HMNZ Blackpool Scholarship Fund	7	0	0	7	Reserve holds funds that are distributed in accordance with the trust deed.
Pamoia Restoration Reserve	3,508	542	449	3,600	Funds from Pamoia harvest for the restoration around the Waingake water supply.
Land Subdivision	371	9	0	380	Reserve predates Gisborne District Council. Further investigation is required into what the funds were set aside for. It is likely to relate to Financial Contributions received as a result of subdivision.
Organisation Development Reserve	4,541	1,206	432	5,315	Operational Surplus to be used to fund organisational development.
Depreciation	38,830	33,264	26,810	45,283	Reserve holds funds utilised on projects that replace the district's assets.
Total Special Funds and Other Reserves	53,188	35,781	28,251	60,718	

Note 28 : Reconciliation of net surplus to operating cash flows

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
19,841	19,990	Reported Net Surplus after tax	15,276	10,188
		ADD/(DEDUCT) NON CASH ITEMS		
25,966	27,126	Depreciation & Amortisation	29,011	30,114
(700)	(700)	Unrealised (Gain)/Loss on Derivative Financial Instruments	824	824
(15)	(6)	Other Fixed and Investment Asset Changes/(Credits)	0	0
0	2,288	Livestock Holding (Gain)/ Loss	0	2,019
2,652	2,652	(Profit)/ Loss on Disposal of Assets	7,096	7,009
(521)	(456)	Forestry Value (Gain) / Loss	160	4,502
252	252	Other provisions and deferred expense asset	15	15
0	(768)	Increase in Deferred Taxation	0	16
0	0	Carbon Credit Allocation	0	0
1,587	1,587	Bad Debts Written Off	0	0
29,221	31,975		37,106	44,498
		ADD ITEMS CLASSIFIED AS INVESTING ACTIVITIES		
4,170	1,988	Movement of Plant, Property and Equipment included in Trade Payables	(775)	(775)
0	0	Sale of Capital Livestock	0	(1,105)
4,170	1,988		(775)	(1,880)
		INCREASE/(DECREASE) IN WORKING CAPITAL		
(18,528)	(16,272)	Trade & Other Receivables	(2,517)	(2,482)
74	59	Inventories	(59)	(43)
38	38	Deposits Held	(212)	(212)
34,220	34,089	Trade & Other Payables	1,365	757
362	478	Employee Benefit Liabilities	456	415
(100)	0	Subvention Payment Due	18	0
0	(95)	Taxation Payable	0	(1,026)
16,066	18,297		(948)	(2,591)
69,298	72,249	Net Cash Inflow from Operating Activities	50,659	50,215

Note 29A : Financial instruments

The following tables are comparisons of carrying amounts of the Group's financial assets and liabilities in each of the financial instrument categories:

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
		FINANCIAL ASSETS		
		Amortised Cost		
28,728	31,209	Cash and Cash Equivalents	21,551	22,480
0	0	Term Deposits	20,000	20,000
48,717	48,558	Trade and Other Receivables	51,217	51,047
77,445	79,768	Total at amortised cost	92,768	93,527
		Fair Value through Surplus or (Deficit)		
1,728	1,728	Derivative Financial Instruments	1,028	1,028
2,721	2,721	NZ LGFA Borrower Notes	3,254	3,254
199	700	Unlisted Shares	202	703
4,647	5,148	Total at FVTSD	4,484	4,986
82,092	84,916	Total Financial Assets	97,252	98,513
		FINANCIAL LIABILITIES		
		Amortised Cost		
0	10,414	Bank Loan	0	9,321
124,800	124,800	Secured Debentures	177,800	177,800
78,242	79,614	Trade Payables and Accruals	80,496	80,814
203,042	214,827	Total at amortised cost	258,296	267,935
203,042	214,827	Total Financial Liabilities	258,296	267,935

Note 29B - Fair value hierarchy

For those instruments recognized at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.

Level 2 – Valuation technique using observable inputs – Financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 – Valuation techniques with significant non-observable inputs – Financial instruments valued using models where one or more significant inputs are not observable.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

Council

Year Ended 30 June 2023 Valuation Technique				Year Ended 30 June 2024 Valuation Technique				
Quoted Market Price (Level 1) \$000s	Observable Inputs (Level 2) \$000s	Non Observable Inputs (Level 3) \$000s	Total \$000s		Quoted Market Price (Level 1) \$000s	Observable Inputs (Level 2) \$000s	Non Observable Inputs (Level 3) \$000s	Total \$000s
FINANCIAL ASSETS								
0	0	199	199	Unlisted Investments	0	0	202	202
0	2,721	0	2,721	LGFA Borrower Notes	0	3,254	0	3,254
0	1,728	0	1,728	Derivative Financial Instruments	0	1,028	0	1,028
0	4,449	199	4,647		0	4,282	202	4,484

Group

Year Ended 30 June 2023 Valuation Technique				Year Ended 30 June 2024 Valuation Technique				
Quoted Market Price (Level 1) \$000s	Observable Inputs (Level 2) \$000s	Non Observable Inputs (Level 3) \$000s	Total \$000s		Quoted Market Price (Level 1) \$000s	Observable Inputs (Level 2) \$000s	Non Observable Inputs (Level 3) \$000s	Total \$000s
FINANCIAL ASSETS								
0	0	700	700	Unlisted Investments	0	0	703	703
0	2,721	0	2,721	LGFA Borrower Notes	0	3,254	0	3,254
0	1,728	0	1,728	Derivative Financial Instruments	0	1,028	0	1,028
0	4,449	700	5,148		0	4,282	703	4,985

There were no transfers between the different levels of the fair value hierarchy.

Valuation techniques with significant non-observable inputs (level 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements:

Valuation techniques with significant non-observable inputs (level3)		2023	2024
		\$000	\$000
208	Balance at 1 July		199
-9	Gains and losses recognised in surplus or deficit		3
0	Gains and losses recognised in other comprehensive revenue and expenses		0
0	Purchases		0
0	Sales		0
0	Transfers into level 3		0
0	Transfers out of level 3		0
199	Balance at 30 June		202

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

Financial instrument risks

The Council's activities expose it to a variety of financial instrument risks, including credit risk, liquidity risk and market risk. The Council and Group has a series of policies to manage the risks associated with financial instruments and seeks to minimize exposure from its treasury activities. The Council has established and approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Credit risk

Credit risk is the risk that a third party will default on its obligations to the Group, causing the Group to incur a loss. The Group invests funds only in deposits with registered banks and its investment policy limits the amount of credit exposure to any one institution or organisation. The Group only invests funds with those entities which have a Standard and Poor's credit rating of at least A2 - for short term and A - for long-term investments. The Council and Group hold no collateral or credit enhancements for financial instruments that give rise to credit risk.

