AGENDA/KAUPAPA

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

P O Box 747, Gisborne, Ph 06 867 2049 Fax 06 867 8076
Email service@gdc.govt.nz Web www.gdc.govt.nz

MEMBERSHIP: Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Colin Alder, Andy Cranston, Larry Foster, Debbie Gregory, Ani Pahuru-Huriwai, Rawinia Parata, Aubrey Ria, Tony Robinson, Rob Telfer, Teddy Thompson, Rhonda Tibble and Nick Tupara

COUNCIL/TE KAUNIHERA

DATE: Thursday 12 October 2023

TIME: 9:00AM

AT: Te Ruma Kaunihera (Council Meeting Room), Awarua, Fitzherbert Street, Gisborne

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Council

Chairperson:	Mayor Rehette Stoltz
Deputy Chairperson:	Deputy Mayor Josh Wharehinga
Membership:	Mayor and all Councillors
Quorum:	Half of the members when the number is even and a majority when the number is uneven
Meeting Frequency:	Six weekly (or as required)

Terms of Reference:

The Council's terms of reference include the following powers which have not been delegated to committees, subcommittees, officers or any other subordinate decision-making body, and any other powers that are not legally able to be delegated:

1. The power to make a rate.
2. The power to make a bylaw.
3. The power to borrow money, or purchase or dispose of assets, other than in accordance with the Long Term Plan.
4. The power to adopt a Long Term Plan, Annual Plan, or Annual Report.
5. The power to appoint a Chief Executive.
6. The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the Local Governance Statement.
7. The power to adopt a remuneration and employment policy.
8. Committee Terms of Reference and Delegations for the 2019–2022 Triennium.
9. The power to approve or amend the Council's Standing Orders.
10. The power to approve or amend the Code of Conduct for elected members.
11. The power to appoint and discharge members of Committees.
12. The power to establish a joint committee with another local authority or other public body.
13. The power to make the final decision on a recommendation from the Ombudsman where it is proposed that Council not accept the recommendation.

14. The power to make any resolutions that must be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer.

15. Consider any matters referred to it from any of the Committees.

16. Authorise all expenditure not delegated to staff or other Committees.

Council's terms of reference also includes oversight of the organisation's compliance with health and safety obligations under the Health and Safety at Work Act 2015.

Note: For 1-7 see clause 32(1) Schedule 7 Local Government Act 2002 and for 8-13 see clauses 15, 27, 30 Schedule 7 of Local Government Act 2002

MINUTES

Draft & Unconfirmed

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MINUTES of the GISBORNE DISTRICT COUNCIL/TE KAUNIHERA

Held in Rangiwaho Marae, State Highway 2, Muriwai on Thursday 10 August 2023 at 9:00AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Colin Alder, Andy Cranston, Larry Foster, Debbie Gregory, Ani Pahuru-Huriwai, Rawinia Parata, Tony Robinson, Rob Telfer, Daniel Thompson and Rhonda Tibble.

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Director Lifelines David Wilson, Director Internal Partnerships James Baty, Director Liveable Communities Michele Frey, Director Engagement & Maori Responsiveness Anita Reedy-Holthausen, Chief Financial Officer Pauline Foreman, Chief of Strategy & Science Jo Noble, Democracy & Support Services Manager Heather Kohn and Committee Secretary Jess Taylor.

The meeting commenced with a karakia.

1. Apologies

MOVED by Cr Robinson, seconded by Cr Pahuru-Huriwai

That the apologies from Cr Ria, Cr Tupara be sustained. CARRIED

2. Declarations of Interest

There were no declarations of interest.

3. Confirmation of non-confidential Minutes

3.1 Confirmation of non-confidential Minutes 28 June 2023

MOVED by Cr Wharehinga, seconded by Cr Telfer

That the Minutes of 28 June 2023 be accepted. CARRIED

4. Leave of Absence

There were no leaves of absence.

5. Acknowledgements and Tributes

There were no acknowledgements or tributes.

6. Public Input and Petitions

- Warwick Stevens - for 23-128 Bylaw Submissions Panel - Adoption Report - Dog Control Bylaw and Policy.
- Tracey Takarua - for 23-117 Decision Report Hatea a Rangi Lease Tokomaru United Sports Club.

7. Extraordinary Business

There was no extraordinary business.

8. Notices of Motion

There were no notices of motion.

9. Adjourned Business

There was no adjourned business.

10. Reports of the Chief Executive and Staff for DECISION

10.1 23-128 Bylaw Submissions Panel - Adoption Report - Dog Control Bylaw and Policy

- There are no dog parks in the region.
- Flagged areas refer to being between the surf lifesaving flags at beaches.
- Director Internal Partnerships and Protection James Baty clarified that the owner of the land can seek destruction orders and Council can classify the dog as dangerous/menacing which gives Council extra opportunities to deal with worrying dogs but once the dog is under control, Council is limited in terms of destruction.
- It was Department of Conservation's recommendation and request to restrict the entirety of Kaiti Beach, not just the area where the Kororā live.

MOVED by Cr Robinson, seconded by Cr Gregory

That the Council/Te Kaunihera:

1. Adopts Panel's recommendations to:
   a. Allow dogs on-leash in the following areas which are designated as prohibited areas under the current policy:
      i. Botanical Gardens (excluding play areas).
      ii. Midway beach (flagged area).
      iii. Waikanae beach (flagged area).
      iv. Wainui beach (flagged area).
      v. Anzac Park.
      vi. Alfred Cox Park (pump track area).
   b. Adds Whataupoko Reserve (Fox Street Reserve) in the draft policy as an off-leash zone.
   c. Amends the draft bylaw to include the definition of Reticulated Boundary Services for the purpose of setting a boundary within which the default on-leash rule would apply.
   d. Amends the draft bylaw to include Wahirere and Tītīrangi Domain.

e. Amends the designation at all beaches to allow more accessibility for dog owners by extending the off-leash area at Waikanae beach from Pacific Street to Stanley Street and making the prohibited areas between the flags at all beaches on-leash (except Kaiti beach).

f. Includes additional maps in the draft policy to ensure public are aware of the dog access areas.

2. Adopts the special consultative procedure under Section 83 of the Local Government Act 2002 and further directs the Chief Executive to prepare a Statement of Proposal and a Summary of Information in relation to the following:

   a. Panel's recommended changes to the proposed designation at Botanical Gardens.

   b. Panel's recommended changes to the proposed designation at Alfred Cox Park (pump track area).

   c. Panel's recommended changes to the proposed designation at Anzac Park.

3. Adopts the attached Dog Control Policy 2023 and Dog Control Bylaw 2023 (Attachment 5 & 6), and delegates the Chief Executive to make any minor amendments required, including to reflect Council decisions.

4. Specifies that the Dog Control Policy 2023 and the Dog Control Bylaw 2023 would come into effect no later than one month from the date of adoption.

5. Publicly notifies the adopted Dog Control Policy 2023 and Dog Control Bylaw 2023.

6. Directs the Chief Executive to review the standard operating procedure in relation to barking dog complaints and the tools available to Animal Control Officers to monitor and record nuisance.

7. Directs the Chief Executive to bring back to Council further information and recommendations to address the issue of worrying dogs.

CARRIED

10.2 23-95 Final Decision Report - Keeping of Animals Bylaw 2023

- Cr Pahuru-Huriwai mentioned that the term "ngaro huruhuru" is incorrect.
- Discussions are ongoing on the correct Māori name for Native Bees.
- Recommendations 3 & 4 will resume once the resources that are being used for Recovery are available again for business as usual.

MOVED by Cr Stoltz, seconded by Cr Wharehinga that the recommendations be amended as follows:

That the Council/Te Kaunihera:

1. Revokes the Keeping of Animals, Poultry and Bees Bylaw 2012 and replaces it with the Keeping of Animals Bylaw 2023 provided in Attachment 2. This includes the suggested edits proposed by the Panel.
2. Confirms the Keeping of Animals Bylaw 2023 comes into force on 10 September 2023.
3. Notes the Chief Executive to investigate options for the management of cats in Tairāwhiti and provide an Issues and Options report to Council.
4. Notes the Chief Executive to improve data collection on Rango Māori (Native Bees) as part of ongoing biodiversity research.
5. Instructs the Chief Executive to amend "Part 2 : Animal Specific Provisions, paragraph (2)" of the Bylaw to read "The owner or occupier of a property in an urban area must not keep more than 12 head of poultry, or any roosters, geese or peafowl on the property".

CARRIED

10.3 23-117 Decision Report Hatea a Rangi Lease Tokomaru United Sports Club

MOVED by Cr Parata, seconded by Cr Foster that the recommendations be amended as follows:

That the Council/Te Kaunihera:

1. Grants a land only lease under section 54(1)(b) of the Reserves Act 1977 of 1150 sqm (part Hatea a Rangi Memorial Park – as shown in Appendix 1 of this report) to the Tokomaru United Sport Club Incorporated for a term of 11 years with two rights of renewal.
2. Directs Council staff to establish a co-governance agreement for the ongoing management of Hatea-a-Rangi Memorial Park and to undertake historic due diligence on the land ownership to inform the membership of the co-governance group.

CARRIED

10.4 23-79 Operative Date for Remaining 2015 Freshwater Provisions

MOVED by Cr Wharehinga, seconded by Cr Gregory

That the Council/Te Kaunihera:

1. Notes that staff have amended the freshwater provisions contained in the Tairāwhiti Resource Management Plan to reflect Environment Court decision NZEnvC 115 dated 4 August 2021 (Attachment 1) and Consent Orders:
   - Topic 1 RPS provisions, 11 December 2018 (Attachment 2).
   - Topic 2 Water quantity and allocation, 7 March 2019 (Attachment 3).
   - Topic 3 Water quality, 4 December 2019 (Attachment 4).
   - Topic 4 Activities in waterways, 23 November 2018 (Attachment 5).
   - Topic 5 Riparian margins, 20 December 2018 (Attachment 6).
   - Topic 8 FENZ and Defence appeals, 2 November 2018 (Attachment 7).
2. Approves the freshwater planning provisions contained in the Tairāwhiti Resource Management Plan as amended by the Consent Orders and Environment Court decision referred to in resolution 2, under clause 17 of Schedule 1 of the Resource Management Act 1991.
3. Resolves to make the freshwater provisions contained in the Tairāwhiti Resource Management Plan operative as of 30 August 2023.
4. Notes that the staff will use clause 16 of Schedule 1 of the RMA to correct any typographical errors and other minor matters that need to be addressed, such as plan numbering and the use of cross-references.
5. Directs the Chief Executive to complete the statutory processes required to make the freshwater planning provisions operative, which include:
   a. Affixing the Council's seal to the amended Tairāwhiti Resource Management Plan.
   b. Publicly notifying the operative date least five working days before the provisions become operative.
   c. Providing a copy of the amended Tairāwhiti Resource Management Plan to:
      i. The Ministry for the Environment.
      ii. Adjacent regional councils.
      iii. Iwi authorities.
      iv. Every public library in the district.

CARRIED

10.5 23-145 Electoral Decision

MOVED by Cr Foster, seconded by Cr Gregory

That the Council/Te Kaunihera:

1. Pursuant to section 27 of the Local Electoral Act 2001 resolves for the 2022 Gisborne District Council triennial elections to:
   a. Retains the Single Transferable Voting electoral system.
2. Gives public notice by 19 September 2023 of the decision and of the right of electors to demand a poll on the electoral system to be used.

CARRIED

10.6 23-169 Update of Council Delegations

MOVED by Cr Wharehinga, seconded by Cr Robinson

That the Council/Te Kaunihera:

1. Agrees to make the delegations and revocations specified in the Instrument of Delegation in Attachment 1 to this report.
2. Agrees the Mayor can sign the Instrument of Delegation in Attachment 1 of this report to confirm the delegations have been made.

CARRIED

11. Close of Meeting

There being no further business, the meeting concluded at 1:45pm.

Rehette Stoltz
MAYOR

MINUTES

Draft & Unconfirmed

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MINUTES of the EXTRAORDINARY COUNCIL/TE KAUNIHERA

Held in Te Ruma Kaunihera (Council Meeting Room), Awarua, Fitzherbert Street, Gisborne on Thursday 28 September 2023 at 9:00AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz, Deputy Mayor Josh Wharehinga, Colin Alder, Andy Cranston, Larry Foster, Debbie Gregory, Rawinia Parata, Aubrey Ria, Rob Telfer, Daniel Thompson, Nick Tupara.

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Acting Director Lifelines Dave Hadfield, Chief Financial Officer Pauline Foreman, Director Sustainable Futures Jo Noble, Democracy & Support Services Manager Heather Kohn and Committee Secretary Jill Simpson.

The meeting commenced with a karakia.

1. Apologies

MOVED by Cr Wharehinga, seconded by Cr Foster

That the apologies from Cr Pahuru-Huriwai, Cr Robinson, Cr Tibble be sustained. CARRIED

2. Declarations of Interest

Cr Cranston declared an interest in report 23-212 Consultation on Crown Funding Offer for Cyclone Recovery as he has a family member whose property is Category 3.

3. Leave of Absence

There were no leaves of absence.

4. Acknowledgements and Tributes

There were no acknowledgements or tributes.

5. Public Input and Petitions

There were no public input or petitions

6. Extraordinary Business

There was no extraordinary business.

7. Notices of Motion

There were no notices of motion.

8. Adjourned Business

There was no adjourned business.

9. Reports of the Chief Executive and Staff for DECISION

9.1 23-212 Consultation on Crown Funding Offer for Cyclone Recovery

Chief Executive Nedine Thatcher Swann and Director Sustainable Futures Jo Noble attended. The Chief Executive advised that an additional recommendation has been tabled and this was recommended following a meeting with Treasury. The additional recommendation is authorising the Chief Executive to sign the Funding Agreement ahead of consultation and noting that the execution of the Agreement is conditional on Council's final decision following consultation. The preference is that the documents are signed off prior to the upcoming elections. Should there be a change of Government the Agreement will be honoured, however it may take longer for funding to become available.

Director Sustainable Futures Jo Noble further advised there will be a two week consultation period and Councillors have been invited to attend the meetings. The intention is that rather than having a formal Hearing, the community huis will provide the community the opportunity to present their views to Council in a slightly more informal manner. Alongside this there will be targeted engagement with Category 3 property owners on the detail of the Buyout process and how the Policy will be framed up. A report will be presented to Council on 1 November for adoption and this will outline whether to accept the offer, and should the offer be accepted what the Policy framework will be for Category 3 property owners.

Cr Wharehinga acknowledged the Chief Executive in leading this process and all the mahi involved in the negotiations with Central Government. He also acknowledged staff for the detail in the information provided and the hard work that has gone on behind the scenes.

Councillors questions of clarification included:

- Should the offer be accepted a commitment has been made to property owners that if they have indicated they are willing to negotiate on an offer, and they have agreed to have their property valued, initial proceedings will commence in November. The valuation process has already begun.
- The intention is that through the engagement hui, the team working alongside the Category 3 property owners are there to support should that support be needed. Also, written submissions will be accepted.

Secretarial Note: Cr Tupara arrived at 9.12am.

- There are twelve hearing opportunities through the community huis with two to three councillors present at each to hear what the community has to say. The Category 3 affected homeowners have already been interactive with the Recovery Team.

Cr Parata acknowledged Council staff for the responsiveness and the human kindness offered to people in our communities.

MOVED by Cr Wharehinga, seconded by Cr Foster

That the Council/Te Kaunihera:

1. Approves the release of the Statement of Proposal Consultation Document on the Government Support Funding Package for Cyclone Recovery (included as Attachment 1) for public consultation.
2. Approves the proposed changes to the Revenue and Financing Policy (included as Attachment 2) for public consultation.
3. Agrees that the total rates revenue increases, and debt thresholds are inconsistent with the 2021-2031 Long Term Plan and Financial Strategy. Notes rates increase for 2024/25 will be above the 5.5% cap (forecast to be 6.3%) and notes:
   i. The reason for the inconsistency is that the changes associated with outcomes of negotiations with the Government were not anticipated in the 2021-2031 Long Term Plan.

      and

   ii. Given the one-off nature of the offer and that a 2024-2027 Three Year Plan process will be completed by the 30 June 2024, there is no intention to amend the Financial Strategy.
4. Agrees that debt for the years 2024/25 and 2025/26 will be above the 130% level (forecast at 132% and 136% respectively) and;
   i. The reason for the inconsistency is that the changes associated with outcomes of negotiations with the Government were not anticipated in the 2021-2031 Long Term Plan

      and

   ii. Given the one-off nature of the offer and that a 2024-2027 Three Year Plan process will be completed by the 30 June 2024, there is an intention to amend the Financial Strategy to 150% debt to revenue.
5. Agrees to apply s83C of Severe Weather Recovery Legislation Act for a modified special consultative approach on the Government support package and proposed changes to the Revenue and Financing Policy for the purpose of enabling timely recovery from the severe weather events in early 2023, with:
   a. Consultation shortened to 14 days from 2 to 16 October;

      and

   b. Submissions to be made in writing and no hearing will be held.
6. Endorses the intent of the Government support package, subject to consultation with the public via the Consultation Document.
7. Revokes Council resolutions 3 and 4 (Report 23-188) of the Extraordinary Council Meeting of 24 August 2023, being:
   3. Endorses the intent of the cost sharing offer, subject to an amendment to the Long Term Plan being approved to provide for the Category 3 buyout activity.
   4. Agrees to consult on a proposed amendment to the Long Term Plan, to provide for the voluntary Category 3 buyouts, or provision of compensation to the owners of Category 3 properties.

8. Authorises the Chief Executive to sign the Funding Agreement with the Crown in advance of the consultation, noting that the execution of the Agreement is conditional upon Council's final decision following a consultation on the shared Crown voluntary buyout for:

   i. Category 3 "High Risk" properties; AND

   ii. Where the properties were affected by the North Island Severe Weather Events, as defined within the Severe Weather Recovery Legislation Act 2023.

CARRIED

Secretarial Note: Cr Cranston abstained from voting.

10. Close of Meeting

There being no further business, the meeting concluded at 9:22 am.

Rehette Stoltz
MAYOR

3.3. Action Sheet

Meeting Date	Item No.	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
02/03/23	9.3	23-37 Health & Safety Governance Charter	In progress	Consideration to be given to cultural safety along with a connection linking back to tikanga and values.	Heather Kohn	26/07/2023 Heather Kohn Discussing with Cr Pahuru-Huriwai regarding her thinking in requesting this as there is no information available externally on specific cultural safety in a Governance Charter.	21/11/23
30/03/23	13.2	Additional Action Items	In progress	Report 23-11 Chief Executive's Activity Report Staff to prepare a report to Council regarding reprioritising projects relating to the Better Off Funding.	Kelly Scott-Haenga	18/07/2023 Kelly Scott-Haenga This action is still ongoing. Report will be prepared once potential substitution projects have been identified/confirmed.	21/11/23
28/06/23	10.2	23-130 Setting of Rates, Due Dates & Penalties for 2023/24	Completed	Councillors to be advised of the implications of remitting rates on red stickered properties.	Jade Lister-Baty, Pauline Foreman	22/08/2023 Jade Lister-Baty Reported to Finance & Performance Committee – 1 August 2023 (refer 23-155 Rates & Sundry Debt. Full details were given around red and yellow stickers, FOSAL etc.	19/09/23
28/06/23	10.4	23-137 LG NZ Annual General Meeting 2023	In progress	The Local Government New Zealand Remit document to be placed on the 'Councillor Only' site as soon as it is received by the Mayor's office.	Annie Cousins		25/10/23

Meeting Date	Item No.	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
10/08/23	10.1	23-128 Bylaw Submissions Panel - Adoption Report - Dog Control Bylaw & Policy	In progress	Staff to bring back to Council information on the current enforcement powers Dog Officers have.	Makarand Rodge		21/11/23
10/08/23	10.2	23-95 Final Decision Report - Keeping of Animals Bylaw 2023	Completed	Advise Councillors if the permit for more chickens is annual or a one-off permit.	Abi Wiseman	14/09/2023 Abi Wiseman The $106 charge described in the Fees & Charges 2023 document (page 24) is a one-off cost for a first monitoring visit charged when a permit is applied for and granted in relation to deviating from the bylaw (for example, having the chicken house closer than the prescribed distance to the dwelling). Note the Compliance, Monitoring and Enforcement Manager may waive this fee if the application is made voluntarily and not subject to a complaint. If we are required to return to the property, e.g. to ascertain if nuisance exists, then a fee of $179 per hour will apply.	19/09/23

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

23-217

Title:	23-217 Committee Recommendations to Council - September/October 2023
Section:	Democracy & Support Services
Prepared by:	Heather Kohn - Democracy & Support Services Manager
Meeting Date:	Thursday 12 October 2023

Legal: No	Financial: No	Significance: Low

Report to COUNCIL/TE KAUNIHERA for decision

PURPOSE - TE TAKE

The purpose of this report is to approve recommendations arising from the Sustainable Tairāwhiti Committee, Finance & Performance Committee, and the Operations Environment & Communities Committee.

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

Sustainable **Tairāwhiti** Committee 7 September 2023

(Council did not receive a copy of the track changes to the **Tairāwhiti** Freedom Camping Bylaw 2021 at the Sustainable **Tairāwhiti** Committee meeting on 7 September 2023. This document is now attached.)

23-187 Freedom Camping Bylaw 2021 Amendments

1. Recommends that Council:

   a) Approves the amendments to the Gisborne District Council Freedom Camping Bylaw 2021 indicated by track changes in Attachment 1, to remove inconsistencies with amendments to the Freedom Camping Act 2011 made by the Self-contained Motor Vehicles Legislation Act 2023.

   b) Approves the correction of minor inconsistencies between schedule titles within the bylaw; and

   c) Approves the place name errors.

Finance & Performance Committee 13 September 2023

23-184 Gisborne Holdings Ltd Annual General Meeting and Appointment of Shareholder Proxy

1. Recommends that Council:

   a. Appoints the Mayor as Proxy for the Annual General Meeting of Gisborne Holdings Limited to be held at 5.30pm Thursday 28 September 2023 at the Waikanae Surf Lifesaving Club.

   b. Instructs the Proxy to vote as follows:

      i) To receive, consider and adopt the Annual Report, including the Financial Statements and the Audit Report thereon, for the year ended 30 June 2023.

      ii) To approve the dividend recommended by the Directors.

      iii) To confirm the appointment of Ernst & Young as agents of the Office of the Auditor General to act as the Company's auditor for the ensuing year in accordance with section 70 of the Local Government Act 2002, and to authorise the Directors to fix their remuneration.

      iv) To approve the Directors recommendation for the directors' fee pool to remain at $285,200 for the ensuing year.

      v) To deal with any other business that may properly be brought before the meeting.

Operations Environment & Communities Committee 14 September 2023

23-165 Community Occupancy Policy

1. Recommends that Council:

   a. Adopts the Community Occupancy Policy (attached).

      Community Occupancy Policy

Audit & Risk Committee 4 October 2023

23-214 Ernst & Young Closing Report for the Year Ended 30 June 2023

1. Recommends that Council:

   a. Approves the Ernst & Young New Zealand (EY) Close report as attached in Attachment 1, while noting:

      i. EY have substantively completed their audit for the 2022/23 Annual report.

      ii. That the final opinion will be subject to matters outstanding.

   b. Authorises the Chair of Audit & Risk Committee and Chief Executive to:

      i. Review any of the outstanding matters with EY auditors; and

      ii. To escalate any significant matters arising from the review as noted under b(i.) to Council, before the adoption of the Annual Report.

The decisions or matters in this report are considered to be of Low significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Adopts the recommendations from the Sustainable **Tairāwhiti** Committee:

    a) Approves the amendments to the Gisborne District Council Freedom Camping Bylaw 2021 indicated by track changes in Attachment 1, to remove inconsistencies with amendments to the Freedom Camping Act 2011 made by the Self-contained Motor Vehicles Legislation Act 2023.

    b) Approves the correction of minor inconsistencies between schedule titles within the bylaw; and

    c) Approves the place name errors.

2. Adopts the recommendations from the Finance & Performance Committee:

    a. Appoints the Mayor as Proxy for the Annual General Meeting of Gisborne Holdings Limited to be held at 5.30pm Thursday 28 September 2023 at the Waikanae Surf Lifesaving Club.

    b. Instructs the Proxy to vote as follows:

        i) To receive, consider and adopt the Annual Report, including the Financial Statements and the Audit Report thereon, for the year ended 30 June 2023.

        ii) To approve the dividend recommended by the Directors.

        iii) To confirm the appointment of Ernst & Young as agents of the Office of the Auditor General to act as the Company's auditor for the ensuing year in accordance with section 70 of the Local Government Act 2002, and to authorise the Directors to fix their remuneration.

        iv) To approve the Directors recommendation for the directors' fee pool to remain at $285,200 for the ensuing year.

        v) To deal with any other business that may properly be brought before the meeting.

3. Adopts the recommendations from the Operations Environment & Communities Committee:

    a. Adopts the Community Occupancy Policy (attached).

4. Adopts the recommendation from the Audit & Risk Committee:

    a. Approves the Ernst & Young New Zealand (EY) Close report as attached in Attachment 1, while noting:

        i. EY have substantively completed their audit for the 2022/23 Annual report.

        ii. That the final opinion will be subject to matters outstanding.

    b. Authorises the Chair of Audit & Risk Committee and Chief Executive to:

        i. Review any of the outstanding matters with EY auditors; and

        ii. To escalate any significant matters arising from the review as noted under b(i.) to Council, before the adoption of the Annual Report.

Authorised by:

Nedine Thatcher-Swann – Chief Executive

Keywords: committee recommendations to council, sustainable Tairawhiti committee, finance & performance committee, operations environment & communities committee, Gisborne Holdings Ltd, ghl, Annual General Meeting, agm, Appointment of Shareholder Proxy, freedom camping bylaw amendment, community occupancy policy

Te Ture **ā-rohe** Puninga Herekore o Te **Tairāwhiti** 2021

(Tairawhiti Freedom Camping Bylaw 2021)

GISBORNE
DISTRICT COUNCIL

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1. Title

(1) This bylaw is the Gisborne District Council Freedom Camping Bylaw 2021.

2. Commencement and application

(1) This bylaw come into force on 30 June 2021.

(2) This bylaw applies to the whole of the Gisborne District.

(3) This bylaw revokes the Gisborne District Council Freedom Camping Bylaw 2016 from 30 June 2021.

3. Enabling enactments

(1) This bylaw is made pursuant and subject to the Freedom Camping Act 2011 and the Local Government Act 2002.

4. Purpose

(1) The purpose of this bylaw is to regulate freedom camping in order to protect public access, public health and safety and the environment of the area, including the District's beaches, dunes and rivers from harm.

(2) This bylaw achieves this purpose by:

a) defining the areas in the District where freedom camping is restricted or prohibited; and

b) providing for the restrictions that apply to freedom camping in areas where freedom camping is restricted so that while freedom camping in these areas is encouraged, the areas, access to the areas, and the health and safety of people who may visit the areas, are protected.

5. Interpretation

(1) The Interpretation Act 1999 applies to this Bylaw.

(2) In this Bylaw, all definitions in Sections 4-7 of the Freedom Camping Act 2011 apply and unless the context otherwise requires:

Act means the Freedom Camping Act 2011.

Campsite means a site used for freedom camping in a local authority area.

Council means the Gisborne District Council or any Committee of the Council or officer delegated to exercise the authority of Council.

District means the territory of Council.

Enforcement officer has the same meaning as contained in Section 4 of the Act.

Freedom camp has the same meaning as contained in Section 5 of the Act.

Local authority area has the same meaning as contained in Section 6 of the Act.

Motor vehicle has the same meaning as ~~contained in section 2(1) of the Land Transport Act 1998~~in section 4 of the Act.

Offence has the same meaning as contained in Section 4 of the Act.

Permit means a permit, issued under clause 8 of this bylaw, to freedom camp in a restricted Seasonal Camping area listed in ~~Schedule C~~Schedule 3.

Person includes a corporation and also a body of persons whether corporate or unincorporated.

Prohibited Area means a local authority area where freedom camping is prohibited under clause 6.

Restricted Area means any local authority area that is not identified as either:

a) Prohibited in ~~Schedule A~~Schedule 1; or

b) A restricted seasonal camping area in ~~Schedule C~~Schedule 3.

Restricted Seasonal Camping means to freedom camp in a restricted seasonal camping area.

Restricted Seasonal Camping Area means any local authority area defined and marked in ~~Schedule C~~Schedule 3.

Semi-permanent Structure means any structure not qualifying as a tent, self-contained motor vehicle or motor vehicle or porter loo as determined by a Council enforcement officer.

Self-contained ~~vehicle~~ has the same meaning as in section 4 of the Freedom Camping Act.

~~means a motor vehicle designed and built for the purpose of camping which has the capability of meeting the ablutionary and sanitary needs of occupants of that vehicle for a minimum of three days, without requiring any external services or discharging any waste and complies with New Zealand Standard 5465:2001. This may be evidenced by the display of a current self-containment warrant issued under New Zealand Standard Self Containment of Motor Caravans and Caravans, NZS 5465:2001~~

~~For the avoidance of doubt, the vehicle must be equipped with a toilet that is adequately restrained or secured when travelling. The toilet must be readily usable within the vehicle including sufficient head and elbow room at all times, even with the bed made up.~~

Tent means a collapsible, portable shelter made from canvas, fabric or plastic supported by one or more poles and secured to the ground by pegs as determined by a Council enforcement officer.

Vehicle has the same meaning as in section 4 of the Act.

Waste has the same meaning as contained in Section 4 of the Act.

(3) Related information does not form part of this bylaw and may be inserted, changed or removed without any formality.

6. Freedom Camping in Prohibited Areas

(1) A person must not freedom camp in a local authority area defined and marked as prohibited in ~~Schedule A~~Schedule 1 of this bylaw.

(2) A person must not freedom camp in a restricted seasonal camping area between 1 May and the fourth Friday in October (the Friday preceding Labour Day).

> Related Information
> The Reserves Act 1977 also prohibits camping in reserves unless provided for under an active reserve management plan.

7. Freedom Camping in Restricted Areas

(1) A person freedom camping in a restricted area must camp:

a) in a self-contained motor vehicle; and

b) in accordance with the conditions in clause 9

(2) A person freedom camping in a restricted area must not camp within 1 kilometre of an area in which that person has undertaken freedom camping for three consecutive nights within the last four-week period.

> Related Information
> Restricted areas are illustrated in ~~Schedule B~~Schedule 2 and are clearly marked. Restricted areas are available for freedom camping, without a permit.

8. Freedom Camping in a Restricted Seasonal Camping Area

(1) A person may apply for a renewable 28-day permit to freedom camp in a restricted seasonal camping area.

(2) A person freedom camping within a restricted Seasonal Camping Area must camp in accordance with:

a) a permit (including the terms and conditions of the permit); and

b) the conditions listed in clause 9 (other than clause 9. (1)a)

(3) A person freedom camping in a seasonal freedom camping area must camp in;

a. a self-contained motor vehicle; or

b. a tent or motor vehicle with a chemical toilet.

(4) An enforcement officer, or any other person authorised by the Council, may revoke a permit.

> Related Information
> Council provides for freedom camping between the Saturday of Labour weekend and 30 April of the following calendar year in the restricted Seasonal Camping areas listed in ~~Schedule C~~Schedule 3 of this bylaw. These areas are closed from 1 May to Labour Weekend.

9. Conditions for freedom camping in local authority areas

(1) A person freedom camping in a local authority area must:

a) dispose of effluent in an appropriate manner at purpose-built septage disposal facilities; and

b) dispose of solid waste in Council rubbish bins or at facilities marked for waste management; and

c) not restrict access to public areas, private land or motor vehicle access ways; and

d) comply with any reasonable directions of an enforcement officer

e) provide evidence of any matter necessary for compliance with this bylaw, if requested by an enforcement officer.

> Related Information
> Council enforcement officers do not have a right to enter a dwelling but may, for example, inspect the outside for evidence of wastewater arrangements

f) Ensure that they do not behave in a manner which, in the opinion of an enforcement officer, causes a nuisance or unreasonable disturbance, through the creation of excessive noise, to other persons camping in the area or local residents.

g) ensure the campsite is left tidy and free from damage.

(2) A person in a local authority area must not:

a) camp in a semi-permanent structure; or

b) build, erect, or bring a semi-permanent structure onto the area.

> Related Information
> These conditions apply to a person freedom camping in a restricted area or restricted seasonal camping area, in addition to the obligations under clauses 7 and 8.
> The Freedom Camping Act 2011 and other legislation may impose additional restrictions in relation to camping. For example, the lighting of fires is regulated under the Fire and Emergency New Zealand Act 2017.

10. Prior consent from Council

(1) A person may freedom camp otherwise than in accordance with clause 6 to 9, if the person is freedom camping in accordance with written consent from the Council.

> Related Information
> Council may grant consent following consultation with iwi, with or without conditions. Consent may be applied for in writing, providing sufficient detail about the proposed freedom camping, to the Chief Executive of the Council at least 20 working days in advance of the date planned for freedom camping.