Maximum exposure to credit risk

The Council's maximum credit risk exposure for each class of financial instrument is as follows:

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
		Financial Assets		
28,728	31,209	Cash and Cash Equivalents	21,551	22,480
0	0	Term Deposits	20,000	20,000
48,717	48,558	Trade and Other Receivables	51,217	51,047
1,728	1,728	Derivative Financial Instruments	1,028	1,028
79,173	81,496	Total Financial Assets	93,796	94,555

Credit risk exposure by credit risk rating grades, excluding receivables

The gross carrying amount of financial assets, excluding receivables, by reference to Standard and Poor's credit ratings are provided below:

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
		Cash at Bank and Term Deposits		
28,728	31,209	AA-	41,551	42,480
		Derivative Financial Instruments		
1,728	1,728	AA-	1,028	1,028
		COUNTERPARTIES WITHOUT CREDIT RATINGS		
11	11	Existing counterparty with no defaults in the past	11	11

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

Receivables arise mainly from the Council's statutory functions, therefore, there are no procedures in place to monitor or report the credit quality of receivables with reference to internal or external credit ratings. The Council has no significant concentrations of credit risk in relation to receivables, as it has a large number of credit customers, mainly ratepayers, and Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. To provide flexibility in the management of the Group's liquidity, the Group has committed bank advance facilities available (for details refer to Note 22: Borrowings), page 162.

On a cash flow basis, the Council maintains sufficient funds to cover all obligations as they fall due. Facilities are maintained in accordance with the Council's Treasury Management Policy and Procedures.

Contractual maturity analysis of financial assets

The table below analyses Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contracted maturity date.

The Group's maximum exposure to credit risk at balance date is:

COUNCIL 2024	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Cash and Cash Equivalents	21,551	21,551	21,551	0	0	0
Term Deposits	20,000	20,000	20,000	0	0	0
Derivative Financial Instruments	1,028	1,145	666	391	83	5
Trade and Other Receivables	51,217	51,217	51,205	0	0	11
Total Financial Assets	93,796	93,913	93,422	391	83	16

COUNCIL 2023	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Cash and Cash Equivalents	28,728	28,728	28,728	0	0	0
Term Deposits	0	0	0	0	0	0
Derivative Financial Instruments	1,728	1,750	812	585	377	(24)
Trade and Other Receivables	48,717	48,717	48,706	0	0	11
Total Financial Assets	79,173	79,195	78,245	585	377	(13)

GROUP 2024	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Cash and Cash Equivalents	22,480	22,480	22,480	0	0	0
Term Deposits	20,000	20,000	20,000	0	0	0
Derivative Financial Instruments	1,028	1,145	666	391	83	5
Trade and Other Receivables	51,047	51,047	51,035	0	0	11
Total Financial Assets	94,555	94,672	94,181	391	83	16

GROUP 2023	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Cash and Cash Equivalents	31,209	31,209	31,209	0	0	0
Term Deposits	0	0	0	0	0	0
Derivative Financial Instruments	1,728	1,750	812	585	377	(24)
Trade and Other Receivables	48,558	48,558	48,547	0	0	11
Total Financial Assets	81,496	81,518	80,568	585	377	(13)

Contractual maturity analysis of financial liabilities

The table below analyses the Council and group's financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. Future interest payments on floating rate debt are based on the floating rate on the instrument at balance date. The amounts disclosed are the contractual undiscounted cash flows and include interest payments.

COUNCIL 2024	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Trade and Other Payables	80,496	80,496	80,408		52	36
Bank Loans	0	0	0	0	0	0
Debentures	177,800	206,672	38,443	16,535	110,767	40,927
Total Financial Liabilities	258,296	287,169	118,850	16,535	110,819	40,963

COUNCIL 2023	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Trade and Other Payables	78,242	78,242	78,130	40	0	72
Bank Loans	0	0	0	0	0	0
Debentures	124,800	149,079	12,128	35,352	64,618	36,981
Total Financial Liabilities	203,042	227,321	90,258	35,392	64,618	37,053

GROUP 2024	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Trade and Other Payables	80,785	80,785	80,697	0	52	36
Bank Loans	9,321	9,321	0	0	9,321	0
Debentures	177,800	206,672	38,443	16,535	110,767	40,927
Total Financial Liabilities	267,906	296,778	119,139	16,535	120,140	40,963

GROUP 2023	Statement of Financial Position \$000s	Total Contractual Cash Flows \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s	> 5 Years \$000s
Trade and Other Payables	79,614	79,614	79,614	0	0	0
Bank Loans	10,414	10,414	10,414	0	0	0
Debentures	124,800	149,079	12,128	35,352	64,618	36,981
Total Financial Liabilities	214,827	239,106	102,155	35,352	64,618	36,981

Market risk

The Group enters into derivative financial instruments to manage interest rate risk. A treasury committee, headed by senior management personnel, provides oversight for risk management and derivatives activities and ensures activities comply with the Treasury Management Policy which is formally approved by Council as part of the Council's Long Term Plan.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group’s financial instruments will fluctuate due to changes in market interest rates.

The Group is exposed to interest rate risk from its interest-earning financial assets and interest-bearing liabilities. The Group is risk averse and seeks to minimise exposure from its treasury activities. It does not undertake unnecessary investment or borrowing activity, nor is any speculation permitted in the activity it undertakes.

The Group manages its interest rate risk by maintaining the ratio of borrowing between fixed and floating interest rates and by maintaining portions of its borrowings in a range of maturity profiles.

The effective interest rates of financial instruments are as follows:

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
WEIGHTED EFFECTIVE INTEREST RATES				
n/a	2.28%	Bank Loan	n/a	n/a
5.51%	5.51%	Debentures	5.37%	5.37%
3.10%	3.10%	Derivative Financial Instruments	3.28%	3.28%

Interest rate sensitivity

At balance date, the group had \$104.8m of variable rate borrowings and \$39m of interest rate swaps. The interest rate impact for fixed rate borrowing is zero, as a change in market interest rates will not change interest cash flow amounts. If interest rates at that date had been 100 basis points higher/lower with all other variables held constant, net surplus for the year would have adjusted by the amounts in the table below:

Council 2022/23 Actual \$000s	Group 2022/23 Actual \$000s		Council 2023/24 Actual \$000s	Group 2023/24 Actual \$000s
NET SURPLUS HIGHER/(LOWER)				
110	110	+ 100 Basis Points	177	177
(202)	(202)	- 100 Basis Points	(263)	(263)

Note 30 : Commitments

COUNCIL 2024	Total \$000s	0 - 12 Months \$000s	1 - 5 Years \$000s
Capital Commitments - Approved and Contracted	21,118	20,451	667
Total Commitments	21,118	20,451	667

GROUP 2024	Total \$000s	0 - 12 Months \$000s	1 - 5 Years \$000s
Capital Commitments - Approved and Contracted	21,118	20,451	667
Total Commitments	21,118	20,451	667

COUNCIL 2023	Total \$000s	0 - 12 Months \$000s	1 - 5 Years \$000s
Capital Commitments - Approved and Contracted	23,037	20,216	2,821
Total Commitments	23,037	20,216	2,821