11. Council may close an area to freedom camping

(1) The Council may temporarily close or restrict freedom camping in any area or part of an area where the closure or restriction is considered necessary to:

a) prevent damage to the local authority area or facilities in the area; or

b) allow maintenance of the local authority area/ facilities thereon; or

c) protect the safety of persons/property; or

d) provide for unfettered public access, including in circumstances where events are planned for that area; or

e) protect residents from adverse effects associated with freedom camping in public spaces.

> Related Information
> Notice will be given of any temporary closure or restriction, and the removal of any closure or restriction, in any manner Council considers is appropriate. Prior notice of any temporary closure or restriction will be given where possible.

12. Enforcement

(1) An enforcement officer may use the powers under the Act to enforce this Bylaw.

13. Offences

(1) Every person who fails to comply with this Bylaw or the Act commits an offence as specified in section 20 of the Act.

> Related Information
> Section 20 of the Act specifies further offences which are not listed under this bylaw. For example, requirements in relation to compliance with the instructions of an enforcement officer.

14. Penalties

(1) Every person who commits an offence under this Bylaw or the Act is liable to a penalty as specified in section 23 of the Act.

15. Relationship of bylaw with treaty settlement legislation

(1) This Bylaw does not limit or affect the rights of iwi entitlements under any legislation passed in order to give effect to settlements under the Treaty of Waitangi.

THE COMMON SEAL OF GISBORNE DISTRICT COUNCIL WAS HERETO AFFIXED PURSUANT TO RESOLUTION PASSED AT A MEETING OF THE GISBORNE DISTRICT COUNCIL HELD ON 30th OF JUNE 2021.

_____ MAYOR

_____ CHIEF EXECUTIVE

Schedule 1: Prohibited Areas

Council prohibits freedom camping in Prohibited Areas as set out in clause 6 of this Bylaw.

a) Gisborne Urban Area and Surrounds



b) Sponge Bay, Wainui and Okitu



c) Makorori Beach



d) [~~Turihaua Point North~~Removed by amendment]



e) Waihau ~~Bay~~ Beach



f) Tolaga Bay South



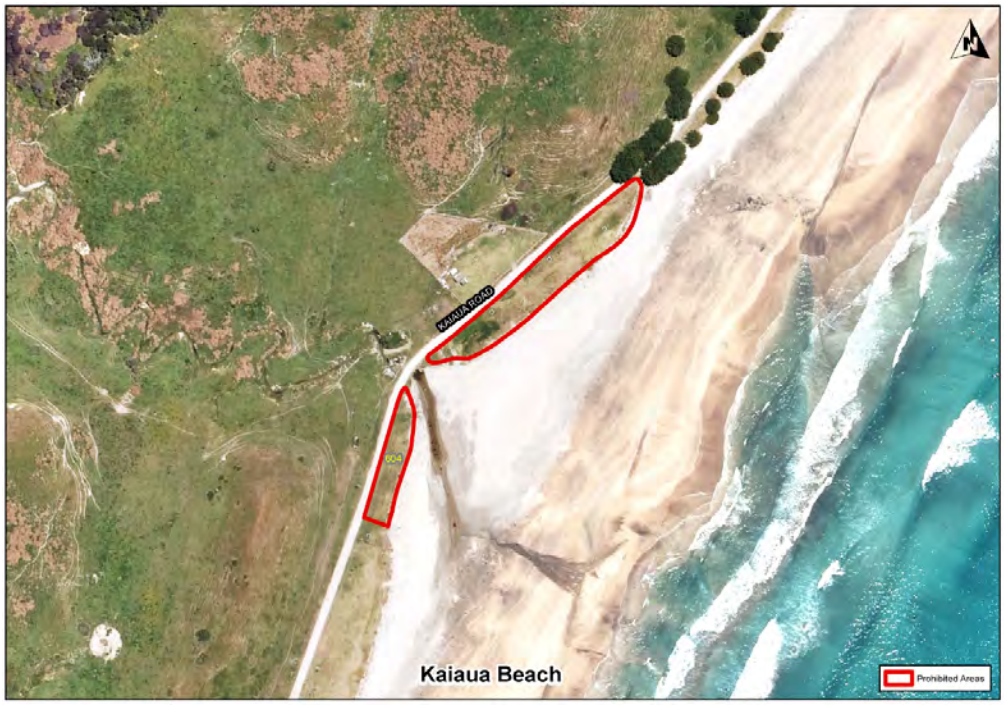
g) Tolaga Bay North



h) Tolaga Bay Wharf Carpark



i) Kaiaua Beach



j) Te Araroa



Schedule 2: Restricted Areas

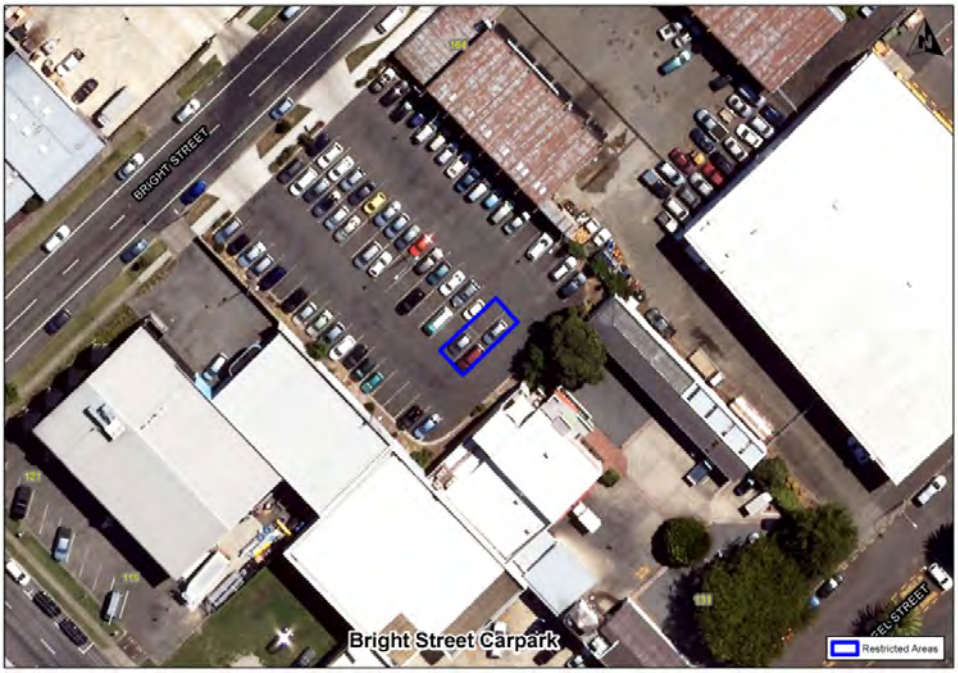
Council restricts freedom camping in restricted areas as set out in clause 7 of this Bylaw.

Related Information
Freedom camping is prohibited outside the areas identified by the blue box. If all car parks within the blue restricted area are occupied, persons wishing to freedom camp will need to find an alternative site or use commercial accommodation.

a) Makorori Car park



b) Bright Street Car Park



c) Midway Surf Club Car Park



d) Motu Rest Area



e) Tokomaru Bay North (Winter only - 1 May to Labour weekend)



f) Tokomaru Bay South (Winter only - 1 May to Labour weekend)



g) Kaiti Beach



Schedule 3: Restricted Seasonal Camping Areas

Council permits freedom camping in restricted seasonal camping areas as set out in clause 8

a) Doneraille Park



b) Turihaua Beach South (northern part only removed by amendment)



~~b)~~c) [~~Turihaua Beach North~~ Removed by amendment]



~~c)~~d) [~~Turihaua Point~~ Removed by amendment]



~~d)~~e) Removed by amendment~~Pouawa~~



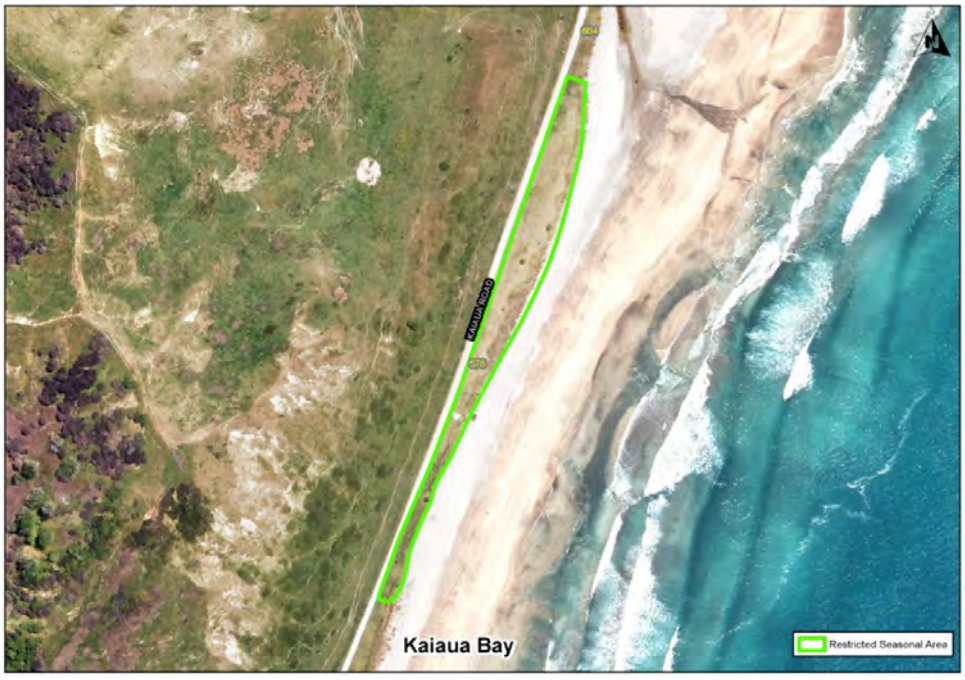
~~e)~~f) Waihau ~~Bay~~ Beach



~~f)~~g) Tolaga Bay



~~g)~~h) Kaiaua Beach~~Bay~~



~~h)~~i) Tokomaru Bay (South)



~~i)~~j) Tokomaru Bay (North)



~~j~~k) Waipiro Bay



Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

23-215

Title: 23-215 2022/23 Annual Report and Summary

Section: Finance

Prepared by: Melanie Hartung - Finance Manager

Meeting Date: Thursday 12 October 2023

Legal: Yes | Financial: Yes | Significance: Low

Report to COUNCIL/TE KAUNIHERA for decision

PURPOSE - TE TAKE

The purpose of this report is to present the Council's 2022/23 Annual Report and Annual Report Summary for adoption. The Chief Executive and Directors will present highlights of our Activities and Levels of Services for the past financial year to the Committee.

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

The Local Government Act 2002 and the Public Audit Act 2001 require Council's Annual Report to be audited each year. Ernst & Young (EY) are appointed by the Auditor-General to carry out the audit of Council's Annual Report. The Closing Report for the Annual Report 2022/23 was presented to the Audit & Risk Committee on 4 October 2023 (Report 23-214).

The audited Annual Report and Annual Report Summary need to be completed and adopted by Council within four months of the end of the financial year (30 June 2023).

This Annual Report reports against our 2022/23 Annual Plan (AP) which is year 2 of our 2021-31 Long Term Plan (LTP).

It is a report that covers a year made up of two very different halves. In the first half of our 2022/23 financial year, we focused on delivering what we had planned in our Annual Plan. The second half of the year took an unexpected turn after we experienced multiple severe weather events, resulting in widespread damage and multiple Civil Defence Emergency declarations. This was off the back of the previous year with four significant adverse weather events. Following these events, our focus shifted drastically towards reconnecting our communities and building a plan for our recovery.

The devastation left in the wake of Cyclones Hale and Gabrielle was and still is, significant. The extensive damage to our roads and vital infrastructure left entire communities isolated. The scale of damage and destruction caused by these events has left us with big recovery bills, and while this Annual Report notes the immediate work that has been done in response to these events, it also highlights that there is a long road to recovery ahead of us.

Despite the challenges these weather events have presented, remarkably we have managed to keep our major projects on track, including the Kiwa Pools and Wastewater Treatment Plant upgrade. Another key highlight for this year has been the flood protection work completed on the Waipaoa River (now totalling 32km). Without this critical infrastructure many more properties would have been impacted during Cyclone Gabrielle.

Despite the challenges posed by the severe weather events, our financial performance remains stable, particularly in the areas of debt management and our overall financial performance. The Benchmarks are used to assess whether Council is prudently managing its revenue, expenses, assets, debt, and general financial management.

Highlights of this year's financial performance are:

- A total capital investment programme of $83.6m, including near completion of the Wastewater Treatment Plant and Kiwa Pools.
- Total rates collected as a percentage of total revenue was 35%, much lower than the LTP average forecast of 60%. This means funding from Central Government and from our insurance cover for our response and recovery, reduced the burden on our ratepayer.

Disappointedly but understandably, we saw a decrease in some of our performance measures, including community sentiment towards our services. During the declared civil defence emergency events nearly all staff and contractors were diverted to support the emergency response and reinstatement. This meant we could not respond in our usual target response times. Services most impacted by the severe weather events recorded the most significant drop in resident satisfaction.

Council was not alone in seeing decreases in community sentiment. Most councils across New Zealand have decreases in overall satisfaction, perceptions of services and facilities, as well as image and reputation measures. Councils we benchmark against all saw decreased perception scores for water management, communications, and the quality of services and facilities.

Auditors Ernst & Young on completion of their audit and upon adoption of the Annual Report will issue their audit opinion. At that time, their audit opinion will be inserted into the final documents.

At time of compiling this report, the audit is still in progress but will be completed by the date of this Council meeting. Any changes arising from EY's final review process to the Annual Report will be tabled on the day. Our EY auditors – Partner Stuart Mutch and Senior Manager Kaylene Shelton, will be available online to answer any questions regarding their audit of our 2022/23 Annual Report.

The full 2022/23 Annual Report has been provided as Attachment 1. The Annual Report Summary has been provided as Attachment 2.

The decisions or matters in this report are considered to be of Low significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Adopts the Annual Report and Annual Report Summary for the year ended 30 June 2023 in accordance with s98 of the Local Government Act 2002, subject to minor changes, including formatting, grammatical and typing errors.
2. Signs the Statement of Compliance and Responsibility once adopted.

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Annual report 2022/23, 2021 – 2031 Long Term Plan, LTP, Annual Plan, AP, Local Government Act, LGA

BACKGROUND - HE **WHAKAMĀRAMA**

1. Sections 98(2)(a) and (b) of the 1Local Government Act 2002 (the Act) specifies the purpose of an Annual Report is:

    a. To compare the actual activities and the actual performance of the local authority in the year with the intended activities and the intended level of performance as set out in respect of the year in the Long-Term Plan (LTP) and the Annual Plan (AP); and

    b. To promote the local authority's accountability to the community for the decisions made throughout the year by the local authority.

2. Section 99(1)(a) to (d) and (2)(n) in addition to the information Part 3 of Schedule 10:

    The Annual Report must contain:

    a. The financial statements.

    b. The statement about budgeted and actual capital expenditure.

    c. The Funding Impact Statement.

    d. A statement that all statutory requirements in relation to the Annual Report has been complied with

    e. Include a summary report of Annual Report, including the Auditor-General's report on whether the summary represents, fairly and consistently, the information regarding the major matters dealt with in the Annual Report.

3. The Annual Report is Council's key accountability document. It sets out what we have achieved in the last year, explains how we spent rates and the value the community received in return. It compares our achievements and progress to what was planned to be achieved, in this case our Annual Plan (2022/23) which is year two of the 2021–2031 Long Term Plan.

DISCUSSION and OPTIONS - WHAKAWHITINGA **KŌRERO** me **ngā KŌWHIRINGA**

Being Accountable to our Community

4. The Annual Report is the story of our performance over the last financial year from 1 July 2022 to 30 June 2023. It is an important way of informing our communities about how we spent their rates. It also highlights the areas we performed well in, the areas where we need to improve, and provides context for where we need to head in the future.

5. The emphasis in the front section of the Annual Report and Summary is on informing the community of progress made with Council's major projects and district highlights, as well as informing our cyclone related response and recovery process.

6. It is then followed by our challenges and responses to explain how we will manage these over the next year when deciding on the work we need to do, what we should spend, and when we will deliver. This connects to our 2021-2031 LTP and where we are heading in this next period.

Cyclone Recovery Impacts to Financial Performance

7. There were several unplanned financial impacts as a result of Cyclones Hale and Gabrielle. The key impacts were in the following areas:

Revenue and Expenditure

8. During the cyclones several activities and their usual levels of services were either halted, or significantly impacted. These included the Kiwa Pools, and water services (commercial water metering).

9. A total of $67m was spent on roading emergency works, with $51m spent on fixing damage arising from the Cyclones Hale and Gabrielle. In addition to roading costs, there was around $5.2m spent on "response and recovery costs". These costs mostly related to Civil Defence standing up a region wide Recovery Office, and higher operating costs for the running of two water treatment plants.

10. The majority of these costs were funded by either Central Government grants, National Emergency Management Agency (NEMA) or from our own insurance.

11. In addition, there were accounting write off losses of $2.7m. These losses mostly related to bridges that were destroyed and swept away during Cyclone Gabrielle. It is likely that these costs will be recouped in the future from Waka Kotahi funding when the bridges have been replaced.

12. The table below shows an overall net deficit of $1m, due to the recognition of roading write offs.

Table 1: Revenue and expenditure

Cyclone Gabrielle cost summary	Actual 2023 $ Millions
Funding received	
Waka Kotahi subsidy	48.3
Other grants	5.3
Insurance/NEMA proceeds	1.2
Emergency Works incurred	
Roading	48.5
Response	3.4
Three waters + flood control	1.7
Other	2.2
Total surplus/(deficit)	(1)

Capital Investment Programme

13. The adverse weather events impacted the delivery of our capital projects due to the following:
    - Delays in construction due to loss of access to the roading network where nil or minimum work could progress.
    - Availability of staff and contractors due to redeployment to emergency response and recovery.
    - Shortages or delays in the supply of material.
    - Higher costs of materials due to higher demand.

14. The table below summarises where capital reinstatement costs were spent across different activities. It includes $2.9m for Water supply, reinstating the broken trunk line at Waingake. Council has contributed a total of $1.5m to the overall cost of reinstatement. This amount relates to the deductible from our insurance policy and from NEMA.

Table 2. Capital projects

Cyclone Gabrielle cost summary	Actual 2023 $ Millions
Capital Expenditure	
Roading	2.7
Response	0.1
Three waters + flood control	4.7
	7
Funded by	
Waka Kotahi	2.7
Insurance/NEMA	3.2
Council Contribution	1.5
	7

Financial Performance Overview

15. Council continues to be financially strong, both in terms of its debt and overall financial performance. Council met all its Financial Prudence Benchmarks, which show Council's planned performance compared against actual results. This illustrates that we are prudently managing our revenue, expenses, assets, debt and our general financial dealings.

16. One significant measure of our performance is what percentage rates make of our total revenue. This year rates represented 35% of our total revenue, which is much lower than the LTP average of 60%. This shows that significant external funds have been used to support our emergency and recovery efforts. While Council is not fundamentally better off after receiving the grants, this support from Central Government and from our insurance proceeds means we can reduce the burden on our ratepayers somewhat.

17. In 2022/23 we received a total of $210m, $62m more than what was in the Annual Plan. This increase was mostly due to receiving grants from Waka Kotahi and for other non-roading emergency related responses.

18. Council ended the year with a net surplus of $19.8m, $7.7m lower than what was expected in the Annual Plan. This was lower than expected due to timing of receiving capital grants, write-off relating to cyclone damaged assets, local share for roading emergency works (pre–Cyclones Gabrielle and Hale) and from not receiving a dividend from our Council Controlled Trading Organisation.

19. The receiving of capital grants is dependent on when the capital projects will be completed. This does not impact Council's bottom line, but it does create a variance of a lesser surplus than was expected within this Annual Report.

20. Total expenditure was $191m, $69.5m more than was in the Annual Plan. A total of $67m was spent roading emergency works during the year, with $51m being spent on fixing the damage from the cyclones.

21. The total capital investment programme was $83.6m, under $15.4m on the Annual plan budget ($99m). Most of the planned projects that were not completed as expected related to roading projects, including the East Cape Provincial Growth Fund (PGF 3-5 years programme).

22. The East Cape project is expected to be completed in 2023/24. It is still on track to be delivered within the overall 3-5 years of PGF approved programme.

23. This year's capital investment included:
    - $15.7m spent on the Wastewater Treatment Plant.
    - $19.7m spent on Kiwa Pools.
    - $18.9m towards the roading network.
    - $4m on the Waipaoa Flood Control project.
    - $2.9m of cyclone related damage for the Water mains supply.
    - $1.6m Muriwai Pipeline and reticulation.

Table 3 Finances at a Glance

	BUDGET 2022/23 $000s	ACTUAL 2022/23 $000s	VARIENCE FAVOURABLE/ (ADVERSE) $000s
Revenue from Rates	73,979	73,350	(629)
Grants and Subsidies - Operational	12,885	80,487	67,602
Grants, Donations, Subsidies and Contributions - Capital	44,535	42,919	(1,616)
Revenue from Operating Activities	17,037	15,015	(2,022)
Other Gains/(Losses)	(231)	(1,415)	(1,184)
Total Operating Income	148,205	210,355	62,150
Employee Benefit Expenses	30,672	28,965	1,707
Depreciation and Amortisation	24,907	25,966	(1,059)
Operating Activities	61,205	130,997	(69,792)
Finance Costs	4,482	4,886	(404)
Total Operating Expenditure	121,266	190,814	(69,548)
Net surplus/(deficit) before taxation	26,939	19,541	(7,398)
Subvention Income	600	300	(300)
Income Tax Expense (Benefit)	0	0	0
Net Surplus/(Deficit) after Tax	27,539	19,841	(7,698)
Gains/(Losses) on Property Revaluation	62,321	(215,596)	(277,917)
TOTAL COMPREHENSIVE REVENUE AND EXPENSES	89,860	(195,755)	(285,615)

24. Council did record a loss of $198 million after revaluation of assets. Most of the loss arises from the value of our land under the roads, where there was a market downward movement of just under 10%. A further decrease of 8% was also recorded against the land under the roads due to revising the total roading network. The methodology includes taking measurement of the centre line where the land under the roads is assessed. The assessment recorded a slight decrease amounting to 2.4% of the total 1900km network.

25. In addition to the downward movement of the value of land under our roads, were impairment costs of $64.3m. Most of the impairment relates to our roads as at 30 June 2023.

26. Council holds long term assets of $2.6 billion, including operational and infrastructure assets. When investing in infrastructure, we borrow funds so repayments can be spread across the generations that benefit from these assets.

27. Depreciation and amortisation costs total $25.8m (14% of our total costs) and repairs and maintenance costs (excluding roading emergency works) were $13.3m (or 10% of our total costs).

28. Council debt as at 30 June 2023, is $124.8m, $7.7m lower than the Annual Plan. Lower debt was driven by the timing of capital projects and having more cash on hand due to some grants being received in advance of the capital programme.

29. Other variances from the Annual Plan, both favourable and unfavourable, arose during the year. A more detailed analysis of all Council's activities is included in the "Our Activities" section of the Annual Report.

Non-Financial Performance

30. Council measures and monitors the quality and effectiveness of our services to ensure that we are delivering what we said we would, and that we are finding opportunities to improve our performance where required. The 104 measures and targets reported across our activities are from Year 2 of the 2021-2031 LTP. Each activity has performance measures with targets that we aim to achieve.

31. This year we have focused on maintaining Levels of Service where possible for the community while supporting and responding to the challenges we faced.

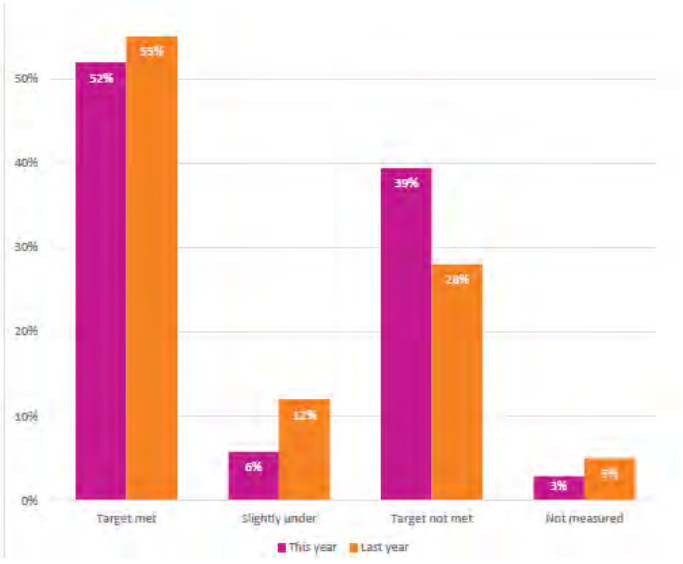
Achieving our Performance Targets

32. We have a total of 104 measures, including 30 mandatory measures, 26 measures directly from our Residential Satisfaction Survey, and 48 measures developed by Council within the 2021-2031 LTP.

33. Overall, 52% of our performance measures met the target, and an additional 6% were slightly under, being within 5% of the target. The remaining 39% did not meet the target.

34. This contrasts with the 2021/22 period where we met target for 55% of our measures, fell slightly under for 12%, and did not meet 28% of our measures.

35. The graph below shows the overall results of the performance targets we set for ourselves in 2022/23 and compares them with the 2021/22 period.



Mandatory Measures

36. We have 30 mandatory measures that are set by Central Government. They target our Three Waters, (Stormwater, Wastewater, Water Supply), Land, Rivers and Coastal, and our roads and footpaths. These measures can be found across all local authorities, allowing the public to compare the levels of service provided by different Councils.

37. Council met targets for 77% of its mandatory performance measures (23 out of 30) and did not meet targets for the remaining 23% (7 out of 30).

38. The measures we did not achieve fell into the following categories:

    Water Supply:

    We did not meet the customer satisfaction target for our water supply. Damages to water treatment plants and pipe networks resulted in a temporary loss of supply, leading to a doubling of complaints from residents compared to the previous year.

    Stormwater:

    We did not meet system performance and adequacy targets in the following areas:

    - Number of flooding events in our district.
    - Number of habitable floors affected during each flooding event.
    - Median response time for service personnel to reach a flooding event site.
    - Customer Satisfaction: The number of complaints received about the performance of our stormwater system did not meet target.

    Wastewater:

    We did not meet system performance and adequacy targets in the following areas:

    - Median attendance time for service personnel, from notification of the fault to site arrival.
    - Median resolution time, from notification of the fault to confirmation of resolution by service personnel.
    - Customer Satisfaction: The total number of complaints received about odour, system faults, blockages, and Council's response did not meet targets.

39. These services were significantly affected by the Cyclones which created delays in repair work, timely service and delays in responses.

40. For more details refer to the “Our Performance” section which gives an overall summary and “Our Activities” section for the details of each performance measure.

Performance Highlights

41. Council has identified several performance measures which demonstrate service excellence. Our highlights include:

- Roading service requests

  Despite our Roading team receiving more than double the number of Requests for Service compared to the previous year, Council managed to resolve 97% within target time frames.

- Resource consents

  We have improved the way we manage our resource consent process, and over 80% of consents were processed within the target timeframe.

- Educational programmes

  Throughout the year, we conducted over 30 educational sessions on waste minimisation and Civil Defence and Emergency Management, despite major pressure on both activities.

- Cultural activities

  The number of bookings for the Lawson Field and War Memorial Theatre substantially surpassed the set targets.

- Water supply:

  Council met all targets for urgent and non-urgent response times to interruptions in our water supply system, despite significant disruptions.

42. Council also identified areas for improvement through our performance measures with lower ratings. Our improvements include:

- Increase our patronage

  Council will focus efforts to increase user numbers for our bus service, library, and museum, which have seen a temporary decline in popularity after the severe weather events experienced this year.

- Building consents

  While nearing the target, we want to enhance the speed of our consent processes to prevent any unwanted delays.

- Solid waste

  The impact of severe weather events has led to a surge in solid waste directed to landfills, accompanied by a notable increase in incidents of illegal dumping.

- Stormwater and wastewater network

  Our water networks encountered unprecedented challenges, notably from Cyclone Gabrielle. This event impacted our response times for addressing faults and resulted in damage to key infrastructure.

- Engagement and customer service

  This year saw a massive increase in demand for engagement and customer service from Council staff. This demand put pressure on Council resources in these areas, and this is reflected in our scores.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o **NGĀ** HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation
Overall Process: Low Significance
This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan
Overall Process: Low Significance
This Report: Low Significance

Inconsistency with Council's current strategy and policy
Overall Process: Low Significance
This Report: Low Significance

The effects on all or a large part of the Gisborne district
Overall Process: Low Significance
This Report: Low Significance

The effects on individuals or specific communities
Overall Process: Low Significance
This Report: Low Significance

The level or history of public interest in the matter or issue
Overall Process: Low Significance
This Report: Low Significance

43. The decisions or matters in this report are considered to be of Low significance in accordance with Council's Significance and Engagement Policy.

TANGATA **WHENUA/MĀORI** ENGAGEMENT - **TŪTAKITANGA** TANGATA WHENUA

44. As the Annual Report reports on activities from the previous year and does not involve future planning or issues requiring consultation, Tangata Whenua have not been engaged during the preparation of this report.

COMMUNITY ENGAGEMENT - **TŪTAKITANGA** HAPORI

45. Council is not required to consult on its Annual Report; however we are required to make the Annual Report and the Annual Report Summary document available to the public within one month of its adoption (in this case, before 12 November 2022).

46. The Annual Report Summary will be primarily published online this year, with links distributed through our eNews.

47. The Annual Report and the Annual Report Summary will also be made available at Council offices, the HB Williams Memorial Library and on our website.

CLIMATE CHANGE – Impacts / Implications - **NGĀ REREKĒTANGA ĀHUARANGI – ngā** whakaaweawe / **ngā** ritenga

48. There are no climate change impacts or implications associated with the preparation of this report.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

49. Refer to the Financial Performance section above.

Legal

50. The content and recommendations in this report are consistent with the requirements of the Local Government Act 2002.

51. The audited Annual Report needs to be completed and adopted by Council within four months of the end of the financial year (30 June 2023).

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me **ngā** RITENGA WHAKAMAHERE

52. This Annual Report confirms that Council progressed as planned within Year 2 of the 2021-2031 LTP.

RISKS - **NGĀ TŪRARU**

53. There are no major risks associated with the decisions or matters in this report.

NEXT STEPS - **NGĀ** MAHI E WHAI AKE

Date	Action/Milestone	Comments
12 October 2023	Annual Report & Summary to be adopted at Council meeting.	Auditors will issue an audit opinion upon adoption of the Annual Report
12 October 2023	Media release on Council's financial and non-financial performance measures.	
October 2023	Annual Report & Summary made available on Council's website	Hard copies will be made available at Council offices and at the library
October 2023	Copies of the Annual Report and Summary to the Secretary; Auditor General and the Parliamentary Library	

ATTACHMENTS - **NGĀ TĀPIRITANGA**

1. Attachment 1 - Annual Report 2022-23 [23-215.1 - 212 pages]
2. Attachment 2 - Annual Report 2022-23 - Summary [23-215.2 - 56 pages]

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL



DRAFT FOR APPROVAL
6TH OCTOBER

Tō Tātau Tairāwhiti Māhere ā-Tau 2022/23

Our Tairāwhiti 2022/23 Annual Report

Te Kaunihera o Te Tairāwhiti
Gisborne District Council

Adopted by Council on 12 October 2023

ISSN 1178-1084 (Print)
ISSN 1178-1106 (Online)

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.

All images and illustrations in this document are the property of Gisborne District Council, unless otherwise specified.

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He mihi ki tā mātau Pūrongo ā Tau 2022/23
Welcome to our Annual Report for 2022/23

About this report

The Annual Report tells the story of how we performed in the 2022/23 financial year, the challenges we faced and how we are responding to them. This report covers the period from 1 July 2022 to 30 June 2023.

The report is an important tool for informing our communities about how we spent their rates. It also highlights the areas we performed well in, identifies areas for improvement and offers context for our future direction.

Included in this report are the major projects, programmes and services we delivered. It contains a summary of the impacts multiple severe weather events had on our region this year, and the steps we have taken so far in our recovery response.

The report is divided into the following sections:

- The year that's been
- Our direction
- Our responses
- Our performance
- Our activities
- Our finance

What's different this year?

Our 2022/23 Annual Plan outlined our focus and priorities for this year, in line with what we said we would do in our 2021-2031 Long Term Plan. However, as the year unfolded, we needed to make changes in response to the multiple severe weather events we experienced, including Cyclones Hale and Gabrielle.

Our immediate focus shifted from delivering major projects and regular services to emergency response. Restoration of our water supply network and road access became our top priorities.

Following our immediate response, we transitioned into a recovery phase which is where we are now. Our main priorities for recovery are ensuring that our community remains safe, protected and connected, while strategically planning for our long term recovery.

Council has identified specific key objectives that we want to achieve when it comes to recovery, which will be the focus of our Annual Plan for 2023/24. These key objectives include:

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



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 all fits together with the Annual Report.

Long Term Plan

In line with the Local Government Act 2002 (LGA), all councils need to outline the activities and services they plan to provide over ten years. Every three years Gisborne District Council (Council) has to review and prepare a new Long Term Plan (LTP) by engaging with our community. This ensures that our community contributes to setting our future direction. The LTP explains what we're planning to do, how we'll pay for it and what it means for rates and debt. It also sets out measures to monitor and evaluate our progress to ensure we remain transparent and accountable to our community.

This LTP is also an opportunity for Council to explain how we'll:

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

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

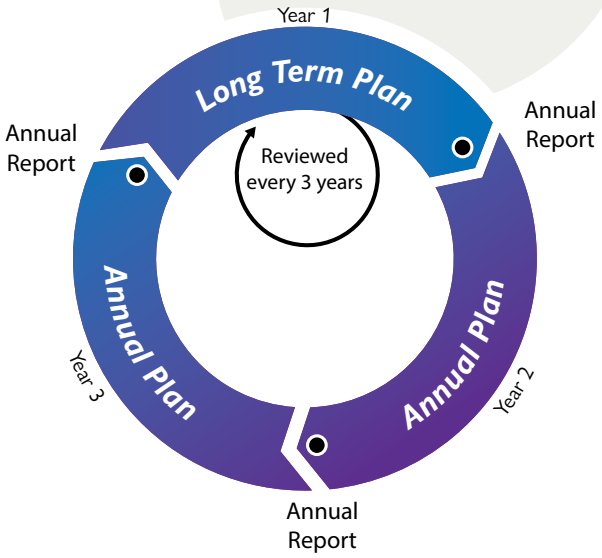
Annual Plan

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



Annual Report

The Annual Report is the key accountability document that Council is required to produce every year, which reports against our Annual Plan and current LTP. It tells the financial story of our performance over the past financial year and also serves as an important way of informing our communities about how we spent rates. It also highlights the areas we performed well in, the areas where we need to improve and provides context for where we need to head in the future.



Three Year Plan

Following the severe weather events of 2023, an Order in Council was made under the Severe Weather Emergency Recovery Legislation Act 2023. This will allow us to develop a three-year, recovery-focused plan instead of the standard 10-year plan.

Community consultation during the long-term planning process will remain part of the process for adopting the three-year plan.

Under the Order, Council will make information available on the three-year plan and will provide an opportunity for the community to present their views to Council. The proposed Order does not include audit requirements for the three-year plan, however Annual Reports will continue to be audited.



From left: Nedine Thatcher Swann, Rehette Stoltz

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

Tairāwhiti e! Tairāwhiti e! Tēnei te mihi e rere atu ana ki a koutou katoa mai runga, mai raro, mai tawhiti, mai tata, kia tiro mai ki ngā mahi a te Kaunihera o Te Tairāwhiti i te tau kua taha ake nei me ngā rā kei te heke.

Hāunga ngā piki heketanga o te wā kua hori, kia aro atu tātau ki pae tawhiti me ngā tūmanako e wawatatia ana e tātau. Me mahi tahi, me piritahi tātau. Ma te pērā ka ōti ai ngā mahi mo te rohe mo te iwi. Tihe mauri ora!

Nau mai ki te 2022/23 Annual Report

This report covers a year divided into two very different halves. In the first half of the 2022/23 financial year, we concentrated on delivering what was outlined in our Annual Plan. This was off the back of the previous year which also saw four severe weather events.

The second half of the year took an unexpected turn as Te Tairāwhiti experienced multiple severe weather events and four months of persistent rain. This led to widespread damage and several Civil Defence Emergency declarations. Following these events, our focus immediately shifted towards reconnecting our communities and planning for our recovery.

The devastation left in the wake of Cyclones Hale and Gabrielle was and still is, significant. The extensive damage to our roads and vital infrastructure left entire communities isolated. The scale of damage and destruction caused by these events has left us with big recovery bills, and while this Annual Report notes the immediate work that has been done in response to these events, it also highlights that there is a long road to recovery ahead of us.

Despite these challenges, we've managed to keep our major projects on schedule. These include the opening of the externally funded Kiwa Pools, providing the community with a state-of-the-art aquatic centre, and the near completion of the Wastewater Treatment Plant upgrade. Another key milestone this year has been the completion of flood protection work on the Waipaoa River, now extending to 32km. Without this crucial infrastructure, many more properties would have been adversely affected during Cyclone Gabrielle.

In January 2023, a petition was presented to Council asking for a ministerial inquiry into land use in Te Tairāwhiti. Council backed the petition's call for an independent review of forestry land use to be conducted by the Government. Following the inquiry, we moved to speed up the review process of the Tairāwhiti Resource Management Plan rules. We also established a dedicated forestry team to assess forests in the region for potential debris risks and to work with industry to improve forestry outcomes.



On top of all that, Council is in a period of change due to several major reforms affecting regulation, governance, and core infrastructure. These include a new National Policy Statement for Freshwater Management, new representational arrangements, and legislative changes such as the Water Services and Resource Management reforms.

We've sustained our commitment to advancing our partnerships and mahi within the context of Te Tiriti obligations. A new Māori responsiveness plan has been rolled out, aiding us in enacting national guidelines that facilitate substantive relationships with tangata whenua. This is particularly relevant in our crucial areas of focus such as freshwater, urban development, and land management.

We have managed to maintain stability in our financial position, particularly in debt management and overall financial performance. This year, rates revenue made up 35% of our total operating revenue, falling below the Annual Plan's forecast of 50%. We have navigated extra costs through support from central government and insurance, mitigating the financial impact on our ratepayers. Our current debt stands at $124.8m, in alignment with the financial cap and within the boundaries set by the 2021-2031 Long-Term Plan (LTP).

As we move ahead, it's important to acknowledge the long-term consequences of Cyclone Gabrielle and other severe weather events we've encountered this year. Managing these will require significant borrowing and additional funding support to handle future recovery work.

However, if we continue our commitment to working together with central government, our partners and community, to achieve affordable goals for our region, we are confident we can keep moving forward and keep our communities protect and connected into the future.

We invite you to read our Annual Report, acknowledge the challenges and celebrate the good work we've done.

Ngā mihi

Mayor
Rehette Stoltz

Chief Executive
Nedine Thatcher Swann

Pūrongo arotake pūtea
Audit report

Ko te tau kua taha
The year that's been

Tairāwhiti āianei
Tairāwhiti today

Our population by location

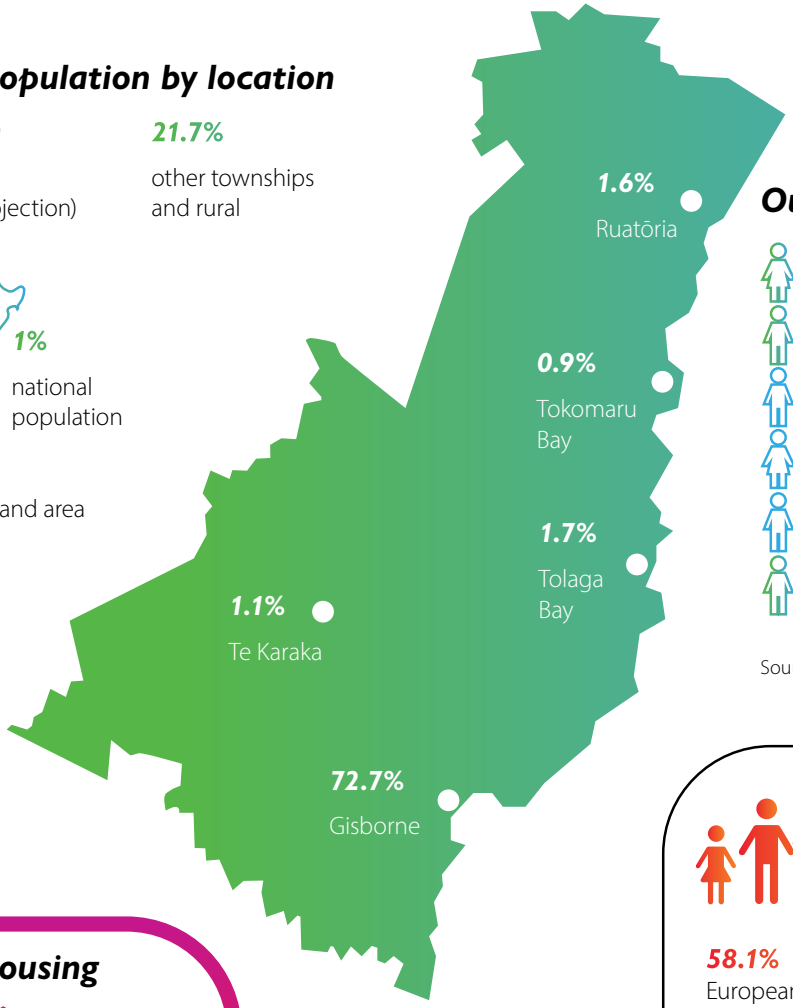
52, 100
people
(2022 projection)

21.7%
other townships
and rural

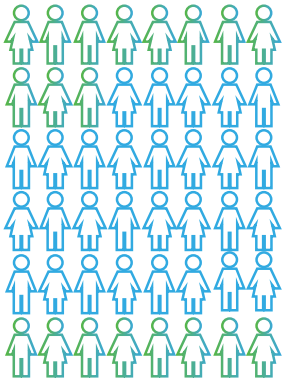


1%
national
population

3%
national land area



Our population age



22%
under 15 years old

61%
15-65 years old

17%
over 65 years old

***Median age* 37.2**

***Highest proportion of* under 25's in NZ**

Source: Stats NZ – www.stats.govt.nz

Our housing



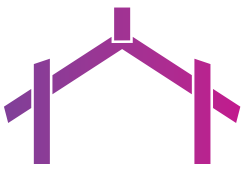
$780,000 ↓8.2%
national median

$575,000
Tairāwhiti median

↓19.6%
Tairāwhiti house price decline

(As of year on year
to June 2023)

Source: REINZ – www.reinz.co.nz



Our tangata whenua

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



Our ethnicities

58.1%
European

53%
Māori

4.5%
Pacific
peoples

2.8%
Asian

1.3%
other
ethnicities

Multiple ethnicities possible so totals more than 100%.

Source: Stats NZ – www.stats.govt.nz

Council services



10,889 registered dogs

---

39 playgrounds

30 sports parks



12 basketball and netball courts and hoops



13 skateparks and pumptracks



1,889km of roads of which almost

87% are rural roads

236km of footpaths





18.5km cycle lanes/ shared paths

---

72 public conveniences





38,300m³ of water capacity stored in

7 reservoirs

77km of stopbanks





Household income

$105,000

national median

$95,500

Tairāwhiti median

=13%

less than national median

Source: MBIE – www.mbie.govt.nz/



Employment

68% working-age employed

3.9% unemployment rate

14% self-employed

24,650 jobs, mainly in

1. ***Agriculture/Horticulture***
2. ***Construction***
3. ***Healthcare***



GDP

$2.46b

$51,883 per capita

0.7% national contribution



Gisborne Airport

210,236 (↻76,000)

passenger movements

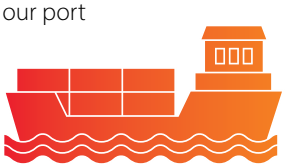
25,202

take-offs and landings

Source: Eastland Group www.eastland.nz – Annual Report 2023

Gisborne Port

2.4m tonnes of cargo left our port



Source: Eastland Group www.eastland.nz – Annual Report 2023

Ngā mahi whakahirahira i te rohe
Our district highlights

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

During 2022/23 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 35)

Social ***Cultural***

Environmental ***Economic***



Enviroschools

Support through the Earthwise Action Fund has contributed to the sustainability initiatives at Waikirikiri School.



Makorori beach spinifex planting

In October 2022, Makorori Beach residents planted 700 native spinifex grass in a community planting bee.



Community planting day at Rere

One thousand trees were planted July 2022 to help protect against erosion sediment.



Civil Defence roadshows

The roadshow brought together emergency services in Te Tairāwhiti to train in partnership with community Civil Defence volunteers, which form part of the 'Community Link' regional structure.



Community sandbag event

We took part in a community project to fill 10,000 sandbags for Te Tairāwhiti - the first of its kind in New Zealand.



Restored connection to city's reservoirs

Ten breaks in the water supply pipeline from the Waingake Treatment Plant to the Gisborne reservoirs were fixed within six weeks. In recognition of this achievement, a joint blessing between Council and Maraetaha was conducted at the Waingake Treatment Plant.



Resource recovery centre study

We're investigating the development of a new community resource recovery centre. We received $90k in funding from the Ministry to complete the Environment's Waste Minimisation Fund for the feasibility study.



Kiwa Pools complex built

The Kiwa Pools complex was opened for public use on Saturday 2 September. This contemporary, temperature-controlled facility was developed in collaboration with Ngāi Tāwhiri hapū. The project was supported by $40m from the Government's COVID-19 shovel-ready stimulus package.



Waikanae beach half-courts

A partnership between Basketball New Zealand, Gisborne Basketball Association, Hoeā! Gallery and Council has resulted in two new half-courts at Waikanae Beach.



New playgrounds in Te Araroa and Tiniroto

Tamariki and rangatahi of Te Araroa are enjoying their newly completed playground after it was officially opened by Mayor Rehette Stoltz, Councillor Ani Pahuru-Huriwai and former Councillor Bill Burdett.



Local legend

Our very own Biosecurity Team Leader, Phil Karaitiana was named the winner of the New Zealand Ministerial Biosecurity Award.



Wai to Muriwai

A major milestone was reached for Te Muriwai Mai Tāwhiti on 9 June 2023 when their new water supply was officially blessed at Pātaka Wai.



Hikurangi Magnitude 9 Workshop

Our Civil Defence team and NEMA organised a 3-day workshop with other agencies and emergency services, focusing on response and recovery for a potential Hikurangi M9 earthquake offshore of Gisborne.



Te Tiriti Compass

Adopted by Council in September 2022, Te Tiriti Compass is a new tool designed to support Council in applying the kaupapa of Te Tiriti o Waitangi across our mahi.



100s of new books

Hundreds of new books were added to the large print collection in the library, purchased with support from the HB Williams Memorial Library Book Trust.

Ngā mahinga manawarū whakarauora
Our recovery highlights

Recovery overview

Estimated total recovery costs of approximately $1.2 billion

Water network reinstatement

10 major breaks in water supply pipeline

$2.9m in repair work

Repair work completed in 45 days

Road reinstatement

Estimated cost for road network reinstatement: $465m +

Assessment identified 62 bridges were affected

$51m spent on emergency roading works this year

Future of Severely Affected Land (FOSAL)

SWERL Act 2023 introduced post-Cyclone Gabrielle to aid recovery

2,000 properties faced flooding, silt inundation, and land erosion

32 properties considered unsafe for habitation

Consultation on $204m Central Government package opens 2 October until 16 October.

Flood protection, woody debris and silt management

$31.4m allocated for silt and woody debris emergency response

Over 650,000m³ of silt removed

Slash removal from 77 bridges completed

Excavators clearing approximately 200m³ of silt and debris daily from local drains

Disaster Relief Trust and Mayoral Relief Fund

417 applications received for financial aid

222 red and yellow stickered properties assisted

$2.8m allocated to date





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



Kiwa Pools

We've built a pool for our community that is fit for purpose now and in the future. The completed facility is a modern, year-round, temperature-controlled aquatic centre the whole community can enjoy. We have worked collaboratively with Ngāi Tāwhiri hapū, paying careful attention to the relationship of the building, the land and the people of Te Tairāwhiti.

Dollars and cents

2022/23 budget $19.56m - Actual $19.67m

LTP budget $44.5m



Central government funded $40m as part of the nationwide COVID-19 shovel-ready stimulus package, while Council committed the remaining funds towards the project. Further grants totalling $1.4m were secured towards additional enhancements of the build (solar panels and hydrotherapy pool fitout).

Project highlights 2022/23

While COVID-19, a cyclone and six extreme weather events delayed the opening of Kiwa Pools to 2 September 2023, the project has been successfully completed within budget.

The new complex features:

- a large movie capable screen and scoreboard in the main pool hall
- a moveable floor to enable concurrent programmeming of the main pool
- a large leisure space that connects seamlessly to the outdoor facility
- a dedicated learn to swim/hydrotherapy pool
- a stunning indoor/outdoor café area (with a highly regarded operator),
- an expansive foyer area
- a multipurpose, digitally enabled function or family room complete the offering and will support a range of community uses beyond that of a traditional pool.

Additional grant funding has enabled the scope of the pool to be increased to include:

- extensive solar polars, contributing to its sustainability and reducing ongoing operating costs
- a specialist hydrotherapy suite for intensive patient or athlete rehabilitation.

Project status

Start date: November 2020

Completion date: September 2023

Completed

Impacts of severe weather events

The opening of the Kiwa Pool complex was postponed by five months due to a combination of factors, including extreme weather events and the impact of COVID-19. Despite these setbacks, the project was completed within the available budget.

Community wellbeings and outcomes

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

Resilient communities

Vibrant city and townships

Connected and safe communities

We celebrate our heritage

Council activities

To see how this major project contributes to Council's activities refer to » *Liveable Communities Group on page 104.*

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

» ***Kiwa Pools | Gisborne District Council (gdc.govt.nz)***



Navigate Tairāwhiti

Navigate Tairāwhiti is a programme of five projects delivered together with tāngata whenua and partner organisations. The programme weaves together significant sites through storytelling and design to highlight our region's unique culture and heritage of first arrivals and great navigators.

Dollars and cents



2022/23 budget $1.5m

Actual $8k *LTP budget $1.8m*

Te Panuku/Tītīrangi Summit redevelopment is pending external funding to complete. $1.1m has been grant funded to date.

Project highlights 2022/23

Tītīrangi maunga restoration

- Whāia Tītīrangi pest and weed control is ongoing along with planting and care of locally sourced native tree plantings.

Project status

Te Panuku Tū/Tītīrangi Summit redevelopment

This project is on-hold as it requires further external funding to build.

On hold

Puhi Kaiti /Cook Landing Site

Puhi Kaiti is complete and is being maintained by the Department of Conservation. The connection of the 1000-year Walkway Bridge on this site is pending.

1000 Year Walkway Bridge

- Additional funding for artistic elements of the new waka shaped design was secured.
- Resource consent was lodged and work to construct foundations was secured.

In progress

Impacts of severe weather events

Recent weather events caused the Tītīrangi maunga tracks and road to be closed due to slips, fallen trees, road slumps and cracks and the loss of some young trees.

Community wellbeings and outcomes

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

- ***A driven and enabled community***
- ***Vibrant city and townships***
- ***Connected and safe communities***

Council activities

To see how this major project contributes to Council's activities refer to » *Liveable Communities Group on page 104.*



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

» ***Navigate Tairāwhiti | Gisborne District Council (gdc.govt.nz)***



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

» ***DrainWise Implementation Programme | Gisborne District Council (gdc.govt.nz)***

DrainWise Implementation Programme

The DrainWise programme is about working with our community to prevent wastewater overflows onto private property and into our rivers during heavy rain. Council maintains a stormwater model that assists in identifying flood areas and where there is a need to upgrade our piped network. We also have an ongoing renewal programme for old wastewater pipes to reduce groundwater leaking into these pipes.

Dollars and cents

Capital

2022/23 budget $5.83m
Actual $4.73m
LTP budget $32.3m



Operational

2022/23 budget $345k
Actual $608k
LTP budget $3.9m



The project is 100% Council funded to address stormwater issues on private properties through public network extensions, as well as to undertake renewal and upgrades of the Stormwater and Wastewater networks.

Project highlights 2022/23

Council's wastewater network

- Improved performance of our public wastewater network through increased cleaning and surveillance.
- $2.14m spent lining leaking earthen pipes, and $47k reducing the risk of overflows from our sewer pump stations.

Council's stormwater network

- Completed further updates to the stormwater models for Kaiti, Whataupoko/Mangapapa and Elgin/Central Business District to identify future upgrades.
- The $741k stormwater upgrades in Graham Road were tendered but had to be postponed due to elevated groundwater levels. The process will restart during Summer 2023.

Council pipes installed on private property

- De Lautour/Wainui Road.
- Ida/Coldstream Road (90% Complete).
- Craig Road.

Private Property Inspections and Repairs

- Repaired 1,085 leaking gully traps.
- Undertook 2,100 property inspections.
- Removed 35 downpipes going into gully traps.

Project status

Start date: July 2015

This programme of work is now linked to a resource consent for both dry and wet weather overflows. To meet the consent requirements a larger budget will be required and will be formalised in the next Long Term Plan.

Impacts of severe weather events

The unprecedented high groundwater and repeated heavy rain events have seen multiple discharge events, from more locations and for much longer durations.

A consequence of the elevated groundwater level is the creation of depressions above stormwater and wastewater pipes. This has prompted concerns about potential structural damage and disruptions to the network.

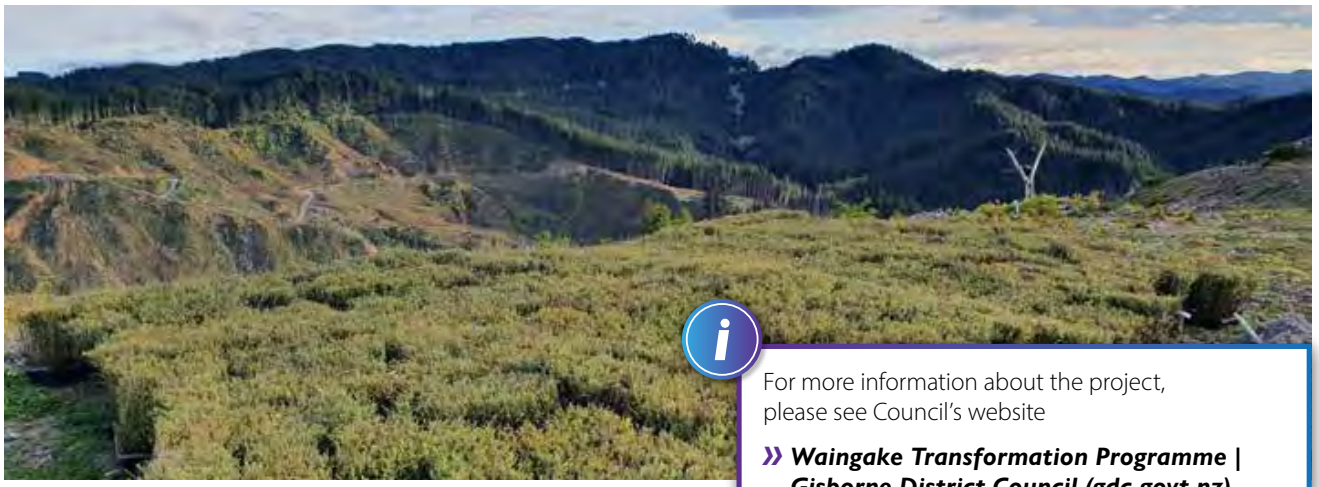
Community wellbeings and outcomes

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

A driven and enabled community
Resilient communities
Connected and safe communities

Council activities

To see how this major project contributes to Council's activities refer to » *Wastewater Group on page 90.*
» *Urban Stormwater Group on page 100.*



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

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

Waingake Transformation Programme

In partnership with mana whenua Maraetaha Incorporation and supported by Ngāi Tāmanuhiri, the Waingake Transformation Programme has an ambitious plan to transition 1100 ha of plantation pine forestry to a thriving indigenous ngahere. The programme is based around protecting what we have and growing a new indigenous forest for Te Tairāwhiti - one where our people are connected to the whenua. We provide meaningful training and employment, our biodiversity flourishes and our water supply remains high quality.

Dollars and cents

2022/23 budget $2.8m - Actual $1.9m

LTP budget $17.9m



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

Secured $5m in external funding from Department of Conservation, Ministry for Primary Industries and One Tree Planted.

Project highlights 2022/23

The Waingake Ngahere Ora Team has:

- Completed clearing, marking, and installation of over 16km of internal traplines within the Waingake Waterworks (QEII) Bush.
- Completed wax-tag monitoring to gather baseline data on possum abundance in the QEII Bush was completed in December 2022, with an 84% bite-mark index indicating high possum numbers.
- Conducted surveillance and control of pampas, buddleia, banana passionfruit, convolvulus, ivy and other weeds across 176ha of cutover areas.
- Planted 223,000 native plants across 173ha during the 2022 planting season.
- Completed wild pine control of 234ha, helping to ensure our native plants can establish without threat of competition from pines.
- Continued collaboration between contractors and the Ngai Tāmanuhiri kaitiaki hunting roopu to sustain ungulate control across 3000ha resulting in an additional 284 feral animals controlled.

Project status

Start date: October 2019

This project is ongoing.

Impacts of severe weather events

- Loss of access due to slips on Waingake and Tarewa Roads.
- Redeployment of staff and contractors for one-month post Cyclone Gabrielle.
- 2023 planting plans were revised accordingly to account for lower plant numbers and to ensure Health and Safety of planters on steep and un-stable terrain.
- Continuous wet weather over spring and summer has created challenging conditions for weed control and releasing of planted natives.
- Traplines within the Waingake Waterworks (QEII) Bush required re-establishment following damage sustained in Cyclones Hale and Gabrielle.

Community wellbeings and outcomes

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

Resilient communities

We take sustainability seriously

We celebrate our heritage

Council activities

To see how this major project contributes to Council's activities refer to » *Liveable Communities Group on page 104.*

Waipaoa Flood Control Climate Change Resilience Project

The project will 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

2022/23 budget $4.51m - Actual $4.04m

LTP budget $33.58m



The total project estimate is $32m-$35m.

In mid-2020 Council was awarded $7.5m of government funding to accelerate the delivery phase of the project up until December 2023. All external funding has been utilised.

Project highlights 2022/23

Completed work:

- Completed flood mitigation work at Tangihanga Station (Lavenham Road, western side) in December 2022, which included creating a deflection bund to safeguard an irrigation dam and implementing an emergency spillway.
- Constructed a 900m-long ring-bank to protect private buildings, staff housing, greenhouses and sheds during Cyclone Gabrielle.
- Nearly completed the construction of the eight-metre high Mahunga Stream floodgate in Ormond Township.
- Upgraded most of the stopbanks, totalling 24.5km, on the eastern side of the Waipaoa River. Additionally, approximately 8km of stopbanks have been upgraded on the western side near Manutūkē Township and Te Arai River.

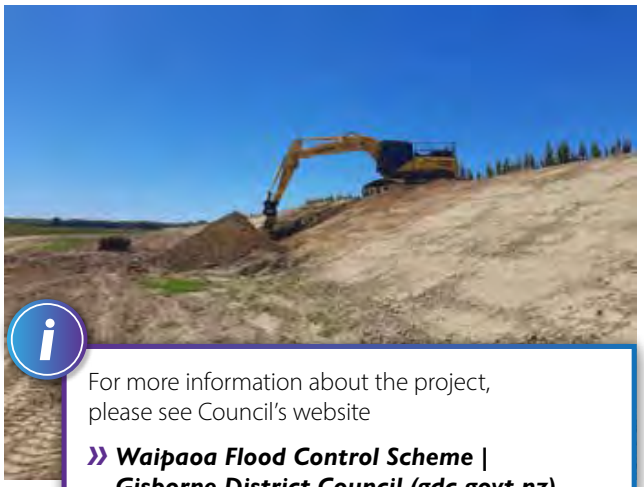
Project status

Work ahead:

- In spring, stopbank upgrade work will restart around the Manutūkē area (western side) to continue stopbank upgrade work towards the Matawhero Bridge and Patutahi Township.
- Stopbank construction work will get back underway in the Ormond Township area (either side of the Mahunga Stream), to complete the last 500m of stopbank upgrades required to fully complete all the eastern (city) side.
- Earthworks to tie the new Mahunga Floodgate into the Waipaoa stopbank on either side of the new structure is expected to be undertaken in December 2023.
- Planning, investigation, geotech, and detailed design works are also ongoing for future areas.

Impacts of severe weather events

- All stopbank upgrade work was placed on hold until spring 2023. This affected contract completion timeframes, and delayed stopbank upgrade progress.
- We saw severe damage to the Waipaoa Stopbank at two locations, both were on the western side of the Waipaoa River, and both occurred in areas that hadn't been upgraded yet.



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

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

Community wellbeings and outcomes

This major project contributes to the following Community wellbeings and outcomes:

- ***Resilient communities***
- ***Vibrant city and townships***
- ***Connected and safe communities***
- ***We celebrate our heritage***

Council activities

To see how this major project contributes to Council's activities refer to » *Land, Rivers and Coastal on page 76.*



Walking and Cycling

The programme brings together several strategies, projects and initiatives between Council and Waka Kotahi 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 and therefore improve health, economic and social outcomes.

Dollars and cents

2022/23 budget $2.1m - ***Actual $1m***

LTP budget $7.8m



A local share of $2.5m (loan funding) has been allocated for the Taruheru River Walkway and Cycling project, contingent upon external funding.

$340k for the Ūawa Walking and Cycling project.

$100k per annum additional expenditure for the 2021-2023 LTP for the Tairāwhiti Walking and Cycling Network Plan (subject to approval from Waka Kotahi).

Project highlights 2022/23

Titirangi Drive

A one-way system with a separated walking/cycling lane from the summit to Endcliffe Road completes the connection across Tītirangi Maunga from Te-Poho-o-Rawiri marae. A 30km/h legal speed limit has also been implemented.

Streets for people

Hei Huarahi / Streets for People adaptive urbanism projects in Grey Street and Ūawa led by community groups have been progressed as part of a Waka Kotahi initiative along with 13 other councils across Aotearoa.

A Grey Street festival was held in December to launch the project with some temporary instalments and changes being trialed around the skatepark.

Ūawa

5.1km of off-road shared paths have been constructed connecting the school with the awa, moana, playground, sports field, and shops.

- This project is part of a wider vision to build a protected cycleway and walk-way from the township to the wharf with safer routes along State Highway 35 and the adaptive urbanism project Hei Huarahi Oranga / Streets for People for the main street to trial better crossings and on-road separated cycleways.

Project status

Start date: July 2021

This project is ongoing.

Impacts of severe weather events

Ūawa suffered some damage to the new trails when the course of the awa changed and continues to flood a section near the bottom of the school. A re-route is being progressed further upstream to ensure the trail loop can be reconnected.

Community wellbeings and outcomes

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

Resilient communities

Vibrant city and townships

Connected and safe communities

We take sustainability seriously

Council activities

To see how this major project contributes to Council's activities refer to » *Roads and Footpaths on page 81.*

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

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



Wastewater Treatment Plant upgrade

We're upgrading the infrastructure of our treatment plant to improve water quality in partnership with key stakeholders and Iwi representatives from the Wastewater Management Committee (WMC) and KIWA Group. We're exploring alternative use and disposal with wetlands to progress the use of treated water.

Dollars and cents

2022/23 budget $15.3m - Actual $15.7m

LTP budget $31.3m



A further $2.6m is budgeted to start the process of building a city wastewater wetland - to act as the final stage of wastewater disposal, rather than marine outfall – in 2029 to 2031.

Project highlights 2022/23

- Construction of civil, mechanical, electrical, control and automation completed.
- Pre-commissioning hydrostatic testing, component and equipment checks, and installation signoffs by third party suppliers.
- Development of the relevant operations manuals, asset registers, cold and hot commissioning and trial operations plans.
- Tender process and award of the associated biosolids contract.
- Electrical code of compliance achieved.
- First operation of new plant and cold commissioning completed.
- Start of hot commissioning and running product.

Project status

Start date: December 2015

- Pre-commissioning testing and signoff.
- Cold commissioning completed 28 July 2023.
- Physical construction completed 4 August 2023.
- Hot commissioning, forecast for completion 31 August 2023.
- Trial operations and plant optimisation period, 25 days following.

Impacts of severe weather events

Around a fortnight of productive time was lost, although the site itself was not heavily affected by the devastating effects of the 2023 cyclones and floods. The impact was more associated with shipping and deliveries disrupted for some months. An extension of time, without associated cost, was granted for a total of 65 working days (13 weeks).

Community wellbeings and outcomes

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

- *A driven and enabled community*
- *Resilient communities*
- *We take sustainability seriously*
- *We celebrate our heritage*

Council activities

To see how this major project contributes to Council's activities refer to » *Wastewater Group on page 90.*

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

» ***Wastewater Treatment Plant | Gisborne District Council (gdc.govt.nz)***



Tō tātau aronga
Our direction

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.



Tairāwhiti 2050

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

Tō tātau anga rautaki
Our strategic framework

Our Strategic Framework sets out the strategic priorities that determine what is important to focus on, invest in, and deliver to achieve our community outcomes. See our 2021-2031 LTP on our website.