GROUP 2023	Total \$000s	0 - 12 Months \$000s	1 - 5 Years \$000s
Capital Commitments - Approved and Contracted	23,475	20,654	2,821
Total Commitments	23,475	20,654	2,821

Note 31A : Leases

	Total \$000s	0 - 12 Months \$000s	1 - 5 Years \$000s	5+ Years \$000s
GROUP 2024				
Operating Lease Payments	918	195	521	202
Total Non Cancellable Operating	918	195	521	202
GROUP 2023				
Operating Lease Payments	630	185	444	0
Total Non Cancellable Operating	630	185	444	0
COUNCIL 2024				
Operating Lease Payments	22,738	2,010	7,552	13,176
Total Non Cancellable Operating	22,738	2,010	7,552	13,176
COUNCIL 2023				
Operating Lease Payments	24,558	2,004	7,720	14,834
Total Non Cancellable Operating	24,558	2,004	7,720	14,834

Gisborne District Council leases buildings from Gisborne Holdings Ltd. This arrangement began 1 December 2015. In 2024, the annual lease amount was \$2m. Non-cancellable lease terms range between 5 and 18 years from start date.

The Council leases photocopiers and duplex units for which there is no monthly lease obligation. The term of the lease is for 5 years from 17 February 2021 for the duplex unit and 5 years from 10 July 2023 for the photocopiers. The Council incurs charges for the number of copies made each period. Included within the lease agreement is a termination clause which imposes a penalty for early termination of the lease agreement. The penalty is calculated based on the number of months outstanding in the agreement multiplied with a target number of copies. As at 30 June this penalty is calculated to be \$183k (2023: \$221k).

Note 31B : Residential lease

	Total \$000s	0 - 12 Months \$000s	1 - 2 Years \$000s	2 - 5 Years \$000s
COUNCIL 2024				
Operating Lease Commitments	103	103	0	0
Total Operating Lease Commitments	103	103	0	0
COUNCIL 2023				
Operating Lease Commitments	102	102	0	0
Total Operating Lease Commitments	102	102	0	0

The future aggregate minimum lease payments to be received under operating leases are outlined in the table above.

Council leases its residential property assets to tenants. The terms of each tenancy are governed by the Residential Tenancies Act

1986. Rent is charged at less than market value. The leases are cancellable by the tenants and this is provided by the Residential Tenancies Act. A minimum notice period of 28 days applies or, if cancelled by Council, 90 days' notice is required.

Note 32A : Contingent Liabilities

Paokahu consent bond

As a condition of the Paokahu landfill resource consent the Council entered into a bond with the Paokahu owners for the sum of \$100,000. This acts as security for the performance of any of the conditions of the resource consent, including any conditions relating to after care and post closure remediation.

New Zealand emissions trading scheme obligations

The Group has a contingent liability in respect to both its pre-1990 and post-1989 forests which are part of the New Zealand Emissions Trading Scheme.

Should the Group deforest all of its pre-1990 forests, it would have a liability under the ETS to surrender New Zealand emissions units of approximately \$46.4m determined at 30 June 2024 (2023: \$37.7m).

Should the Group experience a decrease in total carbon stocks for all of its post-1989 forests, whether due to events such as harvest or forest fire, it would have a liability under the ETS in addition to that already recognised in the financial statements to surrender New Zealand emissions units of approximately \$11.4m determined at 30 June 2024 (2023: \$9.2m). The amount and timing of any liability is uncertain and is dependent on the occurrence of the circumstances described above and the price of emissions units at the time of deforestation.

If these contingencies were to arise, emissions units held may be utilised to settle these obligations.

New Zealand Local Government Funding Agency Limited

Gisborne District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of AAA.

Gisborne District Council is one of 30 local authority shareholders and 70 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$20m. When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, Gisborne District Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2024, NZLGFA had borrowings totaling \$23.03b (2023: \$16.35b).

Financial reporting standards require Gisborne District Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events in New Zealand; and
- Local Government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Category 3 Properties under FOSAL programme

Council was responsible for categorising land and determining how and to what extent assistance would be provided to affected properties. This was part of the Future of Severely Affected Land (FOSAL) information pack on the back of the Severe Weather Event Emergency Legislation (SWERL) Act 2023 which was introduced on 20 March 2023, following the events of Cyclone Gabrielle and Hale. At 30 June 2024 there are 21 properties pending negotiation and settlement, these will complete the Category 3 property buyouts. It is expected to remain within the \$30m cap that was agreed with Council and central government.

Note 32B : Contingent assets

As of 30th June 2024, the Council has a contingent asset arising from an insurance claim lodged in relation to the damages incurred from Cyclone Gabrielle, which occurred in February 2023.

Nature of the Claim: The claim has been filed with the relevant insurance provider due to extensive damage caused by the cyclone.

Maximum Amount Receivable: The maximum potential amount receivable from the claim is estimated to be 40% of \$19,230,263.

Uncertainty of Estimation: Due to the complexity of the claim and the uncertainty surrounding the assessment of damages and the insurance provider's response, the Council is unable to estimate the amount that may ultimately be received. As such, no asset has been recognized in these financial statements in accordance with IPSAS 19.105.

Disclosure of Contingent Asset: The Council will continue to evaluate the situation and will disclose any developments that may affect the outcome of this claim in future financial statements.

Note 33 : Related party transactions

All the above services were provided on normal terms and conditions of trade. Figures for services provided are shown exclusive of GST. Balance sheet items are GST inclusive. All balances have been eliminated on consolidation.

Relationship with Gisborne Holdings Ltd

Gisborne Holdings Ltd (GHL) is 100% owned by Gisborne District Council (GDC).

All subsidiaries have a 30 June balance date.

TRANSACTIONS WITH GHL	2023 \$000s	2024 \$000s
Services Provided to Council	208	219
Services Provided by Council	342	357
Lease Provided by GHL	1,882	1,896

The above table shows the transactions with GHL during the financial year. As GHL forms part of the Group, these transactions are eliminated upon consolidation.

All the above services were provided on normal terms and conditions of trade. Figures for services provided are shown exclusive of GST. Balance sheet items are GST inclusive. All balances have been eliminated on consolidation.

Note 34: Council key management personnel compensation

	2023 \$000s	2024 \$000s
Salaries and Other Short Term Employees Benefit;		
Governance	905	899
Chief Executive and Senior Leadership Team	2,342	2,149

Key management personnel include the Mayor, councilors, Chief Executive and a seven person leadership team. The total number of councilors of the governing body during the financial year comprised of 15 full time equivalent councilors including the Mayor.

Due to the difficulty in determining the full-time equivalent for Councilors, the full-time equivalent figure is taken as the number of Councilors.

Note 35: Council remuneration and severance payments

During the year to 30 June 2024, the total remuneration received by or payable to the Mayor, other councillors and Chief Executive of the Council were as follows:

	2023	2024
R Stoltz, Mayor	\$169,738	\$166,319
J Wharehinga, Deputy Mayor	\$68,096	\$69,651
WS Burdett	\$19,848	\$0
P Seymour	\$21,229	\$0
A Cranston	\$56,925	\$60,463
M Akuhata-Brown	\$14,919	\$0
L Foster	\$57,149	\$59,927
S Dowsing	\$14,919	\$0
S Faulkner	\$16,095	\$0
D Gregory	\$48,697	\$49,750
A Robinson	\$52,127	\$54,909
T Sheldrake	\$25,979	\$0
K Worsnop	\$18,367	\$0
I Hughes	\$14,919	\$0
C Alder	\$34,373	\$49,685
A Pahuru-Huriwai	\$48,397	\$63,344
R Parata	\$43,502	\$60,607
A Ria	\$34,162	\$50,203
R Telfer	\$33,891	\$49,685
D Thompson	\$43,589	\$64,697
R Tibble	\$34,581	\$49,785
N Tupara	\$33,902	\$49,839
N Thatcher-Swann, Chief Executive	\$399,767	\$411,746

Total remuneration includes for the Mayor and Chief Executive the value of non-financial benefits. Total remuneration for the councillors includes normal meetings, hearings, District Licensing Committee, mileage and other travel reimbursements which can be significant for councillors not residing in Gisborne.

Due to timing of pay period endings at year end, the prior year included an extra pay cycle which has resulted in the Mayor's remuneration for 2024 being reported lower than prior year.

TOTAL ANNUAL REMUNERATION BY BAND FOR EMPLOYEES AS AT 30 JUNE 2024

Salary Bands	Number of Employees	
	2023	2024
\$180,000 - \$400,000 ¹	7	8
\$160,000 - \$180,000	6	8
\$140,000 - \$160,000	20	19
\$120,000 - \$140,000	18	27
\$100,000 - \$120,000	54	65
\$ 80,000 - \$100,000	104	116
\$ 60,000 - \$ 80,000	108	109
Less than \$ 60,000	111	113
	428	465
	2023	2024
Full Time Employees ²	300	328
Full Time Equivalent Employees ³	53	61

¹ If the number of employees in any band is 5 or fewer, the number for that band must be combined with the next-highest band.

² Full time employees: the total number of people employed full time (40 hours or more per week) excluding casual staff as at 30 June 2024.

³ Full time equivalents: the total number of contracted hours for all part time (less than 40 hours per week) staff and all casual staff, divided by the full time equivalent hours (40 hours)

Severance payments

One severance payment of \$7,000 was made during the 2024 financial year. No severance payments were made during the 2023 financial year.

Note 36: Events after balance sheet

Council was responsible for categorising land and determining how and to what extent assistance would be provided to affected properties. This was part of the Future of Severely Affected Land (FOSAL) information pack on the back of the Severe Weather Event Emergency Legislation (SWERL) Act 2023 which was introduced on 20 March 2023, following the events of Cyclone Gabrielle and Hale.

Council completed these for all properties during the 2024 year, and settled on 23 properties. Subsequent to balance date there have been 10 properties settled for \$5.496m.

Note 37: Disclosure statement

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

Council is required to include this statement in its annual report 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.

Rates affordability benchmark

Council meets the rates affordability benchmark if:

- Its actual rates income equals or is less than each quantified limit on rates; and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

Rates income affordability

The following graphs compare the Council's actual rates income with quantified limits on rates contained in the financial strategy included in Council's Long Term Plan.

Quantified limits on rates

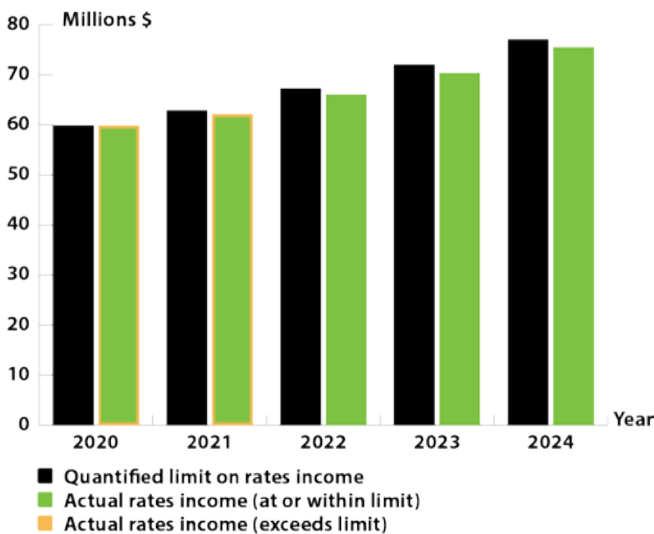
The quantified limit is for actual rates to be no more than 6.5% plus growth* than what was adopted for the preceding year of the LTP in the first 3 years, thereafter 5% plus growth* for the following years of the LTP.

*2021-2031 LTP assumed growth to be 0.05% each year. When measuring against rates benchmark, actual growth rates are used. 2024 0.07% (2023 0.5%).

Rates increases affordability

The following graph compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's Long Term Plan.

Rates affordability benchmark

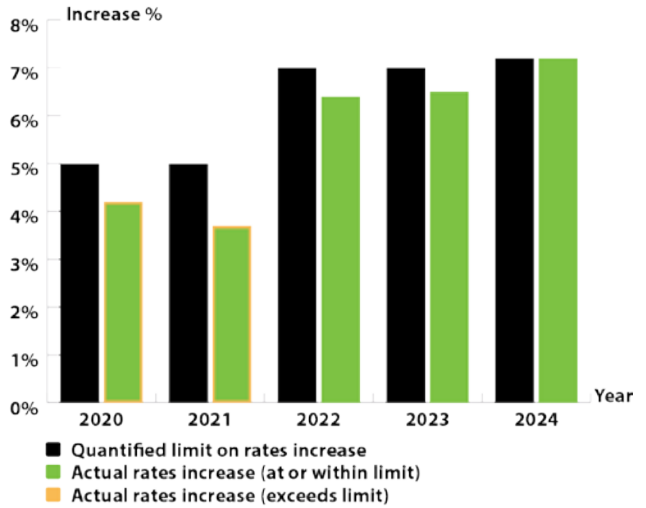


Quantified limit on rates increases

2021-2031 Long Term Plan aims for a maximum rates increase of 6.5% plus growth* for the first three years, thereafter 5% plus growth* in the rating base over the ten year period.

*growth 0.7% (2023 0.5%).