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

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

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

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

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

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 hononga tiriti
Treaty relationships and partnerships

Our journey so far

Council's intent is to be a good treaty partner and numerous options have been developed to achieve meaningful bilateral relationships with iwi and hapū. Council is transitioning away from 'taking Te Tiriti o Waitangi into account' and wants to 'give effect to Te Tiriti' instead. This commitment entails enacting treaty principles and serves as a signal of intent that goes beyond the existing obligations placed upon Council by legislation.

Last year

2022 financial year was a significant year for us. It marked the establishment of Māori wards, welcoming five Māori ward Councillors. Each Councillor bringing a wealth of knowledge and experience, along with their broader perspective. Together, there is a collective desire for relationships founded on Te Tiriti and for decisions to be made together in partnership with mana whenua.

In 2022, Council adopted our Te Tiriti Compass, a tool used to centre our intent on honoring Te Tiriti and shaping how we, as Council, engage in partnerships under Te Tiriti o Waitangi and function as a Tiriti partner.

Using Te Tiriti Compass, Council aims to realign itself with the objective of establishing enduring Tiriti partnerships. This may involve revisiting co-governance discussions on significant kaupapa, such as resource management planning and recovery, while formalising relationships between Council and hapū/marae. It also involves jointly responding to emerging opportunities and priorities.

At the end of 2022, Council committed to establishing a Te Tairāwhiti Plan Review Committee, appointing Councillor members to this body. This step signified our dedication to revisiting our regional plan in partnership with tangata whenua. The appointment of iwi-nominated members, the formulation of a term of reference (TOR) and addressing other matters must be settled before this committee becomes operational.

As Council progresses its organisational understanding of Te Tiriti o Waitangi, our staff now employ the Te Tiriti Compass to measure and form an articles-based approach to implementing Te Tiriti in our mahi.

We also acknowledge that while there are legal and statutory obligations to Māori, these form only part of the foundation, and are not the ceiling for future Te Tiriti-based decisions and partnerships.

Changes to our regional context

Tiriti partnership does not exist in a vacuum of goodwill and resource; it is influenced by the dynamics of our regional and national context. While Council's intent is evident – aiming to be a strong partner – the specifics of how and when we achieve this are not as clear.

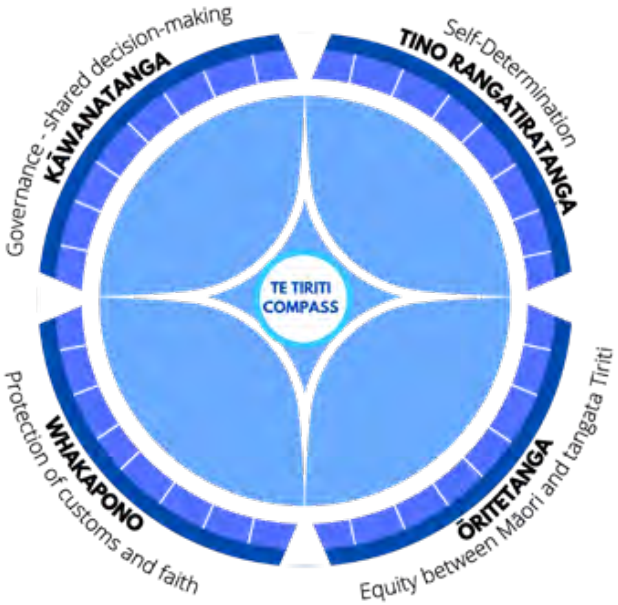
Partnership can only occur when all parties are prepared and able to invest their efforts into building something that endures. We need to be capable of upholding each other's individual responsibilities while at the same time investing in what we want to accomplish together.

Strong relationships must be in place for partnership to happen. Relationships require trust, communication and constant care. Our priorities need to align and partnership be front of mind. We each need capacity and resource to dedicate to the partnership's success.

Challenges

The environment for Tiriti partnership shifted in the past year. Council, like others, had to refocus resources and efforts. We faced two main challenges: recovering from Cyclones Hale and Gabrielle and addressing the impacts of legislative reforms from central government.

Iwi and hapū also face these and other challenges. They are taking a proactive role in addressing the needs and aspirations of their whānau, hapū and marae. We are both navigating these challenges, which will test our capacity, energy and creativity.



Tā tātau rautaki ahumoni
Our financial strategy

The 2022/23 financial year was guided by the Financial Strategy set out as Year two 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 our assets while planning for our future, in a financially sustainable way.

The Financial Strategy supports the LTP by having 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 management of freshwater.

At a high level, in 2022/23 we:

Spent on Critical activities and community infrastructure :

- Roads - $19.8m roading network renewals and $67m of emergency reinstatement work after extreme weather events.
- Wastewater - $21.6m mostly spent on the Wastewater Treatment Plant major project. The final completion of the project will be within the first quarter of 2023/24.
- Waipaoa Flood Control Climate Change Resilience Project - $4m with a total of 32km of stopbanks being completed since construction began.
- Kiwa Pools - $19.7m with final completion in the first quarter of 2023/24.

Worked on our building blocks:

- Climate Change Response – developing the draft emissions reduction plan and road map for our future focus.
- Tairāwhiti Resource Management Plan – the review of the plan commenced 1 July 2021, with work beginning on a Future Development Strategy. This includes projections for housing and business growth in our region.

We're reporting on our Financial Strategy for 2022/23 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've 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 of 0.57%).

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 one and two of the LTP, planned capital expenditure is much higher , averaging $92m. The higher spend in these years relates to the Wastewater Treatment Plant ($31.3m) and Kiwa Pools ($44.5m).

In 2022/23 we invested a total of $83.6m in capital works. This included a total of $55.6m for critical infrastructure, mostly on roading $19.8m and wastewater activity $21.6m. Kiwa Pools capital spend was $19.7m.

Last year in 2021/22 we spent a total of $79m, with critical infrastructure spend being $50.9m. Last year the roading capital programme was $21.7m.

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 2022/23 our rates income as a proportion of total revenue was 35%, with grants increasing to 59%, with 6% 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.
- Construction of Kiwa pools.

Respond and Recover after Cyclones

- Responding to support people during Cyclone Gabrielle with over $5.2m spent on welfare, waste and silt removal and emergency helicopters.
- Office of Recovery – enabling a Tairāwhiti community-led coordination along with central government departments.
- Donations from the public $2.8m, with over 530 cash payments were made to residents.
- Initial response to reinstate critical lifelines.
- Roading where $51m was spent on cleanup from cyclones, and a further $16m on adverse weather events that occurred prior to January 2023.
- Water supply pipeline repairs $2.9m.
- Wastewater $0.9m, as a result of tomos or sink hole damage.

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.

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.

This past year GHL was unable to pay a dividend ($1.9m). We 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. Our peak debt is forecast to be in Year 5 (or 2025/26) coinciding with the funding of key projects such as wastewater treatment upgrade and flood protection.

At the 2022/23 year end our total debt was $124.8m, lower than what was expected in the Annual Plan at $142.5m.

Most of this lower debt has been driven by the timing of capital projects and having more cash on hand due to grants being received in advance of the capital programme.

The majority of projects that had timing differences to the Annual Plan 2022/23 are expected to be completed within the next year and within the LTP timelines.

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 Whai 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 – including Kiwa Pools – 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 whakautu

Our responses

Ō tātau tauwhāinga, o tātau whakautu
Our challenges and responses

Council is operating in a period of substantial change and uncertainty within the local government sector. The landscape is being reshaped by major reforms that bring about substantial shifts in regulation, governance and our approach to core infrastructure and environmental stewardship. This evolving landscape demands that we embrace adaptability and innovation on our journey.

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

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

A new approach to freshwater management

Our challenge

The increased frequency and intensity of extreme weather events, driven by a changing climate, heightens the risk of erosion and degradation of water catchments. Rising temperatures, altered precipitation patterns and more frequent storms, have the potential to exacerbate soil erosion, leading to sedimentation in our waterways and impacting water quality.

Our response

Council is improving our approach to freshwater management to ensure the health of our water resources and overall wellbeing of our region. Catchments, which are the land areas that channel water from the ranges into our waterways, play an essential role in keeping our water safe. Their condition influences the quality of our water, and as such, our entire natural environment.

Council is implementing the new National Policy Statement for Freshwater Management to protect and manage our catchments and freshwater systems. We are working alongside tangata whenua to ensure that we make decisions that respect the wellbeing, mana and mauri of our water resources. This includes reviewing and updating how we manage freshwater in the Tairāwhiti Resource Management Plan. This involves development of seven catchment plans that align with the updated National Policy Statement. These plans are intended to enhance the sustainable management of our water resources.

Progress has been achieved in the catchment plans for Ūawa, Southern and Northern regions. We are currently on track to completing these plans by December 2024. Two Freshwater Advisory Groups have been established to provide guidance on region wide issues and the Waipaoa Catchment Plan.

We undertook a comprehensive review of our environmental monitoring programme and are developing a regional water quality state and trends report. These reports will play a key role in shaping Council's freshwater policies.

Tairāwhiti Resource Management Plan Review

Our challenge

Changes in national direction, population growth and shifting community expectations concerning environmental outcomes and resource management call for a review and renewal of the Tairāwhiti Resource Management Plan (TRMP), which has been in place since 2017. The updated plan will serve as the foundation for shaping decisions about our natural and built environments.

Our response

The TRMP review commenced on 1 July 2021. Progress is well underway in the first phase of the review, with public notification anticipated by the end of 2024. This phase includes three workstreams:

1. Te Kaupapa Tauākī ā-Rohe, focused on developing a new Regional Policy Statement (RPS).
2. Te Whakamahere Wai Māori, dedicated to Freshwater Planning.
3. Te Whakawhanake me te Whakarahi Taone, centred around Urban Growth and Development Planning.

This approach underscores our commitment to shaping a sustainable and thriving Te Tairāwhiti, aligning our actions with the values and aspirations of our community.

Collaboration with iwi chief executives and Post-Settlement Governance Entities has led to the establishment of an iwi technical trial. This trial is exploring how we can work with iwi to incorporate Te Ao Māori during development of the new Tairāwhiti Resource Management Plan and our consenting processes.



New representational arrangements

Our challenge

Following a decision in 2021/22 to establish new Māori wards in Te Tairāwhiti, Council was challenged with implementing a new governance system that would support the newly established Māori wards and foster an environment where Māori participation in governance is continuous, effective and represents the diverse voices within the Māori community. Such a system would ensure that the spirit and objectives of the Local Government Act 2002 and Te Tiriti obligations are fully realised and that we pave the way for inclusive and representative governance in Te Tairāwhiti.

Our response

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

Following consultation, the Local Government Commission (LGC) took action to reshape the representation arrangements for the Tairāwhiti local government election in 2022. The new configuration includes 13 councillors in total:

- eight general ward councillors elected district-wide from the Tairāwhiti General Ward
- five Māori ward councillors elected district-wide from the Tairāwhiti Māori Ward.

This change fosters a more comprehensive representation that enables the diverse voices within our community to be heard. The establishment of a Māori ward not only demonstrates our commitment to inclusivity but also provides a dedicated platform for Māori perspectives to influence decision-making.



Changing legislative environment

Navigating the evolving local government landscape requires us to plan and prepare for a host of new challenges. As a Council, we carefully balance the tasks of providing resilient infrastructure and kaitiakitanga for our community, with the overall goal of enhancing community wellbeing and driving economic growth.

Central government recognises the challenges we are facing and is taking steps to address them through a series of major reviews and reforms. This includes looking closely at the future of Local Government, changing to the Resource Management Act, finding ways to move towards a greener future and the proposed Three Waters Reform that will shape how we manage our essential water infrastructure. These reviews and reforms will lead to significant changes in both our work and the legislative framework we operate within.

Future for Local Government

An independent Ministerial review into the future of local government was completed in April 2023. Its purpose was to consider how New Zealand's system of local governance will need to evolve over the next 30 years in order to improve the wellbeing of New Zealanders and actively embody Te Tiriti partnership.

Since the last re-organisation of the system in 2002, local government has become more complex and demanding, with more responsibilities and limited funding or capability.

The Future for Local Government Panel released its report to the public on 21 June 2023. The report highlights five key areas required to ensure that local government is fit for purpose in the future. Namely:

- embedding local government's wellbeing purpose
- system renewal – council-led re-organisation of local government and establishment of dedicated entities to support this
- increasing funding – greater central government contribution
- strengthening local democracy and leadership – including initiatives such as extending term for local elections, lowering the voting age, Te Tiriti based appointments and STV as method for elections
- growing authentic Te Tiriti based partnerships – explicit recognition of local government as a Tiriti partner.

With the general election in October 2023, it's unlikely the current government will have time to make significant policy shifts in this term. Any further work or change will most likely be picked up by the next government post-election.

Three Waters Reform

In December 2022, central government completed the first major step of the Three Waters reform with legislation to transfer the management and delivery of drinking water, wastewater and stormwater services from 67 councils to four Water Services Entities (WSEs). The WSEs would be owned by the councils within the WSE area but the assets and liabilities would transfer to the new WSEs to manage and operate. To retain local representation on water services decisions, a Regional Representative Group of up to three council owners and three mana whenua representatives would be established for each WSE to set expectations for the WSE that reflect community voice.

Central government is aiming to see better outcomes for environmental quality, human health, Māori rights and interests, resilience of infrastructure. The scale of the WSEs across multiple regions and larger populations is intended to enable WSEs to borrow more money to fund the investment needed in water services and infrastructure, and to better address skill shortages in the three waters sector.

Alongside the reforms, Government initially committed $2b in Crown funding support to councils in two tranches. Tranche 1 of $500m was allocated to councils in July 2022. Although Tranche 2 of $1.5b was initially planned to be allocated to councils from 1 July 2024, this tranche has since been cancelled. This 'Better Off Package' aims to provide councils with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government: infrastructure for housing growth; fostering low-emissions economies; enhancing resilience to climate change; and promoting community wellbeing.

On 13 April 2023, the Minister of Local Government announced proposed changes for the Three Waters Reform programme:

- Shifting to a more regional approach, replacing four WSEs with 10 regionally-led WSEs.
- Establishing entities in a staggered way with Auckland/ Northland WSE starting on 1 July 2024 and the remaining WSEs going live at different times up to 1 July 2026.
- Boosting local representation by including all territorial authorities within a WSE area on the Regional Representative Group of a WSE alongside equal membership from mana whenua of that WSE area.
- To ensure financial viability for smaller WSEs, the second phase of Better Off Funding ($21.62m for Te Tairāwhiti) won't proceed. However, the first phase ($7.21m for Te Tairāwhiti) remains committed.

To implement the proposed changes, the Water Services Entities Amendment Bill was drafted and passed its third reading in August 2023.

Resource management reforms

Central Government is in the process of repealing the Resource Management Act 1991 (RMA) and is now beginning to roll out three new pieces of legislation:

The Natural and Built Environments Act (NBA) This Act aims to replace the RMA with a focus on managing the natural and built environments. It emphasises long-term strategic planning and spatial development at the regional level.

The Strategic Planning Act (SPA) This Act introduces requirements for councils, iwi/Māori, and Central Government agencies to create 30-year regional spatial plans. It is intended to contribute to a more coordinated and future-focused approach to planning.

The Climate Change Adaptation Act (CAA), which addresses the legal and technical aspects associated with climate change adaptation and the future of severely affected land.

Submissions concluded in February 2023 and in June, the Select Committee issued their revised versions of the Natural and Built Environment and the Spatial Planning Bills. The Spatial Planning Act and the Natural and Built Environment Act began coming into effect on 24 August 2023. They will gradually phase in over a 10-year period. The Climate Change Adaptation Act is anticipated to follow suit later in 2023.

The reforms aim to create a more streamlined, efficient and balanced framework for managing natural resources, land use and development in Aotearoa. These changes align the RMA with contemporary environmental and sustainability challenges, including climate change adaptation and the protection of biodiversity.

Improving collaboration between central and local government, along with ensuring greater participation and recognition of Māori perspectives, played a role in signalling the need for RMA reform. The reform efforts reflect a broader commitment to better governance, sustainable development, and improved outcomes for both the environment and communities.



Our recovery areas

In 2022 and 2023, Te Tairāwhiti experienced significant damage due to several weather events, including Cyclones Hale and Gabrielle. The effects of these events are still evident, highlighting the potential challenges communities and infrastructure may encounter from similar events in the future. Undertaking restoration in Te Tairāwhiti is a significant endeavour, involving responsibilities for both Council and the community.

Council's recovery plan outlines the prioritisation of immediate community needs, infrastructure repairs, resilience enhancement and measures to prepare for potential future risks. This plan, submitted to central government, estimates a requirement of approximately $1.2billion for recovery efforts over several years.

Road reinstatement

The impact of Cyclone Gabrielle on our local roading network was profound, resulting in landslides, floods and heavy rains which caused roads to collapse and bridges to be destroyed. In the aftermath of Cyclone Gabrielle, almost the entire rural network was disconnected. This situation was further aggravated by heavy rains in June 2023, which compounded the damages and triggered the district's third state of emergency for the year.

Following Cyclone Gabrielle, a detailed assessment of the region's 424 bridges was undertaken. The findings revealed that 62 bridges were affected. In addition, river erosion impacted more than 250 sections of our network. Over the next four months, efforts led to the repair of 140 bridge faults.

Ongoing investigations are being conducted to evaluate alternative route options, alongside slope stability assessments. Our primary objective remains reopening roads to disconnected residents and facilitating heavy freight access to support rural communities. Priority is given to school bus routes, safe community connections, and forestry and farm access routes for animal welfare.

After the Cyclones Hale and Gabrielle, we received $29.3m in funding from Waka Kotahi. We later applied for and received an additional $25m. By June 2023, we had spent $51m on emergency roading works. In addition, Council's 2023/24 Annual Plan has earmarked a further $65m for emergency roading works. This allocation will cater to essential needs such as bridge repairs, mending key rural roads and addressing the extensive river erosion damage across the network. These works are projected to span over two to three years.

Council is continuing to negotiate with Waka Kotahi on significant roading infrastructure replacements. Estimates suggest that the costs for a complete network restoration could reach up to $725m. As the evaluations are completed, and government funding is secured, our challenge will move to sourcing the remaining funds through rates.

Initial scoping, including planning, assessment and securing resources, are anticipated to take 12-16 months. Once these are completed, a comprehensive repair programme will commence, subject to available funding.



Water network reinstatement

Gisborne city sources its water supply from two primary catchments: the Mangapoike dams and the Te Arai Bush Catchment. The water from these catchments is treated at the Waingake Water Treatment Plant before being transported through a 30km pipeline to the city's reservoirs and distribution system. The reservoirs can store up to 38,300m^3 of water, equivalent to approximately three days of supply depending on demand.

The pipeline system spans across 21 bridges. Cyclone Gabrielle damaged or destroyed nine of these bridges, and several sections of the pipeline itself also suffered substantial damage, resulting in ten significant breaks in the network.

Following the damage, residents were urged to use water sparingly due to the major disruptions. Although there were initial plans to treat water from the Waipaoa River at the Waipaoa Water Treatment Plant, the plant encountered operational difficulties, hindering its ability to keep up with the rising water demand. On 17 February, the Waipaoa Water Treatment Plant ceased operation. As a result, restrictions were placed on water consumption for businesses and industries, and residents were advised to use water only for essentials, such as drinking, brief showers and cooking until the plant's issues were addressed.

New pipe bridges were manufactured and transported to the remote Mangapoike dams area. Council staff and contractors undertook extensive efforts to repair the pipeline, allowing water flow from Waingake to be combined with that from Waipaoa.

The repair works took 45 days to complete, incurring costs of $2.9m. Work is now in progress to re-establish access tracks, evaluate measures for improved protection of pipelines near escarpments and landslides, and consider burying more sections of the pipeline as part of long-term protective strategies.



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

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

Woody debris removal and silt management

Following Cyclone Gabrielle, Te Tairāwhiti faced the significant challenge of managing an extensive accumulation of silt and woody debris. This posed risks to our community, including threats to individuals, homes, farmland, infrastructure, waterways and beaches.

Council promptly responded by prioritising key infrastructure repairs and assisting residents in affected areas to clear silt. Another urgent task was the removal of woody debris from critical structures, especially bridges. To this end, slash has been cleared from 77 bridges to avert potential complications in bridge repairs.

Efforts continue to clear silt from Council's rural land drainage network. Post-Cyclone Gabrielle, areas such as Manutūkē, Patutahi and Muriwai experienced flooded drains. Intensive work involves excavators clearing approximately 200m^3 of drains daily, with over 650,000m^3 of silt removed from drains, slips and roads.

The heavy rain in June presented further challenges by restricting access to waterlogged river catchments and affecting the road conditions leading to these areas. Such weather disruptions highlighted the need for immediate action in high-risk areas.

Council is developing a Woody Debris Emergency Response Plan. Central government has granted $40.6m for Large Woody Debris (LWD), silt removal, and clearing of woody debris on our beaches.

Detailed mapping of catchments has been undertaken. Drone surveys are in progress for priority catchments, and so far three catchments – Hikuwai, Te Arai and Waimata – have been marked as primary targets for cleanup.

The next phase of work is set to address the removal of debris from our beaches and ensuring that rivers remain accessible for recreational activities.

Forestry focus

Cyclone Hale and Gabrielle highlighted the vulnerabilities our region faces during extreme weather events. It's evident that appropriate measures and resources are required to manage potential risks associated with forestry practices in Te Tairāwhiti.

Council has proactively responded by enhancing its resources in monitoring and compliance areas through the establishment of a new forestry team. This team will work with industry partners, and engage in aerial mapping and on-the-ground inspections across the region. Their role is to identify areas susceptible to the mobilisation of woody debris, which could impact property, infrastructure, and the environment.

In January 2023, Council acknowledged a petition presented by Mana Taiao Tairāwhiti and committed to:

- Support the petition's call for an independent review of forestry land use to be conducted by the Government.
- Expedite the review process of the Tairāwhiti Resource Management Plan (TRMP) rules.
- Explore avenues for involvement in the initial phases of Resource Management (RM) reforms.
- Launch a dedicated forestry project to assess forests in the region for potential debris risks and formulate suitable enforcement measures.

Collaboration with the Ministry for the Environment is ongoing regarding recommendations from the May 2023 land use report. There's a shared emphasis on re-evaluating the National Environmental Standard for Plantation Forests (NES-PF). Council has reservations about this framework, believing it might not align with Te Tairāwhiti's specific needs.

Initiatives are underway to update regional policies and rules through various regulatory tools, all of which resonate with Council's spatial plan, Tairāwhiti 2050. The land use report's suggestions align with our current endeavours, such as managing clear-fell harvesting, transitioning erodible lands to more sustainable uses, refining flood capacity assessments, fortifying against gully erosion, and prioritising biodiversity conservation.

Land management

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

Funding has been granted to expand Council's land management team for a period of three to four years as part of the Integrated Catchment Management activity. This expansion is driven by the need to support Freshwater Farm Plans and comply with new Freshwater Reform requirements.

Funding from the Ministry for Environment, the Ministry of Primary Industry Hill Country Erosion Fund, and Land Information New Zealand will contribute to the project.

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

Flood protection

The flood protection network in Te Tairāwhiti sustained substantial damage following Cyclone Gabrielle. This left many residents vulnerable to compromised drainage and heightened risks of future flooding incidents. In response, Council has initiated a comprehensive plan to reinstate, reinforce, and improve the flood protection infrastructure of Te Tairāwhiti, ensuring community safety and protection of property.

A major consequence of Cyclone Gabrielle was the reduced channel capacity, primarily caused by silt accumulation. The build-up at structures and stopbanks has compromised their integrity, with some rendered non-viable. Investment efforts are now targeting the reinstatement of these damaged stopbanks and the accelerated delivery of new flood bank projects. These measures aim not just to repair, but to enhance the resilience and effectiveness of the flood protection systems.

The reconstruction of the Mangahauini River stopbank and erosion protection is a critical project, which aims to protect the Tokomaru Bay township. Significant progress on this front was noted as of June 2023.

Emphasis has been placed on site assessment and prioritisation. Work will speed up over spring and summer when improved weather conditions will allow better access to river sites for flood mitigation works. A specific focus has been directed towards the Waipaoa River's middle reaches, especially around Te Karaka. The objective is to identify the primary causes of flooding and devise long-term mitigation.



Future of Severely Affected Land (FOSAL) Programme

During Cyclone Gabrielle, nearly 2,000 properties across Te Tairāwhiti experienced devastating direct impacts such as flooding, silt inundation and land erosion. In response, Central Government launched the Future of Severely Affected Land programme. This programme encompasses regional mapping and property identification to pinpoint those at the highest risk of property damage or loss of life during future severe weather events. This proactive approach enables us to strategically plan community support and secure their ongoing safety.

The Severe Weather Event Emergency Legislation (SWERL) Act 2023 was introduced on 20 March 2023, following the events of Cyclone Gabrielle and Hale. The purpose of this Act was to assist affected councils and communities to respond to, and recover from, the impacts of the severe weather events.

Following the introduction of the SWERL Act, Central Government released the Future of Severely Affected Land (FOSAL) information pack in July 2023, which provided information about risk categories processes and responsibilities. Council was responsible for categorising land and determining how and to what extent assistance would be provided to affected properties.

Risk assessments were conducted by Council using a range of information sources. Land areas were categorised using these datasets to assess future severe weather risks:

- Recorded flood heights
- Post-Cyclone Gabrielle aerial photography
- Captured video footage
- Accounts from eye-witnesses
- Geotechnical site visits assessing landslide and erosion risks
- Historical data on flooding impacts. Risk assessments were conducted by Council using a range of information sources. Land areas were categorised using these datasets to assess future severe weather risks:

The following information outlines the details of the $204m support package being offered by the Government, which Council will be consulting with the community about:

- $64m for flood risk mitigation including upgrades and new assets such as stopbanks, for which the Government will pay 90% and Council will need to pay the remainder.
- $125m for local road and bridge repairs to provide network resilience including a solution for Tiniroto Road.
- $15m towards purchasing residential Category 3 properties. There is an opportunity to increase this amount if costs are higher than expected at the time the agreement is made. This $15m represents 50% of the funding to purchase these properties, including relocation grants for mixed-use properties. These are where a house is located on land for farming or horticulture for example. The other 50% will come from Council. The purchase costs are less than any insurance proceeds.
- $30m interest-free 10-year facility loan.

Category 1

Property owners of properties and land in Category 1 and who had received yellow stickers after Cyclone Gabrielle can live in their properties once necessary repairs are completed and Council inspections have been conducted.

Category 2

- • 2C - This indicates a requirement for effective community level interventions to manage the risks of future severe weather events.
- 2P - This signifies the need for property-level interventions, such as lifting houses or improved property drainage, which are needed to address the risk posed by future severe weather events.
- 2A - These properties align with both 2C and 2P categories, but further assessment is needed.

Category 3

Category 3 represents the highest risk within the FOSAL classification scheme. Areas designated as high risk in this category are not considered safe for habitation due to the unacceptably high risk of severe weather events like flooding or landslides, posing a threat to life.

Preliminary estimates for the number of affected properties across Te Tairāwhiti are:

- Category 2 - approximately 1,800 properties
- Category 3 - 32 properties

Our focus so far has been on confirming Category 2 locations, assessing, and characterising the risks posed by flooding and landslides in these areas, and developing community and property-level interventions to manage the risk of future severe weather events. This will serve as the foundation for the creation of Hazard Management Plans, particularly where additional investment is deemed necessary.

Council and Central Government are establishing and implementing a framework for the acquisition of severely impacted land and properties, in cases where the risk for continued residential use is deemed excessively high. Preliminary evaluations suggest an estimated cost of approximately $30m for this initiative.

To support property owners dealing with ongoing uncertainties, Council has run several meetings to provide information and certainty. Furthermore, rates remissions have been granted for Category 3 property owners and property owners who had been issued red stickers following Cyclone Gabrielle.

Public consultation on the Governments support package will open on 2 October and will run for a period of two weeks, until 16 October. Council will then consider feedback at its meeting on 2 November and decide on accepting the support package and entering into a funding agreement with Government.

Mayoral Relief Fund and Disaster Relief Trust

The Tairāwhiti Mayoral Relief Fund and Disaster Relief Trust were established to provide financial assistance to residents experiencing hardship as a result of natural disasters.

The purpose of these funds is to support communities, individuals, and families, in their recovery efforts. They offer a single payment to help alleviate the loss or damage they experienced when other avenues of support are not available, such as insurance, EQC, social services, or support directly from Central Government.

A mix of public donations and central government funding was provided in response to Cyclone Hale and Gabrielle. Applicants were eligible to apply for funding support if they had experienced hardship as a direct result of the cyclone(s) and were residents in the areas of Te Tairāwhiti most severely affected by the cyclones.

Given the limited amount of funding available, the fund was primarily allocated to repairing residential dwellings, septic tanks, refilling water tanks, clearing debris from properties, providing necessities like clothing, bedding, household goods, or additional financial needs not covered by other support funds.

Applicants were eligible for up to $20k in immediate financial aid, depending on their assessed level of need. To date, we have distributed over 530 funding support packages for those whose houses and possessions were damaged or destroyed in this year's rain events. So far, $2.8m has been paid out to affected individuals and families.

For more information on this or to read the 2022/23 Disaster Relief Trust Annual Report, visit our website

» ***Disaster Relief Trust Annual Report, \| Gisborne District Council (gdc.govt.nz)***



Photography - Phil Yeo



Tā mātau whakatutukinga mahi

Our performance

Ā 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 what we said we would and that we are always finding opportunities to improve our services. These are captured as performance measures, which were confirmed with the adoption of our 2021-2031 Long Term Plan. Changes to performance measures are notified through the Annual Plan process.

Our year in performance

The 2022/23 period posed significant challenges for Te Tairāwhiti. The region grappled with the impact of multiple severe weather events, including two cyclones, resulting in substantial damage to our townships and critical infrastructure.

Cyclone Gabrielle and subsequent flooding led to the closure of several major roads, deteriorated road conditions beyond initial projections and triggered landslides within the region. Our water supply network was severely damaged and has taken considerable work to repair. Progress achieved by Council over the past year was set back, affecting the provision of many Council services, including requests for services, roading maintenance, resource consents, building consents and water management.

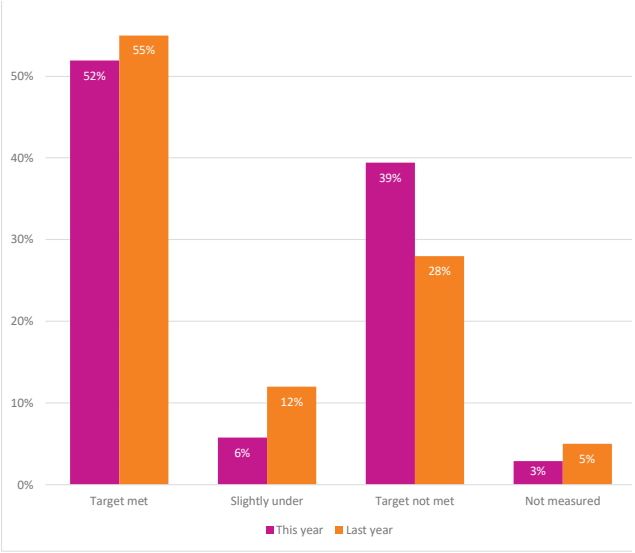
Overall, Council's capacity to meet performance measure targets was substantially restricted over the 2022/23 period. However, we have dedicated significant resource to ensure our services remain resilient through future challenges.

You can find detailed information on Council's performance measures in the "Our levels of service and how we measure progress" section of Our activities, starting on page 67.



Overall performance metrics

The graph below illustrates Council's performance in meeting the targets set for 2022/23. We track a total of 104 measures, consisting of 30 mandatory measures, 26 measures directly derived from our Residential Satisfaction Survey, and 48 measures developed by Council for the 2021-31 Long Term Plan.



Overall, 52% of our performance measures were on target, with an additional 6% slightly falling below but remaining within 5% of the target. This contrasts with the 2021/22 period when Council met its target for 55% of its measures.

Mandatory Measures

Thirty of our performance measures are mandated by central government. They target our Three Waters (Stormwater, Wastewater, and Water Supply), Land, Rivers, and Coastal, and the provision of our local roads and footpaths. Council met performance targets for 77% (23/30) of its mandatory performance measures.

Targets met

Council met all targets for mandatory roading performance measures, we saw a reduction in the number of fatal and serious crashes on our roads, and prioritisation of work allowed us to meet targets for the resurfacing of roads and maintaining the standard of our footpaths throughout the district.

The quality of drinking water was maintained across the entire region, and both urgent and non-urgent water supply callouts were attended to and resolved in a timely manner, ensuring minimal disruptions for residents.

For our wastewater and stormwater systems, Council met targets for system fault response times, and there was a reduction in the number of wastewater and stormwater complaints. Notably, there were no dry weather sewage

overflows during this period. Furthermore, despite the significant damage caused by severe weather events, we managed to inspect 30% of our stopbanks, indicating a considerable effort in maintaining and assessing our flood protection assets.

Targets not met

We did not meet the target for our water supply customer satisfaction measure. The damage to our water treatment plants and pipe network resulted in a temporary loss of water supply. This situation led to an increase in complaints from residents, with the number of complaints more than doubling from the previous year.

For our stormwater measures, we did not meet the following system performance and adequacy targets:

- The number of flooding events in our district.
- The number of habitable floors affected during each flooding event.
- The median response time for service personnel to reach a flooding event site.
- Customer Satisfaction: The number of complaints received about the performance of our stormwater system.

During the rain events, our network was overwhelmed, leading to inundation of numerous properties and a surge in reported system faults. This generated a spike in demand for Council and contractor services that impeded our ability to respond within our typical time targets.

For our wastewater measures, we did not meet the following system performance and adequacy targets:

- Median response time for service personnel to reach the arrival site.
- Median resolution time, from notification of the fault to confirmation of resolution by service personnel.
- Customer Satisfaction: The number of complaints received about the performance of our wastewater system.

Responding to community views

Council conducts independent surveys to gauge resident satisfaction with our resources, facilities, and services, while seeking opportunities for continuous improvement.

We are currently reviewing our surveys to ensure they are both fit for purpose and reliable for informing improvements to our services and activities.

Our current survey involves inviting approximately 400 Te Tairāwhiti residents to participate in a quarterly online survey. The survey highlighted a decline in satisfaction with Council's services over the past year. This trend aligns with the observations across all 17 councils to which we benchmark ourselves. Satisfaction levels related to roading, water management, open spaces, and our facilities have dropped in comparison to previous years. Overall, s ervices most impacted by severe weather events recorded the most significant drop in resident satisfaction.

Throughout the spate of severe weather events, Council experienced a twofold increase in Requests for Service, with a peak observed in the immediate aftermath of Cyclone Gabrielle. Consequently, the handling of these requests experienced delays, as both staff and contractors were engaged in urgent emergency reinstatement work.

Online and service-user surveys

We've made improvements to enhance our survey data collection by introducing point of service surveys through QR codes and kiosks at the library, Olympic Pool and the reception at our Awarua office.

Our library survey told us that users appreciate the clean facilities, variety of resources and the library's role as a community asset. Some suggested we make improvements, like more specific signage and adding colour to the environment, book availability and pricing structure. Responders acknowledged excellent staff support and having a safe space for youth. Users gave the library an overall experience rating of 8.6/10.

Results from our pool survey highlighted positive staff interactions, affordability of entry fees and anticipation for the new Kiwa Pool complex. Concerns raised involved issues such as the pool's temperature, cleanliness of changing rooms and the need for more staff training. Users gave the Olympic Pool an overall experience rating of 7.5/10

Performance highlights and areas for improvement

Here are some of the performance measure successes we have had this year, as well as some of the challenges we have faced.

Performance highlights

1. **Roading service requests**

   Despite our Roading team receiving more than double the number of Requests for Service compared to the previous year, Council managed to resolve 97% within target time frames.

2. **Resource consents**

   We have improved the way we manage our resource consent process, and over 80% of consents were processed within the target timeframe.

3. **Educational programmes**

   Throughout the year, we conducted over 30 educational sessions on waste minimisation and Civil Defence and Emergency Management, despite major pressure on both activities.

4. **Water supply**

   Council met all targets for urgent and non-urgent response times to interruptions in our water supply system.

5. **Cultural activities**

   The number of bookings for the Lawson Field and War Memorial Theatre substantially surpassed the set targets.

Areas for improvement

1. **Building consents**

   While nearing the target, we want to enhance the speed of our consent processes to prevent any unwanted delays.

2. **Solid waste**

   The impact of severe weather events has led to a surge in solid waste directed to landfills, accompanied by a notable increase in incidents of illegal dumping.

3. **Storm and wastewater network**

   Our storm and wastewater networks encountered unprecedented challenges, notably from Cyclone Gabrielle. The disruption to our networks led to slower response times to faults and inflicted significant damage to our core infrastructure.

4. **Engagement and customer service**

   This year saw a massive increase in demand for engagement and customer service from Council staff. This demand put pressure on Council resources in these areas, and this is reflected in our scores.

5. **Increase our patronage**

   Council will focus efforts to increase user numbers for our bus service, library, and museum, which have seen a temporary decline in popularity after the severe weather events over the year.

Ngā āhuatanga pūtea
Finances at a glance

This section provides an overview of Council's financial results for 2022/23 and how it compares to our 2021-2031 Long Term Plan (LTP). Our Annual Report 2022/23 is the Year two 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 $2.6 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 very conservative.

At year end our total debt was $124.8m, lower than what was expected to be in the Annual Plan at $142.5m. Most of this lower debt has been driven by the timing of capital projects and having more cash on hand due to grants being received in advance of the capital programme.

The majority of projects that had timing differences to the Annual Plan 2022/23 are expected to be completed within 2023/24, within the LTP timelines.

Financial performance

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

Our past year has been a year of two halves - our delivery of the Long Term Plan over the first half of year, but in the second half of the year - it was more around the response to the challenges posed by Cyclones Hale and Gabrielle.

But despite the challenges, Council continues to perform well financially.

We recorded a $19.8m net surplus after taxation, against a $27.5m Annual Plan budget.

While this represents a $7.7m net surplus less than we expected, most of the differences arose from the timing of receiving capital grants, write-off of cyclone damaged assets, local share of roading emergency works (pre-cyclone and the 100% grant from Waka Kotahi) and not receiving planned dividend revenues.

The receiving of capital grants is dependent on when projects are completed. Initially projects were planned to be completed by 30 June 2023 but now will roll into the beginning of Year three of the LTP. The extreme weather events during the past year impacted on the delivery of some of our projects.

The projects include the Provincial Growth Fund East Cape Road resilience project and the 1000 year walkway bridge. The grants for these projects will still occur, but will now fall into Year three when the projects will be completed.

The timing of capital grants doesn't affect Council's bottom line, but it does create the variance of a lesser surplus than was expected within this Annual Report.

There was a total of $2.7m local share paid for the unplanned emergency roading maintenance costs. These costs related to the reinstatement work for damage caused by the adverse weather events that occurred prior to the cyclones. The funding assistance rate from Waka Kotahi ranged from 67 to 87%, where the remaining share was left for Council to fund. The initial response roading costs for Cyclone Hale and Gabrielle were fully funded by Waka Kotahi.

There are accounting write off losses of around $2.7m, mostly relating to bridges that were swept away during Cyclone Gabrielle. These accounting losses were partially offset by accounting gains recognised from the movements in fair value of interest rate swaps, forestry values and carbon credits.

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 $210m, $62m more than what was in the Annual Plan. This increase was mostly due to receiving grants from Waka Kotahi for other emergency related responses.

Total expenditure was $191m, $69.5m more that what was in the Annual Plan. A total of $67m of roading emergency works

was completed during the year, with $51m being spent on fixing the damage from Cyclones Gabrielle and Hale.

A total capital investment programme of $83.6m. Including:

- $15.7m construction costs for the Wastewater Treatment Plant
- $19.7m spent on the Kiwa Pools
- $4m spent on the Waipaoa flood control project.

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.

Cyclone Gabrielle impacts to financial performance

The key financial impacts were

- Reduced income / increased expenditure
- Significant impact on the local roading network.
- Water Supply halted with the water main pipeline being broken in 10 places.
- Wastewater reticulation disrupted by tomos and sink holes
- Damage to Flood Protection
- Welfare response and Recovery Office costs.

During this time Council focused on disaster recovery and supporting the community impacted by these weather events. Several revenue generating services were either temporarily disrupted or made available to the community at reduced or no cost. Activities that were dependent on water were halted, including the Olympic Pools and Water services (commercial water metering).

For the most part, Council costs were covered either from central government and our insurance. However, some costs remain Council only costs, including an insurance deductible of $1.5m and residual $126k that mostly relate to Council's CDEM responsibilities. In addition, there was an accounting write off of $2.7m, mostly relating to the bridges that were damaged or destroyed beyond repair. These costs are likely to be recouped in the future from Waka Kotahi funding.

Capital Investment Programme

Cyclone Gabrielle has impacted the delivery of our capital projects in terms of:

- delay in construction, due to loss of access to the roading network where nil or minimum work could progress
- availability of people, due to redeployment of staff and contractors
- shortages or delays in supply of material
- higher costs of materials due to higher demand

Cyclone Gabrielle cost summary	Actual 2023 $millions
Funding received	
Waka Kotahi subsidy	48.3
Other grants	5.3
Insurance/NEMA proceeds	1.2
Emergency Works incurred	
Roading	48.5
Response	3.4
Three waters + flood control	1.7
Other	2.2
Total surplus/(deficit)	**(1)**
Capital Expenditure	
Roading	2.7
Response	0.1
Three waters + flood control	4.7
	7
Funded by	
Waka Kotahi	2.7
Insurance/NEMA	3.2
Council Contribution	1.5
	7

1. Funding received is $55m. This relates to roading emergency reinstatement as a result of Cyclone Gabrielle ($48m), the initial response and recovery funding $4.0m towards welfare, $1.3 for woody debris and silt removal and $1.2m funding from NEMA and Insurance for repairs to critical infrastructure.

2. Expenditure is $56m. This is consistent with the above additional funding received for costs relating to Cyclone Gabrielle.

3. Capital costs are $6m. This is made up of Roading emergency reinstatement $2.6m and reinstatement of critical infrastructure as a result of Cyclone Gabrielle $4.7m, this includes insurance deductible of $1.5m.

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. To date over 530 payments have been issued, totaling over $2.8m.

Annual Plan

	BUDGET 2022/23 $000s	ACTUAL 2022/23 $000s	VARIANCE FAVOURABLE/ (ADVERSE) $000s
Revenue from Rates	73,979	73,350	(629)
Grants and Subsidies - Operational	12,885	80,487	67,602
Grants, Donations, Subsidies and Contributions - Capital	44,535	42,919	(1,616)
Revenue from Operating Activities	17,037	15,015	(2,022)
Other Gains/(Losses)	(231)	(1,415)	(1,184)
Total Operating Income	**148,205**	**210,355**	**62,150**
Employee Benefit Expenses	30,672	28,965	1,707
Depreciation and Amortisation	24,907	25,966	(1,059)
Operating Activities	61,205	130,997	(69,792)
Finance Costs	4,482	4,886	(404)
Total Operating Expenditure	**121,266**	**190,814**	**(69,548)**
Net surplus/(deficit) before taxation	**26,939**	**19,541**	**(7,398)**
Subvention Income	600	300	(300)
Income Tax Expense (Benefit)	0	0	0
Net Surplus/(Deficit) after Tax	**27,539**	**19,841**	**(7,698)**
Gains/(Losses) on Property Revaluation	62,321	(215,596)	(277,917)
TOTAL COMPREHENSIVE REVENUE AND EXPENSES	**89,860**	**(195,755)**	**(285,615)**

Significant Changes in revenue/expenditure compared to the 2022/23 Budget

	$000s
Higher revenue from grants and subsidies	65,986
Lower employee benefit expenditure	1,707
Total Positive Variances	**67,693**
Less	
Lower gains from infrastructure assets valuations	(277,917)
Lower revenue from operating activities	(2,322)
Lower gains from movement in fair value	(1,184)
Lower revenue from rates	(629)
Higher finance costs	(404)
Higher operating expenditure and depreciation costs	(70,852)
Total Negative Variances	**(353,308)**
TOTAL FACTORS CONTRIBUTION TO THE UNDERLYING VARIANCE	**(285,615)**

Asset Revaluation

The total movement of assets on revaluation are shown in the table below. A loss of $230m was recorded.

The majority of the losses relate to downward movement in land (under roads) and from damage caused by Cyclone Gabrielle.

The majority of losses are on our roads. Water supply mains damage that occurred during the cyclone, was mostly reinstated and paid for by insurance/NEMA. The impairments recorded below, are to those assets that have yet to be reinstated.

Significant changes in gains/(losses) on Revaluations

	$000s
Losses From	
Land under roads	(195,519)
Roading Impairment	(59,876)
Flood Impairment	(2,419)
Water Impairment	(1,981)
Total Negative Variances	(259,795)
Higher values from	
Roading network	25,185
Flood	5,095
Storm	3,371
Water Supply	5,381
Wastewater	5,167
Total Positive Variances	**44,199**
Overall net revaluation	**(215,596)**

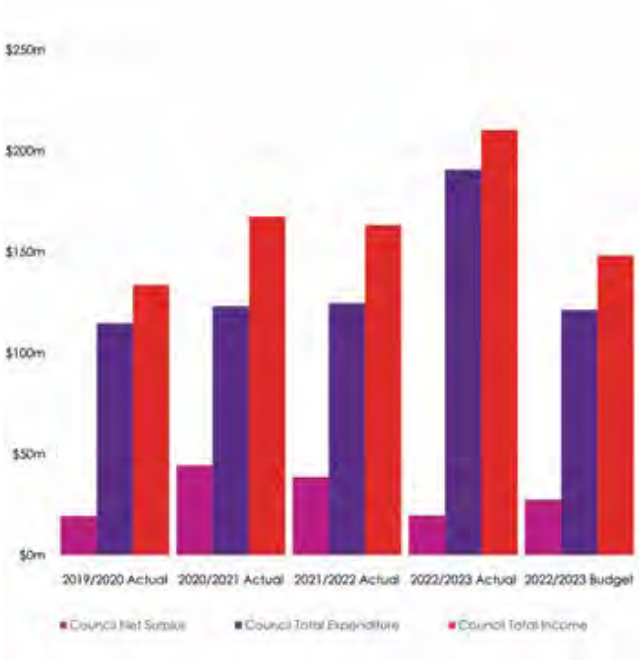
Council sets its operating income at a level to meet each year's operating expenditure. In some cases, this may not be practica or prudent due to the long-term nature of the activity (i.e. wastewater, forestry and soil conservation nurseries) or where there is capital project funding being received as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

Council's budget and actual net surplus for 2022/23 is shown below.

The net surplus for 2022/23 at $19.8m. The overall net surplus is lower than the Annual Plan, mainly due to the timing of capital grants.

The average net surplus over the last five years is $30.6 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 2022/23



Council income

In 2022/23 the Council received income of $210m compared to a budget of $148.2m.

Council 2022/23 income $210.3m



In 2022/23 rates income represents 35% of the total operating revenue. Grants and subsidies income accounts for 59% of total income.

The 2021-2031 LTP average rates income is 60% and grants income is 24%. This year's lower 35% 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.

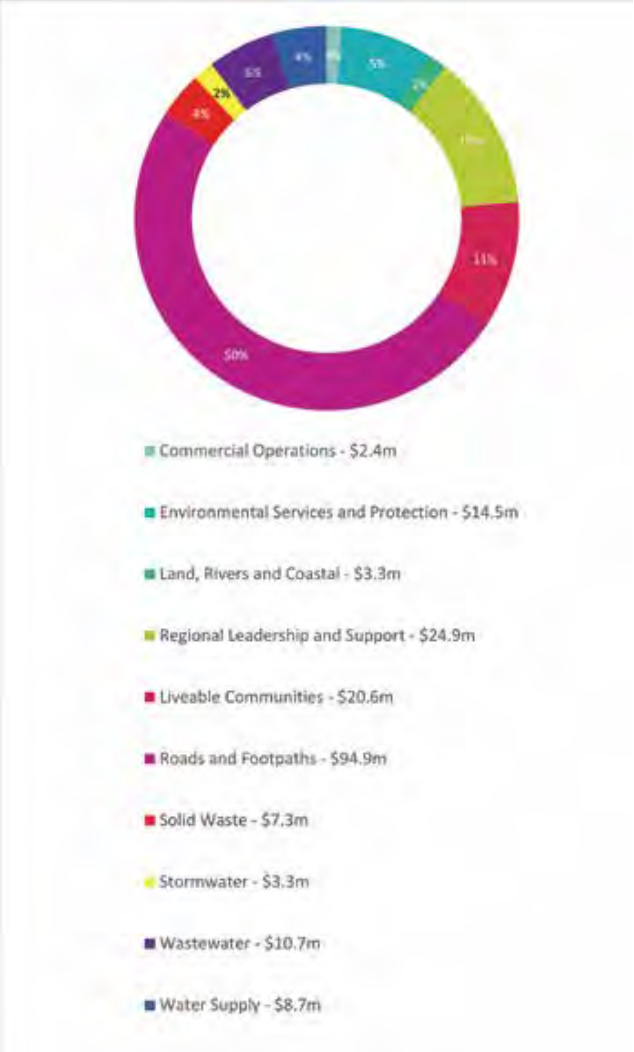
The cost of Council doing its day-to-day business is driven by a number of factors including inflation, debt levels, salary and wages, inflation, amount of assets we own (and therefore have to maintain) and whether the Council increases or decreases the amount of services provided to the community.

As shown by the pie graph below Journeys (Roading), Four Waters, Solid Waste and Environmental Services made up 75% of total operating expenditure of the Council. The roading activity on its own, represents 50% (or $95m) of the total costs.

Council has over $2.6b 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 2022/23 depreciation and amortisation charges totalled $25.9m, this is 14% of our total costs. Repairs and maintenance costs – excluding roading emergency works reinstatement - were $13.3m, or 7% of our total costs.

The total cost of all services were $191m.



Council debt

Council has debt of $124.8m, $7.7m lower than the LTP. Lower debt was driven by timing of capital projects and having more cash on hand due to grants being received in advance of the capital programme.



Council capital expenditure

During the year we spent $83.6m of capital investment on our existing and new assets against the LTP budget of $99m.

Key highlights included:

- $15.7m spent on Wastewater Treatment Plant.
- $19.7m spent on the Kiwa Pools.
- $19.8m of capital investment spent on our roading network.
- $4m spent on the Waipaoa flood control project.
- $2.9m of Cyclone damage reinstatement for the Water mains supply.
- $1.6m Muriwai Pipeline and reticulation.





A tātau mahi
Our activities



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 2022/23, an assessment of our performance against targets and a breakdown of associated costs.

Sections are structured as follows:

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 for the activity in the 2021–2031 Long Term Plan.

Capital expenditure is funded from a variety of sources. The operating revenue and operating expenses only include external revenue and expense. Any internal recoveries or charges are excluded.

Capital Rates: These are rates specifically collected for a capital project e.g. wastewater treatment plant.

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

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

Reserves: These are transfers from Councils reserve accounts. This is usually the Depreciation Reserve Account.

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

What was different from the budget

Gives the reason for any changes to the cost of the activity compared to the budget.

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

What we do

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

Why we do it

Provides a brief description of why Council undertakes this activity including the benefits to the community.

Our progress

This section outlines the commitments made in 2021-2031 LTP and provides an update on Council's progress during 2022-2023

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 35 for full details on our community outcomes.

Our levels of service and how we measure progress

This section provides information about the performance measures that Council uses to assess its services, which were 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.

Key


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 their areas of activity could have on the social, economic, environmental, and cultural wellbeing of its community as identified in LTP21-31.

Response and recovery

We detail the impact of severe weather events on this activity throughout the year.

1. 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.

The activities in this group include:

1.1 Building Consents

1.2 Enforcement and Compliance

1.3 Resource Consents

1.1 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.

Summary

Building consents and inspections

Recent weather events created a higher than usual demand for building inspections.

Consents

Council has granted several discretionary exemptions for temporary flood relief accommodation on flood-affected land. Many of these exemptions involve structures with lower floor levels than what the District Plan (TRMP) permits. These exemptions are set to expire in November 2023, requiring any dwellings still on-site to be raised to comply with both the Building Act and the TRMP.

- 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.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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.	There is ongoing dialogue on how we can fine-tune this process.
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 – This process has been streamlined, allowing for greater service delivery from staff.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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%**	87%	71%	**86.9%**	We maintained a performance rate of 93% until Cyclone Gabrielle. June and July months have exceeded 90%, indicating that we are getting back on track.

Significant effects of delivering this activity

Significance negative effects	*Mitigation*	*Changes since 2021-2031 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.	Buildings above one third of the New Building Standard (NBS) are not considered earthquake-prone. Council continues to receive consent applications for work to strengthen buildings that do not meet this standard. These upgrades are intended to enable the buildings to achieve over 67% NBS.

Response and recovery

Building Services played a key role in the response and recovery efforts following cyclones Hale and Gabrielle. We conducted hundreds of rapid building assessments to ensure the safety of our people and continue to provide guidance and conduct site visits through the recovery phase.

In the wake of the recent weather events, we've faced challenges in maintaining our usual levels of service. This has resulted in some delays in building inspections, which have in turn affected the building trade.

1.2 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 regulations, 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 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, and native vegetation.
- 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 Te 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 Te Tairāwhiti.

Summary

Improving the way we do things

We have made improvements in our consenting process by introducing a time recording tool that improves cost and time management, offering educational support to the community through compliance guidelines and training, and upskilling our staff to better assist the community throughout the consent process.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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 and Industrial activities.	We are on track with monitoring high-risk activities. Our emphasis on forestry has intensified after the cyclones. However, resourcing challenges have emerged due to the scale of ongoing recovery efforts.
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.
Ensure Council maintains 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.	Initiative not yet started.
Expand the capacity of the compliance monitoring and enforcement team to allow greater compliance monitoring and enforcement within the Gisborne District.	We are actively expanding our forestry team with the addition of five new fixed-term positions..
Ensure Council keeps up to date with any changes to legislation in relation to environmental compliance.	We stay informed about shifts in our legislative framework and promptly communicate these changes to the relevant communities and groups.
Reviews ways the compliance monitoring and enforcement team can improve and strengthen relationships with local Iwi and hapū.	These involve joint management and co-governance arrangements. Internally, Council's resource "Te Matapihi" empowers staff in engaging with Māori.
Update the parking meters in the central business district.	All parking meters have been replaced in the CBD. New up to date technology allows people to pay using either card, coins or an app-based service.
Review of the Dog Control Bylaw.	A draft Dog Control Bylaw 2023 and draft Dog Control Policy is in process.
Review and update the Parking Policy and Freedom Camping Bylaw.	National freedom camping legislation has been recently amended, prompting a review of our own 2021 bylaw. We are also currently in the process of reviewing our parking policy which was last revised in 2018.
Implement education programmes to relevant and any interested stakeholders.	We have partnered with forestry firms to implement best practice guidelines aimed at reducing harvest residues, minimising the mobilisation of harvest materials, and promoting training in erosion and sediment control. Additionally, we continue to send out annual education emails to communicate water take consent expectations and provide updated guidelines to firms responsible for managing contaminated land. Council contributes to the "Pānui Taiao" publication which focuses on environment, land, nature and country issues. Each officer aims to create one educational piece per year for consent holders and the public.
Review the Health and Safety Plan every three years and ensure all health and safety requirements are in place.	Ongoing.

Hazardous Activities and Industries List (HAIL) project around identifying former sheep dips and helping landowners access Ministry for the Environment funding.	This initiative has not yet started.
Support owners in Awapuni Road who have contaminated land.	This initiative has not yet started.
Create and undertake a survey on background noise.	This initiative has not yet started.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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%**	50%	60%	**47%**	Target not met. We're actively pursuing strategies to elevate our performance and customer satisfaction.
The percentage of routine requests for dog or stock control issues responded to within two days.	**85%**	80%	83%	**89%**	Target met.
The percentage of urgent requests for dog or stock control, responded to within 30 minutes.	**92%**	90%	92%	**92%**	Target met.
We monitor, respond, and enforce reports of non-compliance with respect to legislation intended to protect the environment.					
Noise control response within 1 hour.	**70%**	77%	93%	**86%**	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%**	Liquor 50%	63%	**72%**	Target met.
The percentage of registered and licensed premises that undergo an environmental health compliance inspection annually.	**65%**	79%	88%	**74%**	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**	New measure	Compliant	**Compliant**	An external panel reviewed the Port SMS in accordance with the NZ Port and Harbour Marine Safety Code.
We initiated our response to all pollution notifications within 30 minutes.	**< 30 minutes**	New measure	No events	**No events**	In the year 2022/23, there were no recorded pollution events. It was therefore not possible to measure response time.

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.

Response and recovery

After the impact of Cyclone Gabrielle and additional major weather events, the enforcement and compliance team saw a significant rise in operational demands.

To address forestry-related issues, Council created a specialised Forestry Team. This team will cooperate with industry partners to identify areas vulnerable to the mobilisation of woody debris.

Utilising aerial mapping and on-the-ground inspections, the team aims to mitigate potential impacts on property, infrastructure and the environment.

1.3 Resource Consents

What we do

Council 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, include processing resource consents for 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.

Summary

Navigating development surge

The consent teams have been busy managing the upsurge in housing and development activities.

A total of 292 Resource Consents were issued during the 2022/23 period. These developments hold substantial implications, particularly in the freshwater and biodiversity space.

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	Contribution to community outcomes	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.

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.	We are currently on track despite increased service demand. We are using statutory measures to extend timeframes in response to the impact of the recent severe weather events.
Put in place simple and easy-to-use tools and processes to ensure a collaborative approach with our community can be supported.	Significant improvements have been made in the continuous process improvements space, especially across cost recovery and optimising flexible working.
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.	An action plan is in place to ensure we continue to deliver Council's legislative requirements consistently and to a high standard.
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.
Document and promote the pre-lodgement process to ensure the best understanding of the proposal prior to its submission – a no-surprises approach.	We actively promote our pre-lodgement process to our frequent customers. The Duty Planners actively promote the service in their day-to-day dealings with the public.
Implement a process for the management of water take replacements for the years when these numbers are particularly high.	The water replacement reminder process was initiated 12 months in advance of the 2024 expiry date for the Waipaoa Catchment.

Develop and disseminate communication and information material around resource consent requirements.	Improvements to communication and information material are underway. These include updates to our website, pop-up sessions for the public to meet with Planners and other tech input and a central resource hub.
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 levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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%**	45%	74%	**76.6%**	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.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	820	1,170	(351)	473
Revenue From Exchange Transactions	5,288	4,977	311	4,669
Expenses	10,795	8,934	(1,861)	9,369
Net Cost of Service	**4,687**	**2,787**	**(1,900)**	**4,227**
Capital Expenditure				
Capital Projects	**62**	**45**	**(17)**	**388**
Funded by:				
Depreciation or Other Reserves (Renewals)	0	45	45	359
loan funding	62	0	(62)	29
	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 $351k under Annual Plan. This relates to a decrease in court enforced fees and infringements.

2 Revenue from exchange transactions was $311k over Annual Plan. This is due to an increase in building consents and resource consents being processed, and animal control infringements. This income is offsetting lower than expected parking meter revenue.

3 Expenditure is $1.8m over Annual Plan. Resulting from increased consultant costs to meet the demand for building and resource consents. In addition there was an increase in prosecutions and enforcement orders, combined with an increase in the provision for doubtful debts in relation to infringements.

4 Capital expenditure is $17k over Annual Plan. A new stock truck purchased which was partially offset by an underspend in parking meter renewals.

2. Te Whenua, ngā Awa me te Takutai
Land, Rivers and Coastal

Our Land, Rivers and Coastal activities minimise and prevent damage to Te 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 for 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 $70m.

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 roads from erosion. Council also undertakes this work in response to landowner requests via legislation, as required.

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 2km 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.

Summary

- Partnership with Rongowhakaata on Te Arai debris removal. Several meetings were held, and joint inspections were done to identify hot spots. ***Debris removal is ongoing.***
- Council's Flood Warning Manual was fully updated with flooding event details since 2013 and recent Cyclone information. ***Completed in May 2023.***
- Waipaoa flood damage off Lavenham Road during Cyclone Gabrielle. ***Completed in April 2023.***
- Waikakariki stopbank breach during Cyclone Gabrielle. ***Fixed within February 2023.***
- Taruheru River and Tūranganui River wooden revetment replacement under LTP. ***Completed in January 2023.***

Contribution to community outcomes

Community outcomes	*Contribution to community outcomes*	*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: • 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. There are four priority catchments that are actively managed by the team. These are Te Arai River, Waipaoa River, Waimata River and Hikuwai River. We've introduced e-texting for the community and Facebook updates to provide flood warnings.
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 construction work first started in 2019, around 32km of stopbanks have been successfully upgraded. 24.5km of the stopbanks upgraded to date are located on the eastern (city side) of the Waipaoa River. There is only 0.5km of stopbank left to upgrade to fully upgrade all the eastern side stopbanks. Since starting stopbank upgrade work on the western side in 2022, nearly 9km of stopbanks have been upgraded near Manutūkē Township and Te Arai River area.

Undertake flood mapping to make more informed decisions.	New LiDAR was flown post-Gabrielle. This information will feed into flood mapping and hydraulic modelling work planned for some areas.
Capture private assets in drains (survey and input into Council's Data Management System) and review ownership/ management policy.	A database was prepared for drainage assets 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, potentially additional budget may be sought in the 2024 LTP to undertake remedial works.	A Level of Service review has been initiated using a simple flood model. The remainder of the review is in progress.
Review of Waipaoa River rock/groyne protection.	Two new rock groynes are currently being constructed downstream of the KiwiRail Bridge. The physical work is expected to be fully completed by September 2023.
Integrate with cycle trails project(s), following the stopbanks.	An 8km long cycle trail following the crest of the recently upgraded Waipaoa Stopbanks has been fully completed and is operational.
Review, amend and consider adopting best practice operational manuals for the Waipaoa River Flood Control Climate Change Resilience project.	An operational and maintenance manual has been developed for the Mahunga Floodgates which will be completed in late 2023.
Reconstruct and replace aging Taruheru River and Tūranganui River wooden revetments.	For the replacement of timber revetments, we are considering the worsening effects of climate change. This may involve deeper embedment depth to avoid scouring and dislocation.
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 H&S issues on the coastline were well attended. River outlets and sandbars were opened to avoid further damage to coastal assets.
Review how we do things compared with other similar teams across New Zealand.	Regular updates are received via River Managers Special Interest Group (SIG) on river management done by other Unitary & Regional Councils as a part of the SIG.
Complete the review of the Wainui Beach Erosion Management Strategy.	Started review with completion set to be in 2023/24.
Continue to improve the management of assets.	Ongoing.
Beach erosion monitoring.	Ongoing. We do beach cross-section surveys to monitor coastal changes over time. This information will help in updating coastal hazard lines.
Improve fish passage.	Fish passage improvements were undertaken on the Whatatuna Floodgates to keep the gates open longer during tidal cycles.
Establish a willow nursery.	A new willow pole nursery has been established on Bushmere Road next to the Waipaoa River that provides our willow requirements for riverbank stabilisation and edge protection.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	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) **Mandatory measure - DIA**	**25%**	26%	25%	**29.8%**	Target met.
Percentage of Requests for Service resolved within target time frames.	**80%**	87%	72%	**66%**	Severe weather events led to more than double the number of service requests compared to the previous year. Most areas were inaccessible due to silt and continued poor weather conditions.

Significant effects of delivering this activity

Significance negative effects	Mitigation
Environmental • 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. • 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.	• 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. • Taking a different approach from hard structures to soft structures e.g. sand pushups and dune planting. Alternatively adopting a managed retreat approach e.g, requiring relocatable housing, planning provisions and allowing natural erosion processes over hard structures.

Response and recovery

Cyclones Hale and Gabrielle and ongoing wet weather since then forced a hold on stopbank upgrade work until spring 2023. This has affected contract completion timeframes and delayed stopbank upgrade progress.

Severe damage occurred to the Waipaoa Stopbank at two locations, both on the western side of the Waipaoa River, and both occurring in areas that hadn't been upgraded yet.

Because of the cyclones, maintenance work on flood control and debris removal from rivers and streams faced delays. Ongoing adverse weather conditions further contributed to these setbacks. Most areas are still inaccessible to remove river debris.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	132	0	132	0
Revenue From Exchange Transactions	(277)	285	(561)	149
Expenses	2,550	2,699	149	2,530
Net Cost of Service	**2,694**	**2,415**	**(279)**	**2,381**
Capital Expenditure				
Capital Projects	**5,320**	**4,968**	**(352)**	**4,996**
Funded By:				
Grants and Subsidies	3,062	2,438	(625)	3,344
Other Capital Revenue	2	0	(2)	0
Depreciation or Other Reserves (Renewals)	143	319	176	(431)
Internal Loans	2,112	2,212	99	2,083
	0	**0**	**0**	**0**

This activity was funded 48% from rates, 50% grants and 2% from fees and charges.

What was different from the budget

1 Revenue from non-exchange transactions was $132k ahead of Annual Plan. This is due to additional income from insurance and National Emergency Management Agency (NEMA) for costs incurred on works to reinstate infrastructure resulting from Cyclone Gabrielle.

2 Revenue from exchange transactions was $561k under Annual Plan. Resulting from an accounting loss on disposal of damaged revetments due to Cyclone Gabrielle.

3 Expenditure is $149k over Annual Plan. This is mostly due to lower than expected depreciation costs and employee costs.

4 Capital Expenditure is $5.3m against Annual Plan of $5m. The main project is the Waipaoa River Flood Control Scheme ($4m) slightly under the phased plan budget of $4.4m. Unplanned reinstatement works of $1m for stopbanks and revetments arising from Cyclone damage. The reinstatement works has been funded by insurance and NEMA. The rest of the capital expenditure is within the Annual Plan budget and relates to the renewals program.

3. Ngā Rori me ngā Ara Hīkoi
Roads and Footpaths

Roads and footpaths is about Te Tairāwhiti being a 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 Te 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.

Summary

Hei Huarahi Oranga / Streets for People launched in Grey Street in December 2022 with a street festival. Te Tairāwhiti Adventure Trust and the Ūawa community led co-design of street spaces for better community connection with walking and cycling in Ūawa on the State highway, connecting the new trails, and in Grey Street, connecting Awa to Moana.

Ūawa Trails North or Ūawa River are nearly complete with a small section between the school and river closed due to flooding until it can be re-routed.

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 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.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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
Reduce the number of fatal and serious crashes occurring in the district by • 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.	Tirāwhiti saw three fatal and 15 serious crashes during the reporting period. A one-fatality decrease and a reduction of 22 serious crashes compared to the previous year. Road safety projects and programmes aim to improve road safety. Slowing traffic down using raised pedestrian crossings, setting lower speeds around schools and using road safety promotion and education is our current focus.
Maintain the reliability and resilience of the roading network • 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.	Further weather events continue to disrupt recovery efforts following Cyclone Gabrielle. Up to 90 road closures with multiple slips and dropouts occurred across the rural network. Numerous bridges have suffered damage, leading to isolated communities. Progress is being made in securing funding for a resilient rebuild.
Improved access for communities with a choice of transport mode • 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).	Projects aimed at advancing this outcome have either been deferred to the 2023/24 period or temporarily suspended due to the impact of Cyclone Gabrielle. The focus shifted towards prioritising efforts to restore access to isolated communities and industries. Community-driven tactical urbanism initiatives, like Ūawa Trails and Streets for People, can continue as their locations have largely remained unaffected. Ūawa Trails has encountered some damage, with rerouting underway. The ongoing review of walking and cycling strategies, along with Public Transport, continues to guide forthcoming projects. The business case for the Taruheru River path is on hold until site suitability can be reevaluated following severe flooding.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	How did we perform?
We ensure the roading network is designed and managed for safe use with low crash and injury rates.					
Percentage of Requests for Service resolved within target times frames.	**80%**	**87%**	**72%**	**96.9%**	New contract models were implemented at the beginning of the financial year which have an emphasis on customer service management. Although the cyclones led to more than double the number of service requests, Council increased resources to reflect this.
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. **Mandatory measure - DIA**	**Decrease**	4 fatal 19 serious	4 fatal 37 serious	**3 fatal** **15 serious**	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.**Mandatory measure - DIA**	**80%**	36.2%	69.3%	**80.2%**	Target met.
Road condition - The average quality of ride on a sealed local road network, measured by smooth travel exposure. (The sealed road network has a roughness reading of less than 150 NAASRA) **Mandatory measure - DIA**	**80%**	90.3%	81%	**84%**	Target met.
Road maintenance - The percentage of the sealed local road network that is resurfaced. **Mandatory measure - DIA**	**5%**	5.5%	3.7%	**8.1%**	70.7km of roads resurfaced
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. **Mandatory measure - DIA**	**90%**	86.4%	86.5%	**94.1%**	Target met.
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**	60%	59%	**74%**	Network improvements continue to support growing numbers of users.
Percentage of customers who rate the passenger transport system as excellent/ good.	**80%**	100%	Not met	Not met	Continual adverse weather events have impacted on our ability to conduct the survey over the past two years. A survey is scheduled for 2023/24.
The number of bus passengers per annum.	**145,000**	121,487	116,408	**123,343**	The number of passengers increased compared to 2022. This was aided by central government's 50% reduced fares scheme. The bus timetable has been reviewed and is currently under consideration by the Regional Transport Committee.

Significant effects of delivering this activity

Significant negative effects	*Mitigation*
Environmental The land transport function is road maintenance and construction; On occasion this may lead to higher greenhouse gas emissions.	Ensuring an efficient maintenance schedule, promoting mode shift, and investigating the use of alternative materials to reduce carbon emissions. Contracts now have broader outcomes to include reduction of carbon emissions and waste reduction.

Response and recovery

Severe weather events this year have caused significant damage to the Te Tairāwhiti local road network. Much of our rural network was closed following cyclones Hale and Gabrielle. 62 bridges were affected. The immediate response saw over 150 crews working around the clock to reconnect the network. The rural network was further impacted by the heavy rain event in June, marking the district's third state of emergency this year. This event caused further land movement.

$51m of emergency reinstatement work was completed and fully funded by Waka Kotahi. Council's 2023/24 Annual Plan has allocated a budget of $65m. The total cost for a complete network reinstatement is estimated to be between $465m and $725m, with negotiations ongoing between the Council and Waka Kotahi on infrastructure replacements. Initial scoping for comprehensive repairs, including planning and securing resources, is projected to take 12-16 months, with the repair programme's commencement subject to funding availability.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	71,865	12,711	59,154	27,373
Revenue From Exchange Transactions	(2,392)	48	(2,440)	151
Expenses	91,135	31,237	(59,898)	45,713
Net Cost of Service	**21,662**	**18,478**	**(3,184)**	**18,189**
Capital Expenditure				
Capital Projects	**19,804**	**27,873**	**8,070**	**21,691**
Funded By:				
Grants and Subsidies	15,541	22,148	6,607	15,371
Other Capital Revenue	11	16	5	287
Depreciation or Other Reserves (Renewals)	3,859	4,630	772	4,513
Internal Loans	393	1,079	686	1,519
	0	**0**	**0**	**0**

Non-Subsidised Local Roads funded from 100% rates, Subsidised Local Roads, public transport and road safety is funded from 33% depreciation/loans/rates and 67% from subsidies from Waka Kotahi.

Flood Damage and Emergency Reinstatement is funded from 13% rates and 87% 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 $59m ahead of Annual Plan. This relates to roading emergency reinstatement as a result of Cyclone Gabrielle.

2 Revenue from exchange transactions is $2.4m over of Annual Plan. This relates to the loss on disposal of bridges that were destroyed as a result of Cyclone Gabrielle.

3 Expenditure is $59m ahead of Annual Plan. This is consistent with the above additional subsidy received for roading emergency reinstatement costs.

4 Capital costs are $8m under Annual Plan. Renewals and emergency reinstatement are $15.8m or 96% against the Annual Plan. The East Cape Road (Provincial Growth Fund) capital works is $2.9m against the Annual Plan $9.7m. The project is expected to be completed in 2023/24 after delays caused by the two cyclones at the beginning of 2023. The programme of work is still on track to be completed within the 3-5 years PGF approved timeframe. Also included within overall roading Annual Plan is $1.6m for the Taruheru Walking and Cycling project. At the time of the 2021-2031 Long Term Plan, the majority of funds to progress this project was to have been externally sourced from Waka Kotahi. The funds since the adoption of the Annual Plan have not been received.

4. 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're 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.

Summary

Enviroschools

Council's Enviroschools programme, focused on sustainability and environmental education for schools, is experiencing increased popularity and demand. We are now expanding our services to assist Early Childhood Education centres in adopting this initiative. This year, we have opened up ten spots, and we are actively exploring the possibility of additional intakes in the coming year.

Recycle schemes /options for region

In collaboration with the Tairāwhiti Environment Centre, Council partnered with Tech Collect NZ, a non-profit organisation, to initiate a nationwide pilot programme aimed at preventing e-waste from ending up in landfills. The pilot's success led to its extension through to March 2024.

Council, alongside Walter Findlay's, Future Post, Pak n Save, The Warehouse, Countdown, Tairāwhiti Environment Centre and 4Square stores, introduced Soft Plastics recycling.

Tetra Pak recycling has been established, with the Tairāwhiti Environment Centre serving as the current drop-off point. Tetra Paks are transported out of region where they undergo recycling and transformation into building materials for home interiors.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	Objectives
A driven and enabled community.	It's our vision that the community becomes part of, and shares with Council the responsibility for the service provision.	The community becomes part of and shares with Council the responsibility for the service provision.
A vibrant city and townships.	Maintaining clean public places and amenities enhances the community's and our visitors' enjoyment of our city and townships. We'll work to ensure that our activities are of the standard the community expects and in the locations required.	Solid waste activities are of the standard that the community expects and in the locations required by the community.
We take sustainability seriously.	We work with community groups to promote and advocate for increased waste minimisation and diversion from landfill.	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.

Our progress

What we said we would do	How we are going
Review of our kerb side rubbish and recycling collection contract.	Drafting of tender documents for kerbside collection services is currently underway.
Review the implemented Council bylaws to comply with statutory requirement.	A review was conducted and the existing waste bylaws and practices have been assessed as suitable and appropriate.
Continued support of Enviroschools.	We're providing additional resources to Enviroschools and collaborating on environmental enhancement projects.
To actively engage the community and provide information, education and resources to support community actions and community initiatives for waste minimisation.	The Tairāwhiti Adventure Trust received a $10,000 grant for upcycling bicycles.
Continue implementing the 2018-2024 Waste Management and Minimisation Plan.	The plan is actively being implemented, with a focused review on building resilience planned.
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 align with broader township and playground enhancements.
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.	Additional funding opportunities have been considered by MfE. A funding application for the Resource Recovery Centre was suspended but is now progressing.
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.
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 utilising a new nationally developed risk assessment tool.
Continue remediation of the Pāōkahu closed landfill and Awapuni lagoon waterways.	There has been no significant work on remediation in the last financial year.
Continue management and development of the community caretakers' system.	Collaboration with Council teams is in place to ensure alignment of community caretaker systems and processes.
Increase cooperation alongside other Council teams to maximise community opportunities.	We hold regular hui with other councils to discuss current and emerging issues. Working together to look at different opportunities for waste minimisation and reduction, collaborating to manage different waste streams such as e-Waste, soft plastics, Tetra Packs, and chemicals. Current efforts are centred around developing remediation solutions through Hawke's Bay and Te Tairāwhiti.
Undertake works at our closed landfills to improve consent compliance.	Works completed 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).	In progress.
Apply to renew consent for Te Araroa transfer station (consent expires 2023).	In progress.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	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%**	87%	84%	**81%**	Feedback suggests a need to increase kerbside recycling capacity due to heightened awareness and demand. We are seeing a strong demand for expanded green waste and organics disposal.
Total waste received as illegal dumping (tonnes).	**Decrease on prior year result**	202.71	297.72	**392.84**	Illegal dumping increased by 95.12 tonnes last financial year, primarily in remote locations and roadsides. Concealed sites became visible after clearing efforts, contributing to this rise. Most dumping came from these exposed areas. There was a dip during Cyclone Gabrielle but a spike in April and May followed.
Public information and programmes promote waste minimisation.					
Support information and education programmes or workshops that raise awareness and promote waste minimisation.	**≥ 5**	New measure	6	**6**	Target met.
Waste is diverted from landfill via waste minimisation method.					
Total solid waste to landfill in kg per head of population.	**285**	250	341	**388**	The per capita waste sent to landfills has increased, mainly because of the additional waste generated in the aftermath of Cyclone Gabrielle. In February and March 2023, there was a notable rise, with 620 tonnes more waste passing through the Waste Management drop-in centre compared to the previous year.
Ratio of recycling to landfill waste (tonnes).	**30:70**	31:68	23:77	**24:76**	The increase in contaminated materials being deposited in landfills has had an impact on the overall ratio.
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**	1	0	**1**	Target met.

Significant effects of delivering this activity

Significant negative effects	Mitigation
Environmental 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.
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 and Minimisation Plan (WMMP).
Potential environmental damage. Potential high fines for significant breaches. Potential damage to Council reputation.	Managing the sites through significant weather events.

Response and recovery

Potential locations for the future site of the Tokomaru Bay transfer station are under review. Efforts are being made to plan remedial solutions for the legacy landfill site.

With the fragile roading network and multiple road closures across the region, contractors were unable to transport waste out of the region, in turn we did not have sufficient storage capacity to store our waste streams.

With multiple local road closures, particularly on SH35 we were unable to transport waste across the region for disposal. This had a major impact on Tokomaru Bay as the town was isolated on both sides.

Council is exploring alternative solutions for waste stream storage at multiple sites throughout the region, especially in scenarios where significant road closures or other factors impede waste transfers. These considerations will be incorporated into our business continuity planning.

With the ground saturated it has reduced our ability to complete works on sites or projects. Access to land has been difficult. Emergency works have been a priority and many other jobs were put on hold during weather events.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	1,326	0	1,326	0
Revenue From Exchange Transactions	244	232	12	271
Expenses	7,085	4,371	(2,714)	4,609
Net Cost of Service	**5,515**	**4,138**	**(1,377)**	**4,338**
Capital Expenditure				
Capital Projects	**81**	**1,266**	**1,184**	**22**
Funded By:				
Grants and subsidies	68	0	(68)	0
Other Capital Revenue	450	450	0	450
Depreciation or Other Reserves (Renewals)	(414)	(307)	107	(432)
Internal Loans	(23)	1,122	1,145	4251
	0	**0**	**0**	**0**

This activity was funded 75% from rates, 21% grants and 4% from fees and charges.

What was different from the budget

1 Revenue from non-exchange transactions is $1.3m ahead of Annual Plan. The additional revenue relates to costs for large woody debris removal as a result of Cyclone Gabrielle.

2 Revenue from exchange transactions is consistent with Annual Plan.

3 Expenditure is $2.7m ahead of Annual Plan. This is consistent with the increase in non exchange revenue as above relating to the removal of large woody debris. There were also higher costs arising from waste collections resulting from Cyclone Gabrielle but not covered by external funding.

4 Capital Expenditure is $1.2m under Annual Plan. The Tokomaru Bay transfer station was delayed due to Cyclone Gabrielle. A new location is currently being re-assessed to consider impacts of the recent cyclone.

5. Waikino Wastewater

We're providing Te 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 (sewage) 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 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.

Summary

Improve the quality of wastewater discharge to marine environment.

We are currently upgrading our wastewater treatment plant to enhance its capabilities. This upgrade involves the removal of solids after biological treatment and the use of UV disinfection prior to discharge. These improvements will notably enhance the quality of our discharge into the bay.

Removal of mortuary waste from the wastewater network.

The Gisborne Trade Waste Bylaw was amended to prohibit the discharge of mortuary waste into our wastewater network, reducing the impact on our environment and realigning with our community's tikanga. A location for treatment of Mortuary waste at the Taruheru Cemetery is still to be agreed.

Gisborne domestic sewage is collected at the WTP, screened, has the grit removed, is treated biologically, and is then discharged to the marine outfall. Council regulates trade waste discharges to the Gisborne city wastewater systems by means of the Trade Waste Bylaw.Council regulates trade waste discharges to the Gisborne city wastewater systems by means of the Trade Waste Bylaw.

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	Contribution to community outcomes	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 of the upgrade to the wastewater treatment plant.	All civil work is completed. Start-up commissioning, including a trial period, is due for completion by the end of September 2023.
Ensure major industries comply with new trade waste consents required to achieve Council's discharge consent requirement by mid-2022.	The mid-2022 compliance target linked to the stage 2 WWTP upgrade has been delayed due to project start, with completion now targeted for mid-late 2023. The major industry compliance target is set for early to mid-2024.
Continue to implement the DrainWise Programme with specific emphasis on the Kaiti catchment to reduce wastewater overflows.	Rapid inflow assessment (RIA) has been finished in Kaiti, part of Elgin / Te Hapara and a large area of Whataupoko.
Continue to renew critical, old and leaking sewer pipes.	80% of the construction programme is finished. Time extensions were granted for remaining work due to wet weather causing high flows within the piped network.
Renew ageing plant / equipment at the wastewater treatment plant.	The renewal programme has been postponed due to budget constraints, with renewals now scheduled for FY24.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	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. **Mandatory measure - DIA**	**1**	0	0.83	**0**	Target met.

Measure	Target	2021	2022	2023	How did we perform?
Discharge compliance - Compliance with resource consents for discharge from the wastewater system:					Targets met.
a) measured by the number of abatement notices	**a) 0**	a) 0	a) 0	**a) 0**	
b) infringement notices	**b) 0**	b) 0	b) 0	**b) 0**	
c) enforcement orders	**c) 0**	c) 0	c) 0	**c) 0**	
d) convictions **Mandatory measure - DIA**	**d) 0**	d) 0	d) 0	**d) 0**	

Fault response times - Council responds to wastewater overflows resulting from a blockage or other fault in wastewater system:					The major weather events of 2023, combined with stormwater infiltration from private properties into the wastewater system, led to a significant surge in volume and scope of problems.
a) Median attendance time from the notification of the fault to the time that service personnel reach the site (hours).	**a) < 1**	a) 0.55	a) 3.13	**a) 3.43**	
b) Median resolution measured from the notification of the fault to the time that service personnel confirm resolution (hours). **Mandatory measure - DIA**	**b) < 15**	b) 2.41	b) 15.46	**b) 24.29**	
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. **Mandatory measure - DIA**	**< 10**	14.6	21.48	**33.94**	Major weather events of 2023 resulted in substantial increase in volume and scale of issues.
Discharge to rivers. The annual number of events where sewage is discharged from Council's reticulation into rivers or streams (in a less than a 1-in-10-year rain event).	**≤ 4**	1	1	**0**	Target met.

Significant effects of delivering this activity

Significant 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.	
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 (WMC) KIWA Group and through other consultation channels.	Alternative use and disposal options are being investigated and a report will be presented to the WMC at it's next meeting November 2023.
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.	New site near Tolaga Bay is still in progress.

Response and recovery

The wastewater network faced significant challenges this year due to severe weather events, leading to recurrent high flows. While our network usually sees two overflow incidents each year, spanning two to three days, the 2022/23 period was different. We recorded six overflow incidents across the region, with the duration of discharges noticeably extended.

This has caused a marked silt buildup in our pipes, the appearance of tomos (sink holes), and damage to the wastewater discharge pipe that extends into the bay.

A majority of these issues have been addressed, with repairs to the wastewater pipe scheduled in the near future.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue from Non-Exchange Transactions	304	0	304	0
Revenue From Exchange Transactions	274	535	(260)	482
Expenses	9,086	10,525	1,440	8,152
Net Cost of Service	**8,507**	**9,991**	**1,483**	**7,670**
Capital Expenditure				
Capital Projects	**21,699**	**23,189**	**1,490**	**19,758**
Funded By:				
Grants and Subsidies	918	0	(918)	7,500
Other Capital Revenue	0	0	0	30
Depreciation or Other Reserves (Renewals)	(64)	6,739	6,803	295
Internal Loans	20,845	16,450	(4,395)	11,933
	0	**0**	**0**	**0**

This activity was funded 87% from rates, 11% from grants and 2% from fees and charges.

What was different from the budget

1 Revenue from non-exchange transactions is $304k above Annual plan. This is due to additional income from insurance and National Emergency Management Agency (NEMA) for costs incurred on works to reinstate infrastructure resulting from Cyclone Gabrielle.

2 Revenue from Exchange transactions was $260k under Annual Plan. Reduced revenue from trade waste charges resulted after damage to key infrastructure post Cyclone Gabrielle.

3 Expenditure is $1.4m under Annual Plan. This is a result of lower than expected operational and depreciation costs. At the time of the adoption of the Annual Plan, the new Wastewater treatment plant (WWTP) was expected to be fully operational within the 2022/23 financial year. However, the operating budget will be carried over into 2023/24, aligning to when the plant will be fully operational.

4 Capital expenditure is $1.5m under Annual Plan. The majority of the plan budget relates to the Wastewater Treatment Plant (WWTP) where $15.7m was spent. The WWTP project is expected to be completed within the first quarter of 2023/24. Most of the underspend relates to the Septage Solids removal and the Tologa Bay Septage Site project. The solids removal project aligns with the completion timing of WWTP.

6. Whakaranea Wai Water Supply

We provide Gisborne city, Te Karaka and Whatatūtū residents and businesses with treated water supplies. We want to continue to meet our legislative requirements to deliver water supply services that are safe, healthy and sustainable.

What we do

Council manages the supply of drinking water services to Gisborne city, Te Karaka, Whatatūtū, Mākaraka and Manutūkē. We are responsible for the Te Arai Bush Catchment and the Mangapoike dams which are the main source of water that supplies the Gisborne area; and the drinking water treatment plants 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.
- 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.
- A tanker-filling point for carted water.

All other areas in Te Tairāwhiti not mentioned, 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 Gisborne city households and businesses.

Summary

Infrastructure upgrades to support growing community needs

A pipeline supplying the Muriwai township has been completed, serving both the Muriwai marae and a public collection and truck filling facility.

In preparation of upcoming housing developments, funding has been allocated for new water mains. The design phase has been finalised, ready for a construction programme during the summer.

Some interruptions or restrictions may be implemented under emergency circumstances or due to scarcity of supply. We also provide supplementary (top-up) supply of drinking water to Te Karaka, Whatatūtū and Manutūkē townships. A safe public water supply system contributes to community health and disease prevention and is essential for basic health and hygiene. Water supply is also essential for business and industrial users and impacts on economic conditions.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	Objectives
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.	Tūranga – Gisborne has a secure and sustainable supply of water for drinking, industry, primary production and other uses.
Resilient communities.	Ensuring continuity and delivery of our drinking water.	To increase the resilience of our infrastructure, economy and our communities.
A driven and enabled community.	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. Year Two 2022/23 $480k.	Approximately 70% of the budget has been spent, with the remaining unspent due to the impact of Cyclone Gabrielle.

Replacement of asbestos cement watermains Year Two 2022/23 $983k.	Budgeted work has been completed.
Continue replacing high criticality water pipes which have reached their useful life and/or in poor condition.	Selective sampling of critical pipes occurred over the year. Pipe failures are closely monitored through the Council's Asset Management System to identify any trends.
Continue refurbishment of the raw and treated water pipeline and bridges.	This programme had to be suspended due to Cyclone Gabrielle, resulting in significant setbacks in work already completed. Addressing this damage will require substantial rework. Council is actively pursuing external funding for remediation work.
Continue the installation of backflow manifolds at residential connections to reduce the backflow contamination risk.	60% of the work was completed. The contractor was redeployed to assist with Cyclone Gabrielle and subsequent rain events.
Continue renewal of critical components at the water treatment and distribution facilities such as pumps, motors, automation systems, power supplies and instrumentation.	Around 85% of the planned works, including the renewal of chlorine dosing systems, were successfully executed. However, the renewal of electrical systems at the dam's pump station had to be postponed until 2024 due to conditions stemming from Cyclone Gabrielle and subsequent rain events.
Replace compromised road culverts in the water supply catchment to maintain access to the water supply dams and pipeline.	Extensive damage caused by Cyclone Gabrielle and subsequent rain events has resulted in the deferral of works until 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.	Plans are complete and were submitted to Taumata Arowai, the New Zealand Regulator.
Progress cross-council adaptation and resilience planning for drinking water assets/service provision.	A water loss strategy and a growth strategy have been prepared which include resilience planning over the short to long term.
Renew the Te Karaka reticulation network.	Design and procurement have been completed, but due to significant flooding caused by Cyclone Gabrielle and subsequent rain events, the works have been deferred to 2024.
Prepare a water take consent application for the Waingake (Te Ārai) River water source.	Deployment of staff for response and recovery efforts following Cyclone Gabrielle and subsequent rain events has delayed the early planning phase for the consent which is required by 2026.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*How did we perform?*
We provide water supply infrastructure that meets the needs of our community now and into the future by delivering safe, clean water in a sustainable manner.					
The percentage of residents satisfied with the water supply system as found in the Resident Satisfaction Survey.	**75%**	86%	87%	**60%**	During the first half of the year, there was an average satisfaction rate of 87%. However, there was a sharp decline in satisfaction coinciding with Cyclone Gabrielle, which damaged our water supply network, affecting water colour and quality. Additionally, a period of water restrictions was in place during this time.

Measure	Zone	Target	2021	2022	2022 Jul-Dec	2023 Jan-Jun	How did we perform?
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 f) Council's response to any of these issues (expressed per 1000 connections to the local authority's networked reticulation system). **Mandatory measure - DIA**		**< 10**	5.08	4.43	**11.97**		Target not met due to Cyclone Gabrielle damages affecting continuity of supply and aesthetic water quality. Iron in the Waipaoa source water caused intermittent discolouration.
Demand management - The average consumption of drinking water per day per resident within the district (litres). **Mandatory measure - DIA**		**≤ 308**	219	204	**187**		Target met. Reduced water usage can be attributed to weather induced supply restrictions and interruptions.
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 (hours):							Targets met.
a) attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site		**a) 4**	a) 0.24	a) 0.57	**a) 0.6**		
b) 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		**b) 6**	b) 1.08	b) 1.82	**b) 2.33**		
c) attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site		**c) 4**	c) 2.79	c) 3.49	**c) 4.0**		
d) 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 **Mandatory measure - DIA**		**d) 48**	d) 20.28	d) 19.12	**d) 20.5**		
Maintenance of the reticulation network - The percentage of real water loss from Council's networked reticulation system. **Mandatory measure - DIA**		**< 15%**	14.5%	14.7%	**14.7%**		

Measure	Zone	Target	2021	2022	2022 Jul-Dec	2023 Jan-Jun	How did we perform?
Safety of drinking water. **Mandatory measure - DIA** The extent to which the drinking water supply complies with: A: Part 4 of the drinking-water standards (bacteria compliance criteria)	**Gisborne**[1]	100%	100%	100%	**100%**	**100%**	Following Cyclone Gabrielle, there were brief periods during which our water supply performance temporarily fell out of compliance.
	Rural	100%	100%	99%	**100%**	**99%**	
	Te Karaka	100%	100%	100%	**100%**	**100%**	
	Whatatūtū[3]	100%	100%	100%	**100%**	**99%**	
B: Part 5 of the drinking-water standards (protozoal compliance criteria)	**Gisborne**[2]	100%	100%	100%	**100%**	**99%**	
	Rural	100%	100%	100%	**100%**	**100%**	
	Te Karaka	100%	99%	100%	**100%**	**100%**	
	Whatatūtū[4]	100%	99%	100%	**100%**	**99%**	

Between July and December 2022, Council's reporting was based on the Drinking Water Standards 2015/18. Starting in January 2023, our reporting shifted to comply with the Drinking Water Quality Assurance Rules 2022.

[1] Part of the zone was on a boil water notice for March 2023 as Free Available Chloride (FAC) levels could not be maintained at the time. This was during the response to Cyclone Gabrielle.

[2] For 1 ½ days during the 6-month audit period, some of the water going through the treatment plant did not fully meet all of the protozoal requirements. This was during the response to Cyclone Gabrielle.

[3] One FAC result, for the 6-month audit period, was less than 0.1 mg/L (result was 0.09 mg/L)

[4] For 164 minutes of 1 day, during the 6-month audit period, the treated water did not meet all of the protozoal requirements. This was during the plant start up after Cyclone Gabrielle.

Significant effects of delivering this activity

Significant negative effects	Mitigation
Environmental Effects on the Te Ārai River ecosystem and Waipaoa River during low summer river flows.	Council mitigates these potential negative effects through asset operations, management, maintenance, and planning including: • appropriate water source management • appropriate water treatment processes • meeting resource consent requirements • implementation of demand management initiatives including water conservation education.

Social Health and safety risks associated with the construction, maintenance, or operation of the water supply infrastructure. 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 limpacts on households and industry from water restrictions.	Health and Saftety controls are implemented for operations and projects with particular focus on traffic management controls and public safety. Asset condition assessments and renewals are done to minimise risk of breakages on most vulnerable pipes. Water corrosiveness and water quality is managed by blending source waters and managed water treatment processes. Emergency restrictions and water allocations were implemented during Cyclone Gabrielle to avoid loss of supply to households, service providers, health, education, accommodation ad lower water use industries. Supply to high water use industry was interrupted with limited allocations until full reinstatement of supply was achieved.
Cultural 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.	We will continue to support opportunities for Iwi within the Mangapoike water catchment and currently this is being achieved within the partnership of the Waingake restoration project.

Response and recovery

Considerable damage occurred on multiple pipe bridges, sections of pipeline, access tracks and fords. Slips in the dam's catchment has made the city's main water source untreatable. Reinstatement of the supply pipelines from Waingake took six weeks and must be considered temporary fixes until summer when further work can be undertaken to consolidate the temporary repairs.

Accessways have been opened but land slippage and escarpments require retaining constructions and mitigations to stabilise the land where possible. Some pipeline realignments are necessary.

Waingake supply remains compromised from silted water and the Waipaoa treatment plant is operating in parallel to ensure adequate water capacity for connections.

The Waipaoa Water Treatment Plant is crucial for supplying fresh water to the district, especially during times when the Waingake supply faces challenges. However, its operational capacity is limited by river levels and excess sediment during rain events.

Upgrading the river intake is necessary to manage more extreme river conditions. The inundation of heavily silted water impacts treatment processes, including UV treatment, necessitating increased plant maintenance and repairs.

Cyclone Gabrielle triggered multiple landslides, raising turbidity levels in two important water supply dams managed by Council. Because of this, water from these dams cannot undergo treatment at the Waingake plant.

To restore effective treatment capabilities, a retrofit of the Waingake plant is currently in progress, involving the implementation of a pre-filtration system. Additionally, a new pipeline is being constructed to tap into a clean water reservoir, which will serve as an alternative to the Te Arai River source. These initiatives are critical to ensuring an adequate water supply during the summer period.

On January 2023, new Drinking Water Quality Assurance Rules were introduced. This has prompted Council to make changes to our treatment facilities and water quality monitoring practices. Notably:

- A UV treatment facility at Waingake is in the final stages of construction, aimed at ensuring treatment compliance.
- Instrumentation for measuring water quality has been installed.
- Water Safety Plans and Source Water Risk Plans have been developed and finalised.
- Upgraded monitoring programmes are now live.
- New reporting obligations to Taumata Arowai.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	861	0	861	6
Revenue From Exchange Transactions	3,067	3,708	(641)	3,485
Expenses	8,407	6,663	(1,744)	6,621
Net Cost of Service	**4,479**	**2,955**	**(1,524)**	**3,130**
Capital Expenditure				
Capital Projects	**7,625**	**4,191**	**(3,434)**	**3,531**
Funded By:				
Grants and Subsidies	3,175	0	(3,175)	967
Depreciation or Other Reserves (Renewals)	2,822	2,857	35	2,357
Internal Loans	1,628	1,334	(295)	207
	0	**0**	**0**	**0**

This activity was funded 38% grants, 36% from rates, and 26% from fees and charges.

What was different from the budget

1 Revenue from non-exchange transactions is $861k ahead of Annual Plan. This is due to additional revenue from insurance and National Emergency Management Agency(NEMA) mostly for the higher operating costs that arose from Cyclone Gabrielle.

2 Revenue from exchange transactions is $918k under Annual Plan. This mostly relates to the reduction in water by meter income due to water restrictions as a result of Cyclone Gabrielle.

3 Expenditure is $1.7m over Annual Plan. This mostly relates to higher water treatment operating costs ($890k). Normally, only the Waingake Treatment Plant would be in operation but since the Cyclones both the Waiapoa and Waingake (after the water main repairs) Treatment Plants have been operating.

4 Capital expenditure is $7.6m against Annual Plan of $4m. The higher costs than what was provided within the Annual Plan is due to and the reinstatement of the main water supply to the city that was damaged as a result of Cyclone Gabrielle. This has been funded by insurance and NEMA.

7. 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.

We manage a network including 170km of stormwater pipes, most of which are reinforced concrete, around 32km of channels and swales, and assets across the city and townships.

Summary

Upgrade of Okitū SW Drain, Wainui

Council replaced a severely corroded and under capacity pipe causing flooding of several properties. The design is now an open concrete channel with an upstream attenuation dam and includes allowance for climate change.

Public Drains on Private Property

This on-going programme of work is achieving a significant reduction of flooding on private property and helping reduce sewer overflows on to private property and our rivers.

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	Contribution to community outcomes	Objectives
A vibrant city and townships.	We plan and deliver new and upgraded stormwater infrastructure that supports: • Quality urban infill development. • Improved housing choices. • The creation of healthier homes. • Intensification and redevelopment of the city centre.	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.

We take sustainability seriously.

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.

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.