Rates increases benchmark



Debt affordability benchmark

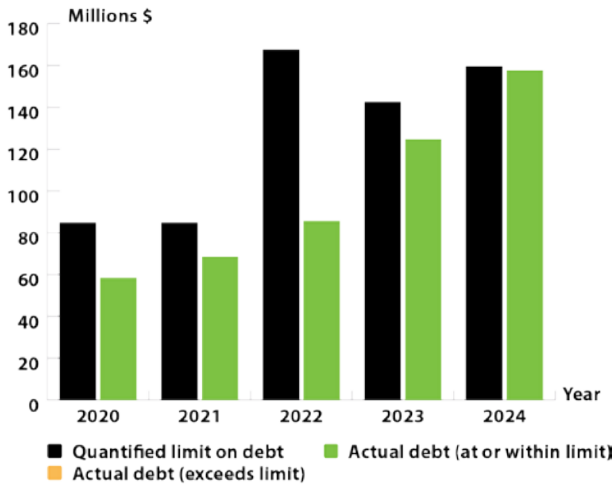
Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

Our limits for debt

The following graph compares Council's actual total borrowing with the first quantified limit on borrowing stated in the financial strategy included in the Council's Long Term Plan.

The quantified limit is based on the ability to borrow, and is set at 130% of debt to revenue. This limit follows the financial strategy as set in the LTP, but actual ability to borrow is 175% of debt to income.

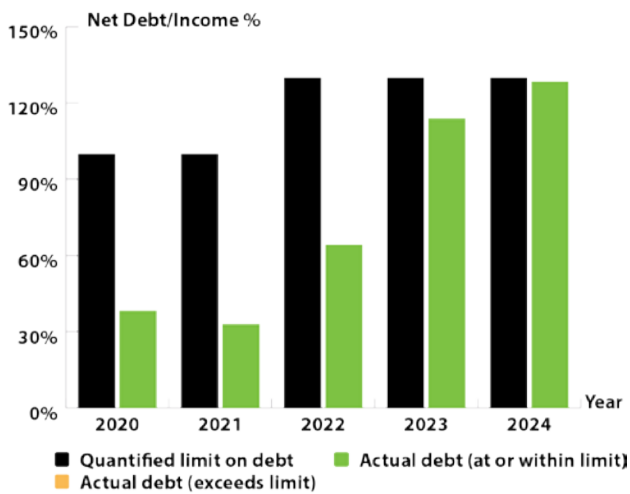
Debt affordability benchmark



Our limit on net debt as a percentage of income

The following graph compares the Council's net debt as a percentage of income which is the first quantified limit on borrowing stated in the Liability Management Policy included in the Council's Long Term Plan. The results record total actual revenue to total debt, where in 2024 the ratio is 64% debt to revenue. After eliminating non recurring income, the ratio is 128.5% in line with the 130% threshold.

Debt affordability benchmark

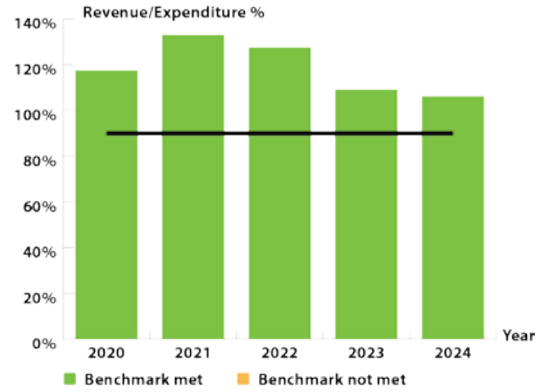


Balanced budget benchmark

The following graph displays Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

Council meets this benchmark if its revenue equals or is greater than operating expenses.

Balanced budget benchmark



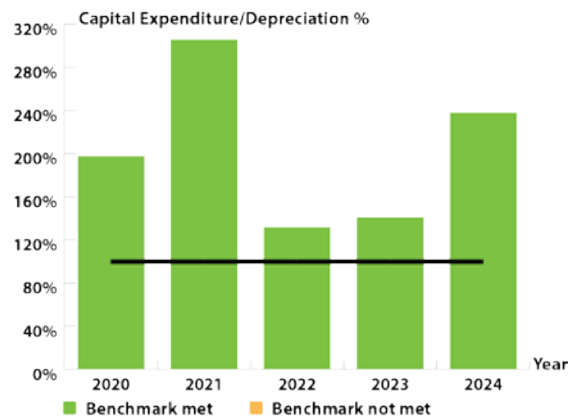
Essential services benchmark

The following graph displays Council's capital expenditure on network services as a proportion of depreciation on network services.

Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

From 2020 to 2024, Council has received additional funding from Central Government mostly for roading emergency reinstatement and flood control works, following the ongoing flood events in the region.

Essential services benchmark

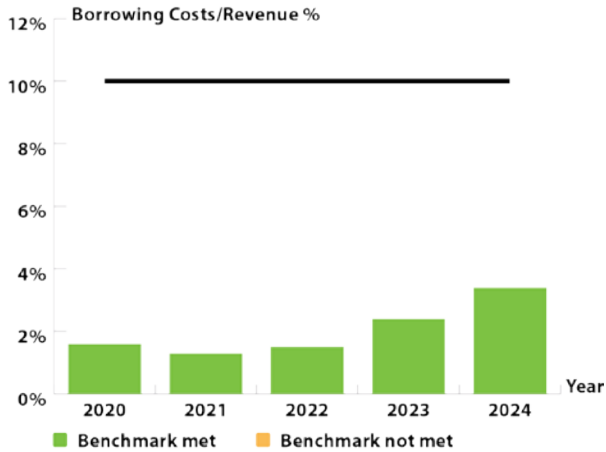


Debt servicing benchmark

The following graph displays Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment).

Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

Debt servicing benchmark

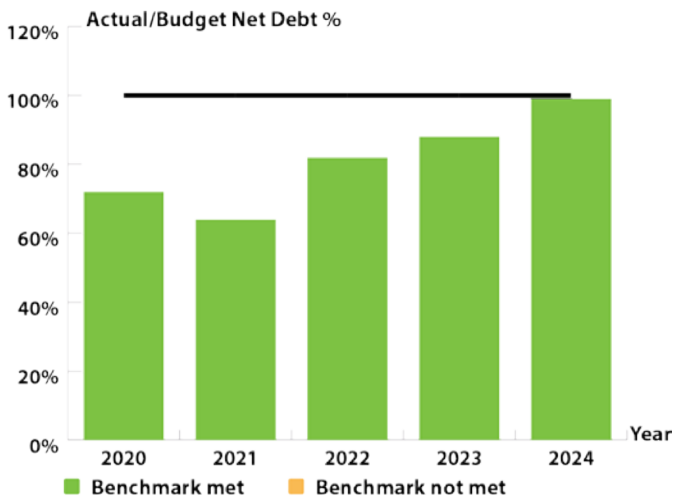


Debt control benchmark

The following graph displays Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities minus financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