Our progress

What we said we would do	*How we are going*
The DrainWise Programme will be a major focus. Rolling out the programme will comprise of a combination of Council-funded upgrades, private property enforcement, and several other initiatives – focussing on resolving inflow issues while commencing with processes to address infiltration issues.	Council is on target with property inspections to repair broken gully traps, remove downpipes going into gully traps and identifying properties where on property flooding is getting into the sewer network. Property inspections to repair broken gully traps, remove non-compliant downpipes, and address on-property flooding into the sewer network are on track.
Implement priority renewals and upgrades in Gisborne City.	The Graham Rd Upgrade has been put on hold.
Improve our stormwater asset information for Gisborne City and rural townships, integrating overland flow-paths into network considerations.	Rural township stormwater ponding and overland flows have been completed. These are now identified on Councils GIS and will contribute to future improvement strategies.
Revise and improve our renewal strategy to one based more on performance, condition and risk (asset criticality and likelihood of failure) rather than just age.	
Develop the renewals and upgrades programme for Year Four to Ten based on catchment studies, condition assessments, climate change, regional plan drivers, growth, inflow and infiltration factors, and opportunities for collaboration with other utility operators.	The recently finished Stormwater Network Model will allow us to progress the renewal strategy.
Complete stormwater network models, catering also for the secondary stormwater network.	Council has updated its three models for Gisborne City, identifying secondary flowpaths (overland flowpaths). These models serve as tools to identify future upgrades and flood-prone areas.
Establish and commence a process for assisting homeowners with private property stormwater renewals and upgrades in a project management capacity – where private homeowners are responsible for the operation and capital infrastructure investment. We will seek to renew or upgrade the adjacent Council network where warranted.	These findings have been integrated into the Rapid Property Inspections (RIA) process. Council offers assistance to mitigate on-property flooding by providing guidance or extending the stormwater network into private properties.
Complete investigations, designs and upgrade/network extension works to address known stormwater flooding issues on private property in the rest of Kaiti and Whataūpoko.	90% of this work is complete but is currently suspended due to high ground water levels.
Complete upgrades in Graham/De Lautour Roads.	The project was put out for tender but not awarded due to high groundwater levels. Construction is targeted for the December/January period, aligning with the school holiday schedule.
Complete stormwater structure planning for the Taruheru Block.	On hold due to the withdrawal of a lead developer. Further consideration will be given as part of the Future Development Strategy (FDS).

Develop strategy and policy to guide asset management in response to climate change and growth pressures, as informed by local and central government.	Council is in the process of completing a FDS which considers impact of growth over the next 30 years and provides direction on climate change.
Progress work on catchment planning, integrating Water-Sensitive Urban Design (WSUD), natural assets, and green infrastructure.	When designing Stormwater upgrades WSUD options are investigated. Consideration to further expand this is underway as part Council's Integrated Catchment Management Plan.
Design and install stormwater infrastructure in Parkinson Street, Tolaga Bay (Stage 2).	This work is now complete.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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.					
The percentage of residents satisfied with the district's urban stormwater services as found in the Resident Satisfaction Survey.	**50%**	49%	47%	**28%**	Major weather events of 2023 had considerable effects on the stormwater reticulation system. A drop in satisfaction was seen in quarters three and four following Cyclone Gabrielle.
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). **Mandatory measure - DIA**	**< 12**	8.6	12.75	**19.2**	The significant weather events during 2023, notably Cyclone Gabrielle, resulted in an increase in both volume and severity of issues.
System and adequacy - a) The number of flooding events that occur in a territorial authority district. **Mandatory measure - DIA**	**< 2**	0	0	**89**	Major weather events of 2023 resulted in widespread flooding events.
b) For each flooding event, the number of habitable floors affected (Expressed per 1000 properties connected to the territorial authority's stormwater system).	**< 2**	0	0	**6.12**	
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:					Targets met.
a) abatement notices	**a) 0**	a) 0	a) 0	**a) 0**	
b) infringement notices	**b) 0**	b) 0	b) 0	**b) 0**	
c) enforcement orders	**c) 0**	c) 0	c) 0	**c) 0**	
d) successful prosecutions received by the territorial authority in relation to those resource consents. **Mandatory measure - DIA**	**d) 0**	d) 0	d) 0	**d) 0**	

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 (minutes). **Mandatory measure - DIA**	**30**	0	0	**71.68**	The significant weather events of 2023, specifically Cyclone Gabrielle, led to escalation in both volume and magnitude of issues, which limited response times to flood events.

Significant effects of delivering this activity

Significant negative effects	*Mitigation*
Gisborne City stormwater is significantly affected by high levels of private property flooding entering the wastewater system. This results in wastewater being discharged onto private property and into rivers.	DrainWise Implementation Programme as detailed in Council's Wet Weather overflow consent, and on-going engagement with Iwi through the Tangata Whenua Reference Group.
Insufficient control of secondary flowpaths will cause flooding on private property, inundating housing and buildings during heavy rains.	Stormwater upgrade projects have been a major Council commitment and will be an ongoing due to climate change and urban growth.

Response and recovery

Unprecedented flooding has caused significant property damage. Council has re-established its piped network and cleared numerous creeks and streams.

A review will be conducted on the stormwater network capacity, including revised modelling based on the impacts of Cyclone Gabrielle.

What it costs

Operating revenue and expenditure	2023 $000s	2023 $000s	Favourable /(Adverse)	2022 $000s
Revenue From Exchange Transactions	(31)	0	(31)	(27)
Expenses	3,030	2,911	(119)	2,532
Net Cost of Service	**3,061**	**2,911**	**(150)**	**2,559**
Capital Expenditure				
Capital Projects	**1,104**	**4,190**	**3,086**	**1,089**
Funded By:				
Depreciation or Other Reserves (Renewals)	329	2,280	1,952	538
Internal Loans	775	1,910	1,135	551
	0	**0**	**0**	**0**

This activity was funded 100% from rates.

What was different from the budget

1 Revenue from Exchange transactions is mostly consistent with the Annual Plan, including the accounting loss on disposal of stormwater assets as a result of Cyclone Gabrielle.

2 Expenditure is $119k above Annual Plan. This is due to an increase in depreciation costs in stormwater.

3 Capital expenditure is $3.08m under Annual Plan. The drainwise program has been delayed pending design and map work, $950k has been carried over to 2024.

8. Te Rōpū Nohoanga Hapori
Liveable Communities

We contribute to the ongoing transformation of Council into a customer-focused organisation. We provide the strategic direction for our essential Liveable Community assets to meet the future needs of our community.

We are responsible for a wide portfolio which incorporates a number of important community and environmental functions including biodiversity, reserves, catchments and sustainable open spaces and the effective management and provision of all associated services.

By providing professional and integrated activity planning, we ensure the effective delivery of our community facilities, while meeting the community's needs through managing safe, fun and engaging places and spaces.

The activities in this group include:

8.1 Catchments and Biodiversity
8.2 Cultural Activities
8.3 Recreation and Amenity

8.1 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.

Summary

Expansion of Land Management

Council's Land Management team has expanded using funds from the Ministry for the Environment (MfE) and the Ministry for Primary Industries (MPI). This expansion is aimed at addressing the challenges posed by new approaches to Freshwater Farm Planning (FWFP) and catchment management.

Whakaoratia Project

Establishing a full-time workforce with diverse skills in environmental enhancement has brought about tangible benefits, including improved well-being and enhanced self-esteem among those employed.

Integrated Catchments use of enhanced technologies

New technologies are being explored across Integrated Catchments, with an ongoing commitment to adopting technologies that enhance our operational capabilities.

Contribution to community outcomes

Community outcomes	*Contribution to community outcomes*	*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. Provide technical support to the Whakaoratia te Mana o te Waiapu project and other initiatives e.g. technical advice and support.	Council is continuing to provide technical support to our partners for these initiatives.
Administer Phase 1 of the Waiapu River restoration community grant planting of poplar and willow poles alongside the Waiapu River.	Ongoing - we have observed some losses of trees from plantings carried out in recent years.
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 have encountered challenges in effectively reaching landowners, largely due to disruptions in access caused by recent weather events. These difficulties have affected both Council operations and landowners' ability to access their properties.
Support Iwi in funding applications, e.g. the Freshwater Improvement Fund and other funding initiatives.	We are providing assistance whenever funds are available, and continue to seek further funding options.
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 have established a strong relationship with the Whakaoratia Trust. Despite challenging weather conditions, our ongoing efforts in debris management and dam construction continue. Furthermore, we have expanded capacity to address biodiversity, biosecurity, and land management concerns in the Waingake area.
Ongoing participation with Iwi in environmental projects, such as the Whakaoratia te Mana o te Waiapu initiative.	Ongoing and looking at further employment opportunities.
Working with Iwi to enhance mahinga kai opportunities.	This initiative has slowed but further engagement with landowners and catchment groups will focus on water quality and mahinga kai.
Development of a plan for protection and enhancement of Protection Management Areas (PMAs).	A platform for the management of Protection Management Areas has been developed. This platform supports biosecurity threats and provides methods for prioritising work.

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 Farm Environmental Plan (FEP) process is currently being replaced by the Freshwater Farm Plans (FWFP), and substantial resources and efforts are being dedicated to supporting this transition.
Provide advice and support to the Waimatā Catchment Group on the community-led restoration project.	This work is ongoing.
Provide support to Māhora Wetland by taking a collaborative biodiversity approach towards the Kōpuaroa Catchment.	Significant damage occurred to the Kopuaroa Stream and Mahora area. Restoration efforts are currently underway, with a particular emphasis on developing a comprehensive management plan.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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%**	No exclusion programme pests were found established in the district.
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 (ha).	**45,500**	44,400	44,400	**44, 900**	The additional planting areas that were in the finalisation process during FY22/23 are still undergoing confirmation. Once these areas are confirmed, the total area of planted land will see an increase.
Number of work plans monitored.	**50**	New measure	54	**39**	The programme was significantly disrupted by adverse weather conditions affecting access and land owner priorities. Where possible, inspections were conducted, and support was provided to landowners to assist them in devising alternative plans.
Number of Protection Management Areas (PMAs) monitored to assess condition.	**50**	New measure	20	**10**	Fieldwork season was initially delayed due to challenges with data collection and completely disrupted by the significant weather events over FY22/23. We have implemented changes to our PMA reporting process, which are expected to enhance our service provision in this area.

Response and recovery

The Intergrated Catchments team encountered multiple challenges in delivering the 2022/23 work programme due to disruptions caused by severe weather events, especially in accessing remote work areas.

8.2 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. Patutahi 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 our 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 seven projects delivered together with tāngata whenua and partner organisations to ensure its full benefits - economic, tourism, place-making and community wellbeing. They are realised through well connected and integrated design, landscaping and stories. The seven projects are:

- Restoration of Titirangi maunga (Co-managed with Ngāti Oneone through the Whāia Titirangi planting and conservation programme).
- Redevelopment of the summit on Titirangi – Te Panuku Tū (subject to external funding).
- Upgrade of the inner harbour area (completed).
- Tūpapa historical interpretations (completed).

Summary

Theatres continue to exceed booking targets

The number of corporate and seminar bookings increased over the year despite challenges that were faced in keeping our facilities operating. Continuous growth in audience numbers was seen towards the end of the financial year.

- Installation of Hawaiki Tūranga (yet to be completed).
- Redeveloped Puhi Kai Iti/Cook Landing site (completed).
- Te Mārō sculpture (minor works to finalise project).

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	Contribution to community outcomes	Objectives
A driven and enabled community.	We provide a library, theatres, museum services and public art which enables participation in democracy through access to digital tools, spaces and materials to inform, educate and assist residents and visitors alike.	To enable the community to become part of and share with Council the responsibility for service provision through a range of partnerships and funding models.

	**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 focussed 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.	This is undertaken as part of standard practise.
Review leases and service contract with Gisborne Museum of Art and History Trust.	Review complete.
Support the governance review of the Patūtahi Reserve Board.	This process was initiated in 2021 and is still ongoing.
Review the consultation, project management and handover protocols for public art works.	A procedure is in development and will be completed within the 2023/24 financial year.
Continue to grow relationships with mana whenua where facilities are located.	Business as usual, further supported by Māori Responsiveness team.
Continue to further embed bicultural capacity in all areas of library services.	Business as usual.
Exponentially grow visitors to use digital library resources.	Ongoing.
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.	Ongoing.
Expand and strengthen library e-tools such as Radio Frequency Identification functionality (RFID), website and access to e-library to encourage independent user engagement.	Embedded.
Develop and deliver operation plans for both library and theatre services.	Complete.
Ensure a range of activities in theatres that encourage audience development including non-users.	Ongoing.
Continue to support delivery of Navigate Tairāwhiti projects with Ngāti OneOne to deliver Titirangi to Tuamotu conservation project.	Embedded and ongoing.
Complete design and consent for the Titirangi maunga summit project, Te Panuku Tū, with Ngāti Oneone.	Design complete.
Complete design and delivery of viewing platform to Te Mārō in partnership with Ngāti Oneone.	Paused. Funding secured.
Support installation of Endeavour model in Ūawa alongside community.	Design for site and surrounds in progress. Pause period during cyclone and recovery phase.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	How did we perform?
Cultural facilities are accessible to Te Tairāwhiti residents and visitors.					
Number of visitors to HB Williams Memorial Library per year a) online	**a) 100,000**	a) 195,385	a) 235,912	**a) 179,821**	Since COVID in 2020, online services have increased. In the last year, more people are reverting to visiting the library in person, rather than accessing only online services.
b) onsite.	**b) 150,000**	b) 107,821	b) 63,489	**b) 91, 890**	
Regular and varied programmes, events and exhibitions to support community wellbeing are provided at cultural facilities.					
Number of visitors to Te Tairāwhiti Museum per year.	**45,000**	44,716	33,024	**35,785**	Target not met.
Number of booking days per year: a) Lawson Field Theatre	**a) 100**	a) 144	a) 143	**a)186**	Target met
b) War Memorial Theatre.	**b) 100**	b) 98	b) 126	**b) 111**	
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 a) Lawson Field Theatre	**a) 90%**	a) 92%	a) 86%	**a) 82%**	Many events had to be canceled or rescheduled due to road closures and community considerations in the aftermath of Cyclone Gabrielle. Efforts to promote these spaces is underway and is a focus for 2023/24.
b) War Memorial Theatre	**b) 90%**	b) 94%	b) 89%	**b) 87%**	
c) Art in public places	**c) 80%**	c) 80%	c) 74%	**c) 73%**	
d) Tairāwhiti Museum	**d) 90%**	d) 94%	d) 85%	**d) 85%**	
e) HB Williams Memorial Library.	**e) 90%**	e) 96%	e) 89%	**e) 86%**	

Response and recovery

Starlink installations were placed at both the theatre and library to provide internet access to the community so they could communicate with whānau and undertake essential business.

Since the onset of COVID-19 in 2020, we observed a significant increase in the use of our online Library services. Over the past year, there has been a trend with more individuals choosing to visit the library in person instead of relying solely on online access. The aftermath of Cyclone Gabrielle saw a brief return to higher online usage, but as we move away from the immediate aftermath of Cyclone Gabrielle, in-person visitor numbers are improving.

We are working to ensure the safety of our staff and improve access to support authorities, including the Police. This follows a 39% increase in abuse to staff compared to the previous year.

8.3 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 Te 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 eleven cemeteries; one cemetery within the city, the remainders located across Te 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 is now complete, with the complex opening to the public on 2 September 2023. The upgraded facility includes indoor and outdoor pools, play areas, and whānau picnic zones.

Summary

Tokomaru Bay public convenience

A new public convenience for the Tokomaru Bay Wharf has been delivered consistent with the Tokomaru Bay Township Plan and the Council Public Convenience Plan to provide amenities at this regional visitor destination.

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're 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 tīpuna/ 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	Contribution to community outcomes	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.	Kiwa Pool opened to the community on Saturday 2 September 2023.
Complete the redevelopment of Titirangi Summit in partnership with Iwi, recognising our co-management relationship with Ngāti Oneone.	In progress.
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.	In progress. Our dune planting programme continues to expand.
Deliver renewal programme for park furniture and playgrounds, including new park furniture for Titirangi Maunga and a new playground in the Nelson Park area.	We are currently developing park furniture guidelines to inform cost effective furniture procurement for reserves, including Titirangi. Play equipment was removed from Nelson Park that did not meet playground standards. We have observed no demand for equipment at this location.
Investigate partnership opportunities to deliver mobile pop-up play modules across Te Tairāwhiti.	This initiative is currently in progress and is being led by the community with support from Sport Gisborne Tairāwhiti.
Support delivery of the Community Facilities Strategy Implementation Plan through providing reserves land, where possible, to align with business case and funder expectations.	Currently underway, involving the identification of suitable locations at Anzac Park and Victoria Domain. The procurement process for a Business Case for an indoor courts stadium is also underway.
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.	Initiated tree succession planting, while the Rongoā Garden's development is on hold until future use of the site is better understood following flood event during Cyclone Gabrielle.
Deliver the Street Tree Planting Programme, including new tree planting and replacement planting.	Almost complete with more than 700 trees planted to over the last three years.
Deliver improvements at Waihīrere Domain in partnership with marae/hapū, and consistent with expectations of a regional visitor area.	In progress. Concept phase in partnership with hapu is underway.
Support the Whāia Titirangi programme and the restoration of Titirangi maunga in partnership with Ngāti Oneone.	Ongoing, with monthly operational hui continuing.
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.	Some planting has been undertaken through the Freshwater Improvements Fund planting at Nelson Park reserve, Lytton Road Reserve, Waiteata Park and Heath Johnstone Reserve.

Prepare a master plan for Taruheru Cemetery providing for future use and community expectations.	Cemetery guidelines (during high ground water) complete, procurement for master planning is now in progress, and the project is set to commence soon.
Complete a review of public conveniences considering rationalisation of facilities to support service and cost efficiencies.	Draft completed with final recommendations under review. To be presented to Council.
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.	Complete. Tolaga Wharf provision requirements considered through the public convenience rationalisation process.
Continue to support implementation of Regional Plan Pest Management Plan.	Ongoing.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*How did we perform?*
Open space, recreation and amenity areas are accessible, valued and enjoyed by Te Tairāwhiti residents and visitors.					
Percentage of users satisfied with the quality of a) parks	**a) 85%**	a) 87%	a) 89%	**a) 69%**	Severe weather events in 2023 had a notable impact on various parks, reserves, playgrounds, and the Olympic Pool complex, restricting public access. A considerable decline in satisfaction scores was observed across all these areas following Cyclone Gabrielle.
b) sports parks	**b) 80%**	b) 85%	b) 80%	**b) 63%**	
c) Council playgrounds	**c) 85%**	c) 79%	c) 90%	**c) 63%**	
d) pool. as found in the Resident Satisfaction Survey	**d) 80%**	d) 74%	d) 66%	**d) 56%**	
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%**	New measure	50%	**42%**	Our cemeteries experienced a reduction in visitors due to disruption to burial services, due to elevated groundwater levels.
Percentage of visitors satisfied with cemeteries, as found in the Resident Satisfaction Survey	**80%**	New measure	88%	**77%**	Lower satisfaction levels are likely due to flood water ponding and high ground water causing disruption to services.
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%**	Target met.
Council aquatics 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.

Response and recovery

Many reserves have been reinstated and are now available for public use. Key sites not yet fully remediated include Grant Road Reserve, Titirangi track remediation, Donareille Park, Taruheru Cemetery (grave site levelling), Tūranga Gardens. Plans and procurement for these projects are currently in progress. Completion is forecasted within the next 12 months, or as funding is confirmed.

Several beaches were affected by weather events earlier this year, leading to woody debris build-up. Council is currently developing a position on managing this debris. In the interim, Council plans to clear the debris from multiple beaches in the next few months by accessing Central Government funding ahead of the summer season.

During Cyclone Gabrielle, some services were halted or experienced significant reductions in their levels of service. Notably, the Olympic Pool was closed for an extended period due to water restrictions and the need to conserve drinking water for the city.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	510	174	336	324
Revenue From Exchange Transactions	1,267	2,522	(1,255)	908
Expenses	16,462	16,003	(459)	15,099
Net Cost of Service	**14,686**	**13,307**	**(1,379)**	**13,868**
Capital Expenditure				
Capital Projects	**23,078**	**28,377**	**5,299**	**24,671**
Funded By:				
Grants and Subsidies	20,107	20,173	66	21,657
Other Capital Revenue	22		(22)	20
Depreciation or Other Reserves (Renewals)	725	3,334	2,609	951
Internal Loans	2,224	4,869	2,646	2,042
	0	**0**	**0**	**0**

This group of activities was funded 54% grants, 43% rates, and 3% fees and charges

What was different from the budget

1 Revenue from non-exchange transactions is $336k ahead of Annual Plan. This is due to additional grants from the National Library of NZ for library staff secondment, Dept of Conservation for the Waingake restoration and Sport NZ for our play advocacy initiative.

2 Revenue from exchange transactions is $1.3m under Annual Plan. This is mostly from the pools, where the pool was closed over Cyclone Gabrielle and the extended water restriction period. Also, there was accounting loss as a result of damage to reserve and convenience assets after Cyclone Gabrielle.

3 Expenditure is $459k over Annual Plan. Although there was a decrease in operational costs from the pool due to its closure during the restricted water period, this has been offset by higher operating costs within reserves and the conveniences activities.

4 Capital expenditure is $23m against Annual Plan of $28m. The new Kiwa pools facility officially opened in August with a spend to June of $19.7m against a budget of $19.5m. $1.4m of additional funding was received for the solar panels and hydrotherapy stage two and three. The unspent budget has been carried into 2023/24 to coincide with its completion. A total of $3.7m has been carried into 2023/24 and relates to the viewing platform $1.4m; Waingake Restoration $250k; Hawaiki Turanga $810k and parks and reserves renewals of $1.3m.

9. Te Arataki 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.

The activities in this group include:

9.1 Emergency Management
9.2 Engagement and Māori Responsiveness
9.3 Governance and Democracy
9.4 Science
9.5 Strategic Policy and Planning
9.6 Support Services

9.1 Emergency Management

What we do

Te Tairāwhiti's Civil Defence Emergency Management (CDEM) plays a key role in planning and preparing for emergencies and the response and recovery during the event of an emergency.

The team addresses this by mitigating risks, ensuring preparedness, and offering leadership and coordination for responding to and recovering from emergencies.

Summary

Our annual earthquake drill and tsunami hīkoi

Te Tairāwhiti tops the leaderboard two years running with the number of registrations for the annual ShakeOut campaign. The upcoming campaign for this year is about to commence.

Why we do it

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

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

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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.	We're working closely with the National Emergency Agency (NEMA) to update our CDEM Group Plan. This process aligns with the ongoing Regulatory Framework Review ('Trifecta') reforms linked to the CDEM Act 2002. Our focus is on keeping our emergency management strategies current and effective.
Review by the NEMA Technical Advisory Group.	Yet to commence. NEMA is redefining its assurance role as it seeks to develop a sector wide approach with a focus on assurance.
Build a fit-for-purpose Emergency Coordination Centre (ECC).	Currently at 95% completion (awaiting the installation of the CDEM digital radio equipment in order to be 100% operational). The ECC is a purpose-built emergency facility in Lytton West, which has been sited given the location is outside of flood and tsunami hazard zones.

Undertake controller and key staff training as part of national training programmes and local training exercises.	The ECC is now prepared and configured for rapid activation. This significantly improves and strengthens our region's capacity to coordinate and manage emergency situations, exceeding national standards.
Establish partnerships that enable Iwi/hapū to actively participate in the decision-making and execution of our CDEM Group Plan.	We're progressing well in forming authentic partnerships with iwi and hapū in shaping and executing our CDEM Group Plan. Key relationships have been established, allowing for representation at governance and operational levels.
Invite our Iwi partners to our training exercises in the physical ECC.	Iwi partners are regularly invited to participate in training exercises held at the ECC and this includes CDEM Group activities as well as supporting tailored simulation and training events for individual iwi groups. On 1 September 2022, TEM hosted TRONP leadership group at their request to develop their internal processes and procedures using the CIMS model and a scenario developed by TEM.
Build capacity to send suitably qualified and experienced support to other regions for their emergency responses.	As a result of the frequent adverse weather events that have impacted the region over the past 24 months, the CDEM staff have acquired a significant level of operational knowledge. This knowledge has enabled them to contribute to and support other CDEM groups elsewhere during response and recovery operations. Their capabilities have been elevated to a point where they can be deployed at the national level and also participate in special interest groups within the emergency management sector. For instance, the Tairāwhiti Welfare lead was deployed to support the Auckland floods in February, taking on a key welfare role just before Cyclone Gabrielle, as part of a recent deployment.
Continue to maintain and build new partnerships with Iwi and communities.	We are continuing to make progress in fostering and expanding partnerships with Iwi and local communities, given that the TEM response and recovery model seeks to develop an integrated model that respects the role and capacity of mana whenua, as well as working within the context and obligations of the emergency management provisions. The key basis for this approach is built on the 'Community Link' groups that are made up of volunteers who are organised in community clusters.
Further develop a CDEM Communications Plan, including greater use of social media and other modes of communication.	Social media plays a vital role as an information hub for CDEM communications, facilitating reach and connectivity with the community. Since reinstating the Facebook platform in September 2021, our online following has rapidly grown to 21k people, making it a trusted platform for users. We maintain an ongoing focus on reviewing communication systems and platforms to ensure they remain fit for purpose and effectively connect with our target audiences. As part of this effort, we are developing a standalone website dedicated to emergency management information, addressing the community's needs for a centralised information source. Currently, this information is hosted within the GDC site, and anecdotal feedback has highlighted difficulties in navigating the site to access specific information.

Concentrate on building ECC capacity.	Over the last three years, ECC staff, including emergency agencies and partners, have gained valuable experiential knowledge due to numerous adverse weather events. This experience has necessitated the adaptation and development of systems, processes, and personnel. Ongoing professional development opportunities for staff, along with regular training sessions hosted by the TEM staff, have kept ECC volunteers connected and prepared for future response activations. External commentators from outside the region commonly describe our Tairāwhiti staff as 'battle-hardened,' emphasising their exceptional ability to respond effectively to emergency events.
Rebuild the Welfare Group and establish a full-time Welfare Manager.	The rebuild of the Welfare Group and the establishment of a full-time Welfare Manager 12 months ago have been successfully completed. This has resulted in a Welfare Group that is well-connected, well-led, and responsive to welfare needs during both response and recovery phases. The WCG meets at least monthly (excluding adverse weather events), and its systems and processes are highly sought after by other regional groups due to the operational experience this group has gained."

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*How did we perform?*
We help to build a more resilient district where communities understand and manage their hazards and risks.					
National Emergency Management Agency (NEMA) assessment rating (five-yearly assessment).	**70%**	78% (2016/17)	Not measured	**Not measured**	NEMA is yet to reinstate this assessment.
Community's survivability (in days) in the event of a natural disaster as found in the Resident Satisfaction Survey.	**7 days or more**	New measure	74%	**61%**	A decrease from the previous year, possibly reflecting the community's experience in the immediate aftermath of Cyclone Gabrielle.
At least six public education activities occur annually.	**6**	New measure	40	**30+**	Target met.
The community is made aware of Civil Defence Emergencies within 60 minutes of declaration.	**18 mins**	New measure	100%	**100%**	Target met.

Response and recovery

Following the impact of Cyclone Gabrielle, a State of National Emergency was declared on 13 February 2023. This declaration underwent three extensions before being lifted for Te Tairāwhiti on 14 March 2023.

In response to the situation, the Emergency Coordination Centre was swiftly activated to manage and coordinate efforts across the region. This involved close collaboration with various agencies, including NZ Police, FENZ, St Johns, Red Cross, and the NZ Army.

To address communication challenges for areas isolated due to road damage or flooding, equipment such as Starlink, digital radio, and satellite phones were dispatched.

Urban Search and Rescue (USAR) teams were deployed. FENZ and Police organised the targeted evacuation of Te Karaka residents, guiding them to Te Karaka Area School. To further assist residents, several evacuation centres were established throughout the region. The navy ship HMNZS Manawanui docked at Eastland Port and provided food supplies to both Tokomaru Bay and Waipiro Bay.

9.2 Engagement and Māori Responsiveness

What we do

Engagement

The internal and external communications of Council are managed through Council's website, mainstream and social media channels as well as Council's intranet. Community 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 Responsiveness

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.

Summary

Te Tiriti Compass

In 2022 Council adopted an inwardly facing Te Tiriti tool, our Te Tiriti Compass. This compass operates in tandem with other Council policies to enhance existing direction and improve future integration of advice on Te Tiriti partnership matters.

Iwi Technical Trial

We collaborated closely with Iwi Chief Executives and Post-Settlement Governance Entities to establish a first era Iwi technical trial. This fully funded trial looks at the review of the TRMP, Consents, and other mahi of priority to iwi.

Collaboration with tangata whenua

We have actively worked on establishing new spaces, refining Council practices, co-designing new projects, and collaborating on the ground with recovery efforts. Additionally, we have formed new commitments with mana whenua. We're truly excited about the work being accomplished within our community in partnership with mana whenua, work that we've been honoured to contribute towards.

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 Responsiveness

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	Contribution to community outcomes	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.

Our progress

Engagement

What we said we would do	How we are going
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 resource constraints following Cyclone Gabrielle. The QIC forum will be reinitiated as soon as practicable.

Māori Responsiveness

What we said we would do	How we are going
Develop and implement our Māori Responsiveness Programme.	We have developed, refined and adjusted our work programme. Over the last year we have had to re-prioritise some of our kaupapa to fulfil obligations in other spaces such as recovery, following cyclones Hale and Gabrielle.
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.	Our team signalled our intent over the past year to adjust this measure and look at creating a new indicator for success that does not place requirements or added mahi upon tangata whenua. This is being progressed.

Our levels of service and how we measure progress

Engagement

Measure	Target	2021	2022	2023	How did we perform?
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%**	61%	60%	**53%**	Target not met. Following Cyclone Gabrielle, the community's need for information surged significantly.
Percentage of residents satisfied with how Council engages the community in its decision-making processes, as found in the Resident Satisfaction Survey.	**60%**	40%	36%	**30%**	Target not met.
We support the organisation to deliver quality, cost effective services to our community and encourage the community to fearlessly provide feedback on our performance and direction.					
Percentage of customers satisfied with the helpfulness of staff through Council staff surveys as found in the Resident Satisfaction Survey.	**85%**	82%	70%	**67%**	Target not met. Council will review survey data to identify customer service trends for improvement.

Percentage of residents who are satisfied with Council customer service at first point of contact by: a) email	**a) 85%**	a) 80%	a) Not measured	**a) 54%**	Targets not met Council will review its point of contact channels.
b) phone	**b) 85%**	b) 80%	b) 81%	**b) 56%**	
c) in person	**c) 85%**	c) 80%	c) 84%	**c) 64%**	
d) online as found in the Resident Satisfaction Survey.	**d) 85%**	d) 80%	d) Not measured	**d) 50%**	

Māori Responsiveness

Measure	*Target*	*2021*	*2022*	*2023*	*How did we perform?*
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%**	New measure	Not measured	**Not measured**	We are re-evaluating this measure to ensure that the responsibility of gauging success is not solely placed on tangata whenua.

Response and recovery

Engagement

In response to 2023's severe weather events, including Cyclone Gabrielle, the community's need for information surged.

Council and Civil Defence Facebook pages now reach over 41k users and received 4.4m page views over the year.

Council's website recorded 1.28m visitors, up 40.7% from the previous year.

During Cyclone Gabrielle, two special issues were co-produced with the Gisborne Herald and hand-delivered to 22k residents.

Five full-page and two half-page ads, along with digital and print billboards, were provided to 50 local shops and businesses.

Māori Responsiveness

Successive weather events have made it challenging to maintain momentum in the Treaty partnership landscape. Response and recovery efforts have drawn time and resources of Council and our partners away from partnership priorities.

9.3 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.
- 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.

Summary

Representation Review

Changes to our election process, including the addition of a Māori ward and the change to the Single Transferable Vote system will ensure better representation for Māori, women, rural communities, and minority groups.

Elections 2022 Engagement Plan

By drawing on a key aspect of Māori culture, the Pōwhiri, we want the audience to instantly recognise the relationship between key elements of the Pōwhiri – namely Wero, Karanga, Whaikōrero and Waiata – with the three stages of the electoral process for the 2022 local elections (Stand, Educate and Vote). 42 nominations were received for the 2022 elections compared to 38 in 2019.

- 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.

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 Te Tairāwhiti community.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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

Governance

What we said we would do	*How we are going*
Continue to grow our strategic relationships with partner organisations.	A Te Kotahitanga agreement, centring on recovery, has been established with Iwi Chief Executives. Our aim is to extend the reach of this agreement to eventually encompass a broader range of partnership priorities.
Co-governance with tangata whenua (previously named 'Local Leadership Body').	These discussions have been put on hold in light of the Tranche 1 RMA discussions. That will be the forum where this kaupapa is progressed.
Build on the existing Joint Management Agreement work between Council and Te Rūnanganui o Ngāti Porou.	Council continues to work with Ngāti Porou representatives on the Waiapu catchment plan. Efforts are being refocused to get the project back on track in the latter half of 2023.
Continue delivering and identifying opportunities for improving governance across the organisation.	Elected member induction began after the 2022 elections and was refined based on the feedback received from the 2019/20 induction. New features included the incorporation of a World Cafe format to introduce hubs, key staff, and their roles, as well as covering topics such as the history of Local Government in Tairāwhiti, Treaty Responsibilities/Māori Responsiveness, practical training through a Mock Council Meeting, and Governance Essentials training.