Debt control benchmark

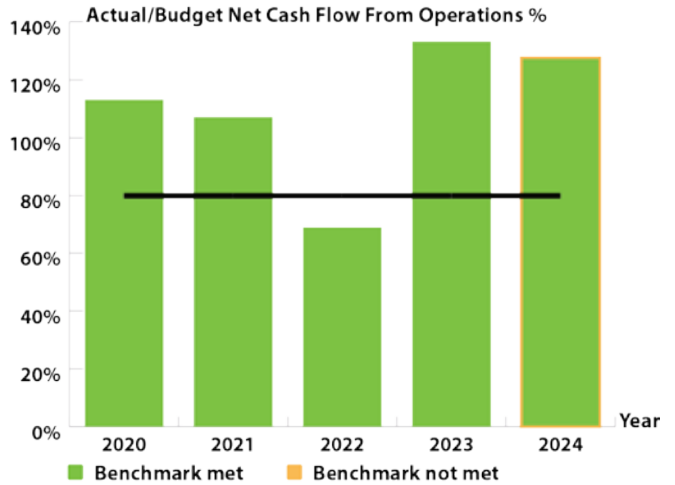


Operations control benchmark

This graph displays Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

Operations control benchmark



Tauākī huanga pūtea moni

Funding impact statements

Council

Funding Impact Statement for the Year ended 30 June (whole of Council)	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	25,113	24,638	25,276	26,927
Targeted Rates	49,865	49,140	54,852	52,051
Subsidies and grants for operating purposes	12,885	80,487	112,745	103,771
Fees and Charges	10,598	9,580	11,422	10,974
Interest and dividends from investments	1,600	1,180	1,800	2,940
Local authorities fuel tax, Infringement Fees and other receipts	1,936	3,766	2,288	(377)
Total operating funding (A)	101,997	168,792	208,384	196,286
Applications of operating funding				
Payments to staff and suppliers	91,895	159,968	198,141	195,122
Finance costs	4,464	4,880	6,137	9,006
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	96,359	164,848	204,278	204,127
Surplus (deficit) of operating funding (A-B)	5,638	3,944	4,106	(7,842)
Sources of capital funding				
Subsidies and grants for capital expenditure	44,535	42,919	34,496	55,790
Development and financial contributions	1,622	1,864	1,658	626
Increase/(decrease) in debt	23,716	21,648	8,097	19,258
Gross proceeds from sale of assets	50	(3,024)	50	(4,452)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	69,923	63,406	44,301	71,222
Applications of capital funding				
Capital expenditure				
- to meet additional demand	3,442	2,620	2,789	1,012
- to improve the level of service	48,035	39,599	26,431	41,607
- to replace existing assets	47,722	41,344	41,009	48,430
Increase/(decrease) in reserves	(23,636)	(16,212)	(21,822)	(27,669)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	75,562	67,350	48,407	63,380
Surplus (deficit) of capital funding	(5,638)	(3,944)	(4,106)	7,842
Funding balance ((A-B)+(C-D))	0	0	0	0

Commercial operations

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	(40)	(40)	(59)	(59)
Targeted Rates	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0
Fees and Charges	2,057	1,525	1,546	1,593
Internal charges and overheads recovered	6	104	7	113
Local authorities fuel tax, fines, infringement fees and other receipts	(110)	1,380	(108)	218
Total operating funding (A)	1,913	2,970	1,386	1,865
Applications of operating funding				
Payments to staff and suppliers	801	1,313	830	1,167
Finance costs	11	11	12	14
Internal charges and overheads applied	269	381	275	338
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	1,081	1,705	1,118	1,519
Surplus (deficit) of operating funding (A-B)	833	1,265	268	347
Sources of capital funding				
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	(42)	(42)	(42)	(42)
Gross proceeds from sale of assets	0	0	0	0
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	(42)	(42)	(42)	(42)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	0	0	0	0
- to replace existing assets	282	68	284	136
Increase/(decrease) in reserves	508	1,155	(57)	169
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	791	1,223	227	305
Surplus (deficit) of capital funding	(833)	(1,265)	(268)	(347)
Funding balance ((A-B)+(C-D))	0	0	0	-0

Environmental services and protection

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	5,373	5,373	5,883	5,883
Targeted Rates	609	609	606	606
Subsidies and grants for operating purposes	0	37	0	40
Fees and Charges	4,803	5,187	5,024	5,142
Internal charges and overheads recovered	2,087	1,846	2,163	1,915
Local authorities fuel tax, fines, infringement fees and other receipts	1,344	883	1,371	1,123
Total operating funding (A)	14,216	13,934	15,047	14,710
Applications of operating funding				
Payments to staff and suppliers	8,883	10,725	9,431	11,390
Finance costs	4	7	6	11
Internal charges and overheads applied	5,441	5,558	5,681	5,764
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	14,328	16,289	15,118	17,164
Surplus (deficit) of operating funding (A-B)	(112)	(2,355)	(72)	(2,455)
Sources of capital funding				
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	9	0	0
Increase/(decrease) in debt	(16)	43	(16)	(2)
Gross proceeds from sale of assets	0	1	0	0
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	(16)	53	(16)	(2)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	0	62	0	20
- to replace existing assets	45	0	0	0
Increase/(decrease) in reserves	(173)	(2,365)	(88)	(2,477)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	(128)	(2,302)	(88)	(2,457)
Surplus (deficit) of capital funding	112	2,355	72	2,455
Funding balance ((A-B)+(C-D))	0	0	0	0

Land, rivers and coastal

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	1,772	1,772	1,811	1,811
Targeted Rates	1,274	1,274	1,451	1,451
Subsidies and grants for operating purposes	0	132	0	79
Fees and Charges	273	148	280	78
Internal charges and overheads recovered	411	(3)	620	85
Local authorities fuel tax, fines, infringement fees and other receipts	12	8	12	6
Total operating funding (A)	3,741	3,331	4,174	3,510
Applications of operating funding				
Payments to staff and suppliers	1,947	1,816	1,901	2,462
Finance costs	528	538	789	858
Internal charges and overheads applied	1,042	731	1,247	745
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	3,517	3,086	3,937	4,065
Surplus (deficit) of operating funding (A-B)	225	245	237	(555)
Sources of capital funding				
Subsidies and grants for capital expenditure	2,438	3,064	0	6,213
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	1,669	1,398	3,668	3,664
Gross proceeds from sale of assets	0	(432)	0	(10)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	4,106	4,030	3,668	9,866
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	4,391	3,658	3,853	9,567
- to replace existing assets	578	1,663	419	495
Increase/(decrease) in reserves	(637)	(1,044)	(367)	(751)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	4,331	4,276	3,905	9,311
Surplus (deficit) of capital funding	(225)	(245)	(237)	555
Funding balance ((A-B)+(C-D))	0	0	0	0

Liveable communities

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	7,537	7,537	7,928	7,928
Targeted Rates	9,032	9,032	9,651	9,651
Subsidies and grants for operating purposes	174	510	854	788
Fees and Charges	2,410	1,432	3,507	2,340
Internal charges and overheads recovered	4,480	4,182	5,338	5,301
Local authorities fuel tax, fines, infringement fees and other receipts	112	24	116	103
Total operating funding (A)	23,744	22,715	27,393	26,110
Applications of operating funding				
Payments to staff and suppliers	12,862	13,415	14,960	16,511
Finance costs	749	680	1,011	1,043
Internal charges and overheads applied	8,277	8,297	9,354	9,375
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	21,888	22,392	25,325	26,929
Surplus (deficit) of operating funding (A-B)	1,856	323	2,068	(819)
Sources of capital funding				
Subsidies and grants for capital expenditure	20,173	20,129	3,892	3,046
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	3,396	730	3,409	2,831
Gross proceeds from sale of assets	0	(189)	0	(248)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	23,569	20,671	7,302	5,629
Applications of capital funding				
Capital expenditure				
- to meet additional demand	446	0	628	0
- to improve the level of service	11,788	7,716	8,124	4,952
- to replace existing assets	16,143	15,362	3,815	3,263
Increase/(decrease) in reserves	(2,951)	(2,084)	(3,198)	(3,405)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	25,425	20,994	9,370	4,810
Surplus (deficit) of capital funding	(1,856)	(323)	(2,068)	819
Funding balance ((A-B)+(C-D))	0	0	0	0

Regional leadership and support services

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	7,568	7,081	6,623	8,271
Targeted Rates	3,001	3,001	5,376	3,463
Subsidies and grants for operating purposes	0	5,463	8,677	20,517
Fees and Charges	216	507	221	320
Internal charges and overheads recovered	28,122	30,567	32,629	32,318
Interest and Dividends from Investments	1,600	1,180	1,800	2,940
Local authorities fuel tax, fines, infringement fees and other receipts	490	1,257	520	(1,991)
Total operating funding (A)	40,996	49,058	55,846	65,838
Applications of operating funding				
Payments to staff and suppliers	34,234	37,488	43,780	53,258
Finance costs	553	950	541	2,793
Internal charges and overheads applied	14,114	15,310	17,752	17,790
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	48,901	53,749	62,074	73,840
Surplus (deficit) of operating funding (A-B)	(7,905)	(4,691)	(6,228)	(8,003)
Sources of capital funding				
Subsidies and grants for capital expenditure	127	380	400	5,424
Development and financial contributions	1,622	1,855	1,658	626
Increase/(decrease) in debt	1,473	570	1,091	5,728
Gross proceeds from sale of assets	50	298	50	(4,006)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	3,272	3,103	3,198	7,772
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	2,722	2,762	2,501	11,855
- to replace existing assets	2,094	1,959	1,978	2,107
Increase/(decrease) in reserves	(9,450)	(6,309)	(7,509)	(14,192)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	(4,634)	(1,588)	(3,029)	(230)
Surplus (deficit) of capital funding	7,905	4,691	6,228	8,003
Funding balance ((A-B)+(C-D))	0	0	0	0

Roads and footpaths

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	367	367	300	300
Targeted Rates	13,007	13,007	13,867	13,867
Subsidies and grants for operating purposes	12,711	71,865	76,815	58,658
Fees and Charges	0	0	0	1
Internal charges and overheads recovered	2,011	2,012	2,373	2,275
Local authorities fuel tax, fines, infringement fees and other receipts	48	188	124	139
Total operating funding (A)	28,143	87,439	93,480	75,240
Applications of operating funding				
Payments to staff and suppliers	17,856	77,285	85,254	68,299
Finance costs	475	464	685	664
Internal charges and overheads applied	5,092	5,805	5,697	5,618
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	23,423	83,554	91,636	74,581
Surplus (deficit) of operating funding (A-B)	4,720	3,885	1,844	659
Sources of capital funding				
Subsidies and grants for capital expenditure	21,797	15,185	20,855	36,759
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	177	(629)	396	1,547
Gross proceeds from sale of assets	0	(2,581)	0	(46)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	21,974	11,975	21,251	38,260
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	39	0	425
- to improve the level of service	11,606	6,659	9,509	8,913
- to replace existing assets	16,268	13,106	17,814	33,128
Increase/(decrease) in reserves	(1,179)	(3,944)	(4,980)	(3,546)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	26,694	15,860	23,095	38,919
Surplus (deficit) of capital funding	(4,720)	(3,885)	(1,844)	(659)
Funding balance ((A-B)+(C-D))	0	0	0	0

Solid waste

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	2,537	2,537	2,590	2,590
Targeted Rates	2,380	2,380	2,440	2,440
Subsidies and grants for operating purposes	0	1,326	26,400	23,263
Fees and Charges	199	243	201	395
Internal charges and overheads recovered	192	303	211	357
Local authorities fuel tax, fines, infringement fees and other receipts	33	8	34	9
Total operating funding (A)	5,341	6,796	31,876	29,055
Applications of operating funding				
Payments to staff and suppliers	3,985	6,698	30,465	29,333
Finance costs	113	38	171	115
Internal charges and overheads applied	520	601	546	577
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	4,619	7,337	31,182	30,025
Surplus (deficit) of operating funding (A-B)	722	(542)	693	(970)
Sources of capital funding				
Subsidies and grants for capital expenditure	0	68	2,765	0
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	637	(492)	737	(306)
Gross proceeds from sale of assets	0	(7)	0	(5)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	637	(430)	3,502	(311)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	0	0	277	0
- to replace existing assets	1,266	81	3,672	2
Increase/(decrease) in reserves	94	(1,053)	248	(1,283)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	1,359	(972)	4,196	(1,282)
Surplus (deficit) of capital funding	(722)	542	(693)	970
Funding balance ((A-B)+(C-D))	0	0	0	0

Urban stormwater

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted Rates	3,216	3,216	3,473	3,473
Subsidies and grants for operating purposes	0	0	0	240
Fees and Charges	0	0	0	0
Internal charges and overheads recovered	226	334	252	286
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0
Total operating funding (A)	3,442	3,550	3,726	4,000
Applications of operating funding				
Payments to staff and suppliers	1,405	1,328	1,484	1,738
Finance costs	335	308	450	439
Internal charges and overheads applied	595	676	651	639
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	2,335	2,313	2,585	2,816
Surplus (deficit) of operating funding (A-B)	1,107	1,238	1,140	1,184
Sources of capital funding				
Subsidies and grants for capital expenditure	0	0	301	0
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	1,217	83	425	(153)
Gross proceeds from sale of assets	0	(31)	0	(50)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	1,217	52	725	(203)
Applications of capital funding				
Capital expenditure				
- to meet additional demand	650	30	678	74
- to improve the level of service	1,421	761	1,088	230
- to replace existing assets	2,119	312	1,337	1,024
Increase/(decrease) in reserves	(1,866)	186	(1,238)	(347)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	2,324	1,289	1,865	981
Surplus (deficit) of capital funding	(1,107)	(1,238)	(1,140)	(1,184)
Funding balance ((A-B)+(C-D))	0	0	0	0