Democracy

What we said we would do	*How we are going*
The Local Government election will be 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 Local Government elections were held 8 October 2022. The elections for Gisborne District Council were conducted satisfactorily, on time and met all legislative and practical requirements. Elections were undertaken for; • Mayor - (elected at large) • Eight councillors elected from the Tairāwhiti General Ward • Five councillors elected from the Tairāwhiti Māori Ward Elector turnout was 43.4% compared to 50.1% in 2019. For the first time ballot boxes were placed in our rural townships.
Support our elected members to become effective community leaders for the people of Te Tairāwhiti by introducing professional development opportunities, including training relating to te ao Māori.	Council has subscribed to LGNZ Akona, a needs analysis for professional development will be developed for elected members. The professional development budget has increased to accommodate this.
Work with other teams to ensure effective Māori participation in Council decision making.	The Committee and Council report template now includes a section on Tangata Whenua/Māori engagement and work is underway to develop guidance for report writers on Te Tiriti Compass Writing.
Improve Council technology to allow offsite Council and committee meetings to be live streamed especially on marae.	An external provider has been contracted to provide this service.

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 17,792 views of our meetings calendar page 1 July 2022 to 30 June 2023. Our YouTube channel received 31,000 views in the same period and we have 510 subscribers. 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.	NZIER reviewed 10 of our reports that were presented to Council for decisions. This year, we received a score of 7.5 out of 10, the same as last year. We were commended for our use of plain language, wide range of technical experience, utilisation of visuals, and integration of Te Tiriti commitments into our reporting.
Improve and strengthen the LGOIMA request process.	An Official Information and Privacy Advisor has been recruited and training has commenced.
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.	The Local Government Commission (LGC) revised the representation arrangements for the Tairāwhiti Local Government election. The updated structure comprises 13 councillors: • Eight from the Tairāwhiti General Ward, elected district-wide. • Five from the Tairāwhiti Māori Ward, elected district-wide. This change promotes broader representation and ensures diverse community voices are heard, underscoring Council's dedication to inclusivity and giving Māori perspectives a distinct role in decision-making.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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 Resident Satisfaction Survey.	**60%**	37%	29%	**30%**	Council will continue to explore methods for capturing community feedback, ensuring decisions align with the best interests of the community.
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	**0**	Target met.

9.4 Science

What we do

This activity is made up of Environmental Science, Environmental Monitoring, and support services. The teams carry out regulatory and non-regulatory science-based services to ensure that Council's statutory environmental requirements are met. They do this through monitoring Te Tairāwhiti's environment and identifying what action is needed to maintain and improve the health of our environments.

Why we do it

We aim to sustainably manage our district's land, air, coastal and freshwater resources (using a range of regulatory and non-regulatory measures) in order to protect and, where possible, enhance the district's natural environment.



Summary

Restoring the mauri and ora of the Tūranganui Estuary System Freshwater Improvement fund

In December 2021, we were successful in securing $2.25m funding from Ministry for the Environment towards a $4.95m programme of environmental improvements to streams, rivers, and estuaries in Gisborne city.

The project includes 32 sub-projects of riparian planting, wetland restoration, enhancing habitats for fish and reducing erosion in Gisborne's waterways.

The programme will continue until June 2026 and will involve local contractors, tangata whenua and opportunities for schools and the community to be actively involved.

Development of Poverty Bay Flats Groundwater model

We worked with tangata whenua and stakeholders to develop a sophisticated groundwater model for the Poverty Bay Flats. This will be used to further understand the pressures on our groundwater, including climate change. The model will be used as one of the tools to help Council manage our groundwater sustainably and within the principles of Te Mana o te Wai.

Livestream video of the Hikuwai River at Willowflat and Waipaoa River at Kanakanaia Bridge, Te Karaka

We installed webcams on the Hikuwai and Waipaoa rivers to provide real-time measurements of the rivers' flow. This enables Council staff and the public to be able to monitor the river levels continuously and remotely. The webcams were a valuable tool used by Civil Defence Emergency Management (CDEM) during recent severe weather.

The webcams website is https://www.gdc.govt.nz/environment/river-webcam

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	Objectives
We take sustainability seriously.	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.	Land uses across the region are optimised to suit their physical and cultural setting and have adapted to changing climate patterns.

Our progress

What we said we would do	How we are going
Implement the projects, described in detail (and updated six-monthly) within the Science Programme, to ensure delivery of Council's statutory environmental objectives.	Implementation of the Science programme has progressed as planned.
Undertake a comprehensive, strategic, and cost-effective environmental monitoring programme and ensure these results are communicated to Council and the community.	We commissioned a review of our environmental monitoring programme in relation to the National Policy Statement for Freshwater Management (NPSFM) and are implementing the recommendations.
Partner with Iwi, the community, industry, and other organisations to monitor and improve Te Tairāwhiti's environment.	Examples of collaboration include development of an estuary monitoring programme and the regional exploratory bore drilling programme.
Work with Iwi and hapū to monitor and evaluate the mātauranga Māori of our environment.	This is a work in progress. As an example, we are partnering with whanau to improve the mauri of the Maungarongo o Te Kooti Wetland.
Deliver the scientific evidence for the freshwater plans required by December 2024 as part of the National Policy Statement for Freshwater Management (NPSFM).	We have several science-based projects underway to support the freshwater plans required by the NPSFM.
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 underway.
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.	The Science Team has been providing quality technical advice in collaboration with the technical panel of consultants within statutory timeframes.
Provide strategic scientific advice to internal and external stakeholders e.g. during pre-application stage of resource consents.	The Science Team provides resource consent advice to at the pre-application stage when requested.
Provide annual performance updates to Council on health of region's land, air, and fresh and coastal water quality.	This is now embedded practice.
Implement communications plan to help communicate science to our community and enable improved engagement and collaboration.	The Science Team undertakes communications as regularly as possible. Mainly targeting school children in workshops.
Provide a robust evidence base for the Tairāwhiti Resource Management Plan (TRMP) review.	The Science Team has provided technical comments in relation to the TRMP review and will be closely involved with the project team as this work progresses.
Ensure sufficient information on Te 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	An updated groundwater state and trends review has been commissioned. We have completed the groundwater modelling project. We are identifying exploratory additional bore drilling sites in partnership with our iwi, hapu and communities.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	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**	25,924	72,895	**226,684**	Cyclones and severe weather over FY22/23 attracted a considerable amount of traffic to our rainfall, river levels, and webcam pages.

Measure	Target	2021	2022	2023	How did we perform?
Undertake and report weekly monitoring of freshwater and coastal bathing water sites throughout the bathing water season.	**95%**	New measure	100%	**94%**	Emergency response and restricted road access prevented a full summer of weekly sampling.
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 Te Tairāwhiti. To ensure the scientific evidence is robust, thirty surveys per land use type will be required (150 in total).	**50**	New measure	12	**30**	Sample collection was prevented by the cyclone and the subsequent recovery efforts. Our aim is to resume regular operations in the spring.
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.	**90%**	New measure	73%	**73%**	Target not met.
The percentage of attributes monitored as required by the New Zealand Coastal Policy Statement (2010).	**15%**	New measure	17%	**17%**	Target met.

Resource and recovery

Our core initiatives are to restore damaged telemetry systems, rebuild river flow ratings due to substantial shifts in river channel configurations, fortify critical flood warning sites to improve resilience, evaluate and potentially upgrading the flood modelling process, introducing a new webcam overlooking the city at Waimata River's Goodwins Road location, and setting up rain and river monitoring systems in Tokomaru Bay.

Both the State of the Environment and recreational waters' water quality monitoring programmes experienced disruptions stemming from a combination of factors. These included road closures, unsafe field conditions, and the redirection of Council staff to recovery efforts.

9.5 Strategic Policy and 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 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.

Summary

Sourcing funding to support the construction of infrastructure needed to support the growth of our urban area

Funding was confirmed and announced by the Minister on 21 July 2022. Our community will receive approximately $4.2m to support growth infrastructure in the Taruheru block and the surrounding area. This area includes a papakāinga development, including a wellness centre.

Development of a water security programme to look at our water needs now and into the future

We have developed a draft Water Security and Resilience Programme for Tairāwhiti, which complements the work involving the TRMP. The priority project undertaken this year involved updating the Regional Water Availability Assessment.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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 against the 2023 work programme's milestones. However, certain projects have encountered delays in reaching key milestones, notably the notification of the Mōtū Catchment Plan and the completion of a draft Future Development Strategy for public consultation.
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.	Ongoing. The revised Investment Logic Map was endorsed by the Regional Transport Committee at their May hui. We are progressing through the review progress and are on track to present a draft for the Committee to consult on by the end of 2023. Work is wrapping up on the public transport review. This will be presented to the Regional Land Transport Committee as part of the 2024–2034 Regional Public Transport Plan for discussion. Work was paused on the Walking and Cycling Strategy and Mode Shift Strategy development post the severe weather events due to staff capacity. This work will be recommencing in the next financial year.

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.	Work on the organisational emissions reduction plan was paused as staff were reassigned to recovery and adaptation projects. The Future of Severely Affected Land project has required resourcing and this Government framework is the case study that will inform the final content of the Climate Adaptation Act. Phase 1 of the Tairāwhiti Climate Change Risk Assessment is complete and phase 2 will commence in the next financial year.
Review existing strategies, policies and bylaws, when required, to ensure compliance with statutory requirements.	Dog Control Policy and Bylaw, and Keeping of Animals Bylaw, were consulted on and considered by the Bylaws Hearing Panel in May. These will be presented to Council for adoption in August 2023. The 18-month work programme (excluding TRMP and catchment plans) is being reset post Cyclone Gabrielle. 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.	There is a significant amount of Government reform and legislative review under way. Resources have been focused on RMA reform, Future of Local Government, and Three Waters Reform. Staff have been focused on the Ministerial Inquiry into Land Use and Special Legislation processes since Cyclone Gabrielle.

Our levels of service and how we measure progress

Measure	*Target*	*2021*	*2022*	*2023*	*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**	New measure	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%**	New measure	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%**	100%	67%	**90%**	Target met. Report writing was a professional development focus for this year.

9.6 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 responsible for providing support and advice to the Chief Executive and Managers on activities such as; recruitment, induction, policies & procedures, best practice, culture, organisational development, change management, performance management, disciplinary processes, learning & development, Health & Safety support, industrial relations, and employee wellbeing.

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, supports with technology and expertise, understand customers' needs and enable all of Council to manage information responsibly and effectively for current and future generations, as well as fulfil our legislative obligations to keep information.

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 connect with our community and customers, and are delivering outcomes that make our people proud – Piritahi Tairāwhiti.

Summary

Upgrading core Information Services systems

We are enhancing our core Information Services systems to provide the community with more efficient and resilient services. The first phase of the upgrade is expected to be completed within the first half of 2023/24 financial year.

Contribution to community outcomes

Community outcomes	Contribution to community outcomes	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. Improve the cultural capacity of the organisation through the development of tools and support initiatives.

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. People & Capability are continuing to support day-to-day operations alongside the introduction of a new human resources system that will improve services to both our internal and external customers.
Continue to develop a health and safety culture while ensuring compliance under health and safety legislation.	Contractor management continues to be one of Councils highest risk, demanding robust assurance and verification processes. Collaborative efforts with Worksafe and the forestry sector are in place to enhance Health & Safety standards within the sector. We're actively engaged in post-Cyclones Hale and Gabrielle projects such as silt and woody debris removal, with a strong focus on maintaining comprehensive Health & Safety measures. Addressing staff well-being amid increasing instances of challenging behaviour from the community prompted the introduction of additional support measures, including a communication package to bolster awareness.
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. 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 assessment based on Council's external debt.	This process is pending the Three Water Reforms mandatory roll out. Details of the expected debt that would be transferred to either Central Government or the "new entity F" will have an impact of the timing of credit rating.

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Response and recovery

In response to Cyclone Gabrielle, Council refocused its support services to aid in recovery efforts.

People and Capability scaled up wellbeing support for staff during and after the significant weather disruptions. Recruitment and onboarding processes were streamlined to accommodate new roles needed for recovery initiatives.

Information Services established alternative digital communication channels, such as Starlink, when internet and mobile data services were disrupted by Cyclone Gabrielle.

Financial frameworks, such as the Disaster Relief Trust and Mayoral Relief Fund, were activated to provide immediate financial support to those directly impacted by the severe weather events experienced over the year.

What it cost

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Non-Exchange Transactions	5,879	1,000	4,879	1,149
Revenue From Exchange Transactions	3,048	2,355	693	6,699
Expenses	40,153	36,429	(3,724)	27,734
Net Cost of Service	**31,226**	**33,074**	**1,848**	**19,886**
Capital Expenditure				
Capital Projects	**4,721**	**4,817**	**96**	**2,613**
Funded By:				
Grants and Subsidies	386	127	(259)	151
Other capital revenue	1,401	836	(565)	112
Depreciation or Other Reserves (Renewals)	1,278	1,502	224	1,173
Internal Loans	1,431	2,351	921	1,055
Asset Sales	225	0	(225)	123
	0	**0**	**0**	**0**

This group of activities is funded from 5% grants, 65% rates and 30% fees and charges.

What was different from the budget

1. Revenue from non-exchange transactions is $4.8m over Annual Plan. This mostly relates to additional funding from National Emergency Management Agency (NEMA) for community relief for those directly impacted by Cyclone Gabrielle. We have also received funding towards ongoing response and recovery efforts. This higher than expected revenue was slightly offset by lower rates penalties. After the cyclone, rates penalties where not applied for "red and yellow" stickered properties, nor were penalties applied to any late payment for the third instalment of rates.
2. Revenue from exchange transactions is $693k ahead of the Annual Plan. This is mostly due to an accounting gain on the fair value movement in interest rates swaps, interest received and $120k from National Emergency Management Agency (NEMA) for the funding of active fault mapping. The higher than expected revenue was partially offset by a nil dividend received by Gisborne Holdings Limited (Council Controlled Trading Organisation), equating to an adverse variance of $1.6m.
3. Expenditure is $3.7m over Annual Plan. This is consistent with the increase in non-exchange revenue above and relates to the costs towards community relief for those directly impacted by Cyclone Gabrielle.
4. Capital expenditure is $96k below Annual Plan. The new Emergency co-ordination centre was officially opened in September at a cost of $1.6m, against a budget of $1m. The additional costs related to drainage and increased material costs and were funded through sewerage and stormwater budgets. The overspend has been offset by the underspend in the Digitisation of records, township upgrades and the freshwater improvement fund. These projects have been carried forward to 2023/24 financial year.

10. Ngā Mahinga Arumoni Commercial Operations

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.
- auwharepārae 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 are 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	Contribution to community outcomes	Objectives
A driven and enabled Tairāwhiti.	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.	Under review. The first and second stages are now complete - reviewing historical performance and confirming expectations/ alignment with the strategic direction. The next stage is Council working with GHL over the Strategic Plan and the overall benefits to the Council Group.

What we said we would do	How we are going
Formulate climate change adaptation Plan for Council.	When the completion of Council's climate change and adaptation plan has been being finalised, changes will be integrated by activities at the Council Group level (including Council and its CCTO).
Review harvesting of forestry.	To date 868 ha (78%) of the 1,100 ha pine forest at Waingake have been harvested, with $4.81m received in funds. 14 ha has been harvested in this financial year.

Our levels of service and how we measure progress

Measure	Target	2021	2022	2023	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%	5.2%	1.8%	2.8%	The majority of the returns have been from forestry, including gains from carbon credits along with net harvesting returns.
Percentage of customers satisfied with the standard of accommodation and services as found in our annual inspection survey.	95%	9.82%	96.2%	96.6%	We continue to achieve high satisfaction scores for this measure.
Rent as a percentage of market-rate (lower quartile) not to exceed 90%.	Achieved	Achieved	Achieved	Achieved	Target met.

What it costs

Operating revenue and expenditure	Actual 2023 $000s	AP 2023 $000s	Variance Favourable /(Adverse)	Actual 2022 $000s
Revenue From Exchange Transactions	2,906	1,947	959	1,049
Expenses	2,112	1,493	(619)	2,319
Net Cost of Service	**(794)**	**(454)**	**340**	**1,270**
Capital Expenditure				
Capital Projects	**68**	**282**	**215**	**252**
Funded by:				
Depreciation or Other Reserves (Renewals)	68	282	215	252
	0	**0**	**0**	**0**

This activity was funded 100% from fees and charges

What was different from the budget

1 Revenue from exchange transactions is $959k ahead of Annual Plan. This is made up of an accounting gain on forestry carbon credits of $625k, and the net forestry harvesting returns of $558k.

2 Expenditure is $619k over Annual Plan. This is mostly due to higher operating costs from councils joint forestry venture and the shared costs for road maintenance after harvesting.

3 Capital Expenditure is $215k under Annual Plan. The capital works program relates to community housing. There were access and supply delays during the cyclones. The work is scheduled to be completed in the first half of 2024.



Photography - Phil Yeo



A tātau pūtea
Our finances

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 2023 fairly reflect the financial position, results of operations and service performance achievements of the Gisborne District Council.

Rehette Stoltz	Pauline Foreman	Nedine Thatcher Swann
Mayor	Chief Financial Officer	Chief Executive

Tauākī moni whiwhi me ngā utu

Statement of comprehensive revenue and expenses

for the year ended 30 June 2023

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Note	Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		REVENUE FROM NON-EXCHANGE TRANSACTIONS				
28,459	28,459	Grants and Subsidies - Operational	4	12,885	80,487	83,249
49,009	49,009	Grants, Donations, Subsidies and Contributions - Capital	4	44,535	42,919	42,919
867	867	Other Non Exchange Revenue	5	2,170	1,210	1,194
22,547	22,281	General Rates And Uniform Annual General Charge	3	24,115	24,093	23,833
43,607	43,607	Targeted Rates (other than a targeted rate for water supply)	3	46,270	46,387	46,387
		REVENUE FROM EXCHANGE TRANSACTIONS				
914	914	Development and Financial Contributions	5	1,622	1,864	1,864
10,360	20,253	Other Revenue	5	11,645	10,759	20,842
3,233	3,233	Targeted Water Rates	3	3,594	2,870	2,856
1,662	3	Dividends	5	1,600	5	5
144	144	Interest Received	5	0	1,176	1,189
2,473	3,325	Other Gains/(Losses)	6	(231)	(1,415)	(3,776)
163,275	**172,095**	**Total Revenue**		**148,205**	**210,355**	**220,562**
		EXPENSES				
26,221	29,270	Employee Benefit Expenses	7	30,672	28,965	31,975
73,182	76,601	Expenditure on Operating Activities	9	61,205	130,997	135,547
23,226	24,404	Depreciation and Amortisation	8	24,907	25,966	27,126
2,050	2,430	Financing Costs	10	4,482	4,886	5,503
124,679	**132,705**	**Total Expenses**		**121,266**	**190,814**	**200,151**
38,596	**39,390**	**Net Surplus before Taxation and Subvention Income**		**26,939**	**19,541**	**20,411**
200	0	Subvention Payment from GHL		600	300	0
0	1,294	Income Tax Expense	11	0	0	421
38,796	**38,096**	**Net Surplus after Taxation**		**27,539**	**19,841**	**19,990**
		OTHER COMPREHENSIVE INCOME				
335,384	387,555	Gains/(Losses) on Revaluations		62,321	(151,321)	(179,220)
0	0	Impairment Loss on Revaluation		0	(64,276)	(64,276)
0	(60)	Deferred Tax on Revaluations	11	0	0	(832)
335,384	**387,495**	**Total Other Comprehensive Income**		**62,321**	**(215,596)**	**(244,328)**
374,180	**425,591**	**Total Comprehensive Revenue and Expenses**		**89,860**	**(195,755)**	**(224,338)**

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 2023

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Note	Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		CURRENT ASSETS				
7,798	10,249	Cash and Cash Equivalents	13	19,575	28,728	31,209
11,373	11,373	Non Exchange and Other Receivables	14	8,806	24,505	24,505
20,304	20,313	Exchange Trade and Other Receivables	14	9,182	24,212	24,053
120	341	Inventories	15	38	45	281
0	0	Current Investments	16	0	81	81
80	80	Non-current Assets Held for Sale	18	80	80	80
37	37	Derivative Financial Instruments	17 & 29A	0	770	770
39,711	**42,393**	**Total Current Assets**		**37,681**	**78,421**	**80,979**
		CURRENT LIABILITIES				
535	535	Deposits Held	19	498	573	573
40,310	39,170	Trade and Other Payables	20	35,742	74,527	75,454
3,231	3,524	Employee Benefit Liabilities	21	2,754	3,604	4,049
15,500	30,506	Borrowings	22	7,100	15,000	15,000
85	85	Provision for Other Liabilities	23	279	468	468
0	0	Derivative Financial Instruments	17 & 29A	1,116	0	0
0	662	Taxation		0	0	567
59,661	**74,483**	**Total Current Liabilities**		**47,489**	**94,172**	**96,111**
(19,950)	**(32,090)**	**Net Working Capital**		**(9,808)**	**(15,751)**	**(15,132)**
		NON-CURRENT ASSETS				
2,804,552	2,945,097	Property Plant and Equipment	24	2,666,688	2,642,803	2,754,801
7,447	10,643	Intangible Assets	25	6,548	6,480	9,676
2,101	24,601	Biological Assets	26	2,741	1,543	21,686
34,387	2,430	Investments	16	33,893	35,294	3,340
861	861	Derivative Financial Instruments	17 & 29A	0	958	958
2,849,348	**2,983,632**	**Total Non-Current Assets**		**2,709,870**	**2,687,078**	**2,790,461**
		NON-CURRENT LIABILITIES				
70,200	70,200	Borrowings	22	135,399	109,800	120,214
122	158	Employee Benefit Liabilities	21	179	111	111
2,132	2,132	Provision for Other Liabilities	23	2,571	2,002	2,002
2,570	3,476	Emissions Trading Scheme Liabilities	25	1,950	795	1,701
0	4,380	Deferred Tax Liability	11	0	0	4,445
0	0	Derivative Financial Instruments	17 & 29A	1,618	0	0
75,025	**80,346**	**Total Non-Current Liabilities**		**141,717**	**112,708**	**128,473**
2,754,374	**2,871,194**	**Net Funds Employed**		**2,558,345**	**2,558,619**	**2,646,856**
		EQUITY				
514,910	520,421	Accumulated Surplus	27	575,479	534,082	539,742
52,250	52,250	Special Funds	27	32,477	53,188	53,188
2,187,214	2,298,524	Revaluation Reserves	27	1,950,389	1,971,349	2,053,926
2,754,374	**2,871,194**	**Total Equity**		**2,558,345**	**2,558,619**	**2,646,856**

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

Authorised for and on behalf of Gisborne District Council on xx XXXX 2023.

Rehette Stoltz
Mayor

Nedine Thatcher Swann
Chief Executive

Tauākī panoni tūnga pūtea

Statement of changes in equity

for the year ended 30 June 2023

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Note	Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		EQUITY OPENING BALANCES				
475,681	481,892	Accumulated Funds and Retained Earnings		533,381	514,910	520,421
52,192	52,191	Special Funds and Reserves		47,036	52,250	52,250
1,852,321	1,911,520	Revaluation Reserves		1,888,068	2,187,214	2,298,524
2,380,194	**2,445,604**	**Total Equity Opening Balance**		**2,468,485**	**2,754,374**	**2,871,194**
		CHANGES IN EQUITY				
		Accumulated Surplus (Retained Earnings)				
(58)	(58)	Transfer (to)/from Special Funds and Reserves		14,559	(938)	(938)
374,180	425,591	Total Comprehensive Income		89,860	(195,755)	(224,338)
		Special Funds and Reserves				
58	58	Transfer (to)/from Retained Earnings		(14,559)	938	938
374,180	**425,591**	**Total Changes in Equity**		**89,860**	**(195,755)**	**(224,338)**
		EQUITY CLOSING BALANCES				
514,910	520,421	Accumulated Funds and Retained Earnings	27	575,479	534,082	539,742
52,250	52,250	Special Funds and Reserves	27	32,477	53,188	53,188
2,187,214	2,298,524	Revaluation Reserves	27	1,950,389	1,971,349	2,053,926
2,754,374	**2,871,194**	**Total Equity Closing Balance**		**2,558,345**	**2,558,619**	**2,646,856**
		Attributable to:				
2,754,374	**2,871,194**	**Gisborne District Council**		**2,558,345**	**2,558,619**	**2,646,856**

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

Tauākī rerenga moni
Statement of cash flow

for the year ended 30 June 2023

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Note	Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		CASH FLOW FROM OPERATING ACTIVITIES				
64,565	64,299	Receipts from Rates		68,531	69,261	69,001
8,493	18,427	Receipts from Activities		20,410	14,679	27,985
68,966	68,966	Receipts from Government Grants and Subsidies		57,681	143,355	143,355
144	144	Interest received		0	1,176	1,189
1,662	3	Dividends received		1,600	5	5
400	0	Subvention Payment received		600	200	0
(88,209)	(94,802)	Payments to Suppliers and Employees		(91,321)	(153,045)	(158,434)
(920)	(920)	Grants paid		(992)	(892)	(3,511)
(1,926)	(1,926)	Net GST paid		0	(919)	(919)
(2,274)	(2,653)	Interest paid		(4,495)	(4,522)	(5,139)
0	(992)	Income Tax paid		0	0	(1,283)
50,901	**50,546**	**Net Cash Flows from Operating Activities**	28	**52,014**	**69,298**	**72,249**
		CASH FLOW FROM INVESTING ACTIVITIES				
128	4,043	Sale of Property Plant and Equipment		50	312	2,494
769	769	Forestry Harvesting		287	1,079	1,079
(79,542)	(79,656)	Purchase of Property Plant and Equipment		(99,198)	(86,901)	(87,412)
(643)	(643)	Purchase of Intangible Assets		0	(855)	(855)
(491)	(491)	Purchase of Investments		0	(1,102)	(1,104)
(79,779)	**(75,978)**	**Net Cash Flows from Investing Activities**		**(98,861)**	**(87,467)**	**(85,798)**
		CASH FLOW FROM FINANCING ACTIVITIES				
17,100	16,103	Increase in Borrowings		46,848	39,100	34,509
17,100	**16,103**	**Net Cash Flows from Financing Activities**		**46,848**	**39,100**	**34,509**
(11,777)	(9,328)	**Net Increase/(Decrease) in Cash**		1	20,931	20,960
19,575	19,577	Cash at beginning of the year		19,575	7,797	10,249
7,797	**10,249**	**Cash and Cash Equivalents at Year End**		**19,576**	**28,728**	**31,209**

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 2023

Council 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s
163,275	Operating Income	148,205	210,355
(124,679)	Operating Expenditure	(121,266)	(190,814)
200	Subvention Payment	600	300
0	Income Tax Expense/(Benefit)	0	0
38,796	**Net Operating Surplus After Taxation**	**27,539**	**19,841**
	LESS		
804	Capital Rates Income	1,272	1,273
48,989	Capital Grants and Subsidies	44,519	42,884
971	Other Capital Grants, Donations and Contributions	1,638	1,899
(179)	Operations funded by Reserve funds	(9,358)	(4,806)
	PLUS		
9,262	Depreciation not Funded	10,253	10,915
2,527	(Decrease)/increase in Council deficit	279	10,494
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 2022/23 Annual Report is available on the Gisborne District Council website.

Achievements

The Trust received $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 $2.6m in grants, the Trust reported a liability of $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 2022 $000s	Dividends 2023 $000s	Subvention 2022 $000s	Subvention 2023 $000s
Gisborne Holdings Ltd	1,659	0	200	300

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 $490k (2022: $427k) 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.

Achievements

After the provision of a tax deductible subvention payment of $300k (2022: $200k) to the Council and reporting a net revaluation decrease of $4.6m (2022: $756k increase), Gisborne Holdings Ltd reported a net loss after tax of $1.9m (2022: net profit of $2.6m) for the year. Net assets decreased $31.8m from $154.5m to $122.7m.

He pito kōrero mō ngā tauākī 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 2023. The financial statements were authorised for issue by Council on xx XXXX 2023.

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 2023, other than the amendments to PBE Standards as described below. Other than the changes described below, all accounting policies and disclosures are consistent with those applied by the Group in the previous financial year.

For the first time the Group applied amendments to standards, which are effective for annual periods beginning on 1 July 2022.

PBE IPSAS 41 Financial Instruments

The Standard have been issued to update the requirements in IPSAS for recognition and measurement of financial instruments and substantially aligns those requirements with the more recent requirements in IFRS 9 Financial Instruments.

This Standard, when applied, supersedes parts of PBE IPSAS 29 Financial Instruments: Recognition and Measurement and supersedes PBE IFRS 9 Financial Instruments.

The main changes are:

- Introduces a classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;
- Applies a forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and
- Introduces a hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

The standard is effective for annual periods beginning on or after 1 January 2022. The Council applied this standard for the first time in preparing its 30 June 2023 financial statements.

Requirements on transition depend on whether the entity is transitioning from PBE IPSAS 29 or PBE IFRS 9. Transitional provisions require mostly retrospective application with some exceptions. Information about the transition to PBE IPSAS 41 is disclosed in Note 29.

PBE FRS 48 Service Performance Reporting

The Standard replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022.

PBEs within the scope of this Standard will need to provide users with:

- Sufficient contextual information to understand why the entity exists, what it intends to achieve in broad terms over the medium to long term, and how it goes about this;
- Information about what the entity has done during the reporting period in working towards its broader aims and objectives.

The application of PBE FRS 48 did not affect Council's Statement of Service Performance.

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 Councils 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 government grants from a substantial range of other agencies in addition to 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.

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.

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

Grant expenditure

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

Discretionary grants are those grants where Council 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 pre-tax rate. Forestry Assets are revalued annually. Valuation movements pass through surplus/deficit. The costs to maintain the forestry assets are included in surplus/deficit.

Council has transferred forestry rights 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 stumpage. The value of the land (excluding the trees) and Council's right to a share of the stumpage is reflected in the Statement of Financial Position.

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 Pamoa Forest Joint Venture. These forestry blocks were registered with ETS in November 2011. This entitles the Council to receive emission units (units) for carbon stored in the specified area from 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
Roads	
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 180.

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.

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.

Landfill closure and aftercare liability

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 long-term nature of these liabilities means that there are inherent uncertainties in estimating costs to be incurred.

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 2023 provision:

- Future cash flows were indexed 2.12% each year before a discount rate of 4.54% was applied.
- In 2022, a discount rate of 3.85% was applied, with future costs indexed each year at 1.97%.

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 2023 provision:

- Future cash flows were indexed 2.02% each year before a discount rate of 4.14% was applied.
- In 2022, a discount rate of 1.90% was applied, with future costs indexed each year at 3.55%.

Other provisions

Other provisions includes the Risk Pool liability. Please refer to Note 32: Contingent Liabilities on page 189. One case in still pending where the Group has a present obligation and a reasonable estimate can be made of the amount of the obligation.

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.

GST

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

Budget figures

The budget figures are those approved by Council and published in the 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

Provisions, Contingent Liabilities and Contingent Assets

An amendment to PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets clarifies the costs of fulfilling a contract that an entity includes when assessing whether a contract will be loss-making or onerous (and therefore whether a provision needs to be recognised).

The amendments added a description on the "costs of fulfilling a contract" when determining the unavoidable costs under the onerous contracts.

The cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both:

- The incremental costs of fulfilling that contract - for example, direct labour and materials; and
- An allocation of other costs that relate directly to fulfilling contracts - for example, an allocation of the depreciation charge for an item of property, plant, and equipment used in fulfilling that contract among others.

This amendment is effective for annual periods beginning on or after 1 January 2023, with early application permitted. The Council does not intend to early adopt the amendment.

Income taxes

An amendment to PBE IPSAS IAS 12 Income taxes narrows the scope of the recognition exemption for deferred tax assets and deferred tax liabilities, so that the recognition exemption would not apply to transactions that give rise to equal and offsetting temporary differences.

This amendment is effective for annual periods beginning on or after 1 January 2023, with early application permitted. The Council does not intend to early adopt the amendment.

Biological assets – forestry assets

An amendment to PBE IPSAS 27 Agriculture removes the exclusion of taxation cash flows when measuring fair value.

This amendment is effective for annual periods beginning on or after 1 January 2023, with early application permitted. The Council does not intend to early adopt the amendment.

Note 2 : Summary cost of services by activity for the year ended 30 June 2023

Council 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s
	REVENUE FROM EXCHANGE TRANSACTIONS		
1,049	Commercial Ops	1,947	2,906
4,669	Environmental Services and Protection	4,977	5,288
149	Land Rivers Coastal	285	(277)
908	Livable Communities	2,522	1,267
6,699	Regional Leadership and Support Services	2,355	3,048
151	Roads and Footpaths[1]	48	(2,392)
271	Solid Waste	232	244
(27)	Urban Stormwater	0	(31)
482	Wastewater	535	274
3,485	Water Supply	3,708	3,067
17,835	**Total Revenue From Exchange Transactions**	**16,608**	**13,394**
	REVENUE FROM NON-EXCHANGE TRANSACTIONS		
0	Commercial Ops	0	0
473	Environmental Services and Protection	1,170	820
0	Land Rivers Coastal	0	132
324	Livable Communities	174	510
1,149	Regional Leadership and Support Services	1,000	5,879
27,373	Roads and Footpaths[2]	12,711	71,865
0	Solid Waste	0	1,326
0	Urban Stormwater	0	0
0	Wastewater	0	304
6	Water