Wastewater

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	0	200	200
Targeted Rates	9,871	9,871	10,280	10,280
Subsidies and grants for operating purposes	0	304	0	165
Fees and Charges	527	309	528	789
Internal charges and overheads recovered	864	1,003	934	894
Local authorities fuel tax, fines, infringement fees and other receipts	8	2	8	5
Total operating funding (A)	11,269	11,490	11,950	12,332
Applications of operating funding				
Payments to staff and suppliers	6,164	4,665	5,846	5,747
Finance costs	1,602	1,770	2,322	2,849
Internal charges and overheads applied	2,143	2,654	2,339	2,307
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	9,910	9,088	10,507	10,903
Surplus (deficit) of operating funding (A-B)	1,360	2,401	1,443	1,429
Sources of capital funding				
Subsidies and grants for capital expenditure	0	918	0	1,016
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	14,041	18,524	(1,650)	2,333
Gross proceeds from sale of assets	0	(38)	0	(48)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	14,041	19,404	(1,650)	3,301
Applications of capital funding				
Capital expenditure				
- to meet additional demand	2,310	2,526	100	423
- to improve the level of service	14,851	14,552	911	3
- to replace existing assets	6,027	4,621	2,932	4,822
Increase/(decrease) in reserves	(7,788)	107	(4,150)	(518)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	15,400	21,806	(207)	4,730
Surplus (deficit) of capital funding	(1,360)	(2,401)	(1,443)	(1,429)
Funding balance ((A-B)+(C-D))	0	0	0	0

Water supply

Funding Impact Statement for the Year ended 30 June	AP 2022/23 \$000s	Actual 2022/23 \$000s	AP 2023/24 \$000s	Actual 2023/24 \$000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	12	0	2
Targeted Rates	7,475	6,750	7,709	6,821
Subsidies and grants for operating purposes	0	849	0	19
Fees and Charges	114	228	117	316
Internal charges and overheads recovered	911	1,503	933	1,508
Local authorities fuel tax, fines, infringement fees and other receipts	0	16	210	12
Total operating funding (A)	8,500	9,358	8,969	8,679
Applications of operating funding				
Payments to staff and suppliers	3,757	5,235	4,189	5,217
Finance costs	94	113	149	221
Internal charges and overheads applied	1,816	1,837	1,919	1,899
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	5,666	7,185	6,257	7,338
Surplus (deficit) of operating funding (A-B)	2,834	2,173	2,712	1,341
Sources of capital funding				
Subsidies and grants for capital expenditure	0	3,175	6,284	3,332
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	1,165	1,463	78	3,659
Gross proceeds from sale of assets	0	(46)	0	(39)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	1,165	4,592	6,361	6,952
Applications of capital funding				
Capital expenditure				
- to meet additional demand	35	25	819	90
- to improve the level of service	1,256	3,428	167	6,067
- to replace existing assets	2,900	4,173	8,570	3,452
Increase/(decrease) in reserves	(192)	(861)	(483)	(1,317)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	3,999	6,764	9,073	8,293
Surplus (deficit) of capital funding	(2,834)	(2,173)	(2,712)	(1,341)
Funding balance ((A-B)+(C-D))	0	0	0	0



An aerial photograph of a road with a spiral graphic overlay. The spiral is a light beige color and starts from a small circle in the upper right, winding outwards and downwards across the road. The road has a dark asphalt surface with light-colored concrete or stone markings. The overall tone is warm and earthy.

He whakamarāma anō Additional information

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Tō tātau Kaunihera Our Council



Functions

The Gisborne District Council is one of six unitary authorities (also called unitary councils) in New Zealand.

We have the combined functions, duties, and powers of a territorial council and a regional council:



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.



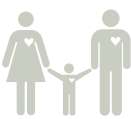
Resource management

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, 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 also recognise the major role councils play in enhancing community wellbeing and supporting overall quality of life.

Council leadership

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Te Anga ā-mahi 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.



Ngā Whakapotonga

Abbreviations

AP	Annual Plan	MOU	Memorandum of Understanding
AR	Annual Report	MRF	Mayoral Relief Fund
AUD	Alternate Use Disposal	NAASRA	National Association of Australian State Road Authorities
BAU	Business as Usual	NES	National Environmental Standards
BoPLASS LTD	A company owned by the Bay of Plenty Regional Council, Rotorua District Council, Western Bay of Plenty District Council, Kawerau District Council, Tauranga City Council, Opotiki District Council, Whakatane District Council, Taupo District Council and Gisborne District Council.	NPS	National Planning Standards
GDC	Gisborne District Council	NES-PF	National Environmental Standard for Plantation Forestry
CCC	Code Compliance Certificate	NPS – FW	National Policy Statement for Freshwater
CBD	Central Business District	NZIER	New Zealand Institute for Economic Research
CDEM	Civil Defence and Emergency Management	NZTA	New Zealand Transport Agency
CLS	Cook Landing Site	OPC	Olympic Pool Complex
CME	Compliance Monitoring and Enforcement	PBE	Public Benefit Entity
CCTO	Council-Controlled Trading Organisations	QMS	Quality Management System
COR	Central Organising Rōpū (Leadership Team/ Directors)	RFS	Request for Service
DIA	Department of Internal Affairs	RLTP	Regional Land Transport Plan
DRT	Disaster Relief Trust	RMA	Resource Management Act
ECC	Emergency Coordination Centre	RPMP	Regional Pest Management Plan
ECFP	Erosion Control Funding Programme	RSS	Resident Satisfaction Survey
ETS	Emissions Trading Scheme	SOE	State of Environment
FEP	Farm Environmental Plans	SOI	Statement of Intent
FOSAL	Future of Severely Affected Land	SWERL	Severe Weather Event Emergency Legislation Act
GDP	Gross Domestic Product	TEMO	Tairāwhiti Emergency Management Office
GHL	Gisborne Holdings Limited	TRMP	Tairāwhiti Resource Management Plan
GIS	Geographic Information System	TRONPhui	Te Rūnanganui o Ngāti Porou
IFRS	International Financial Reporting Standard	UCP	Urban Cycleways Programme
IPAS	Inflation Protected Annuity	WMC	Wastewater Management Committee
IPSAS	International Public Sector Accounting Standards	WMMP	Waste Management and Minimisation Plan
JMA	Joint Management Agreement	WWTP	Wastewater Treatment Plant
KPI	Key Performance Indicators	3YP	2024-2027 Three Year Plan
LAWA	Land, Air, Water Aotearoa		
LGA	Local Government Act		
LGFA	Local Government Funding Agency		
LGNZ	Local Government New Zealand		
LIM	Land Information Memorandum		
LLB	Local Leadership Body		
LoS	Level of Service		
LTP	2021–2031 Long Term Plan		
MBIE	Ministry of Business, Innovation and Employment		
MCI	Macroinvertebrate Community Index		
MFE	Ministry for the Environment		
MPI	Ministry for Primary Industries		



Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

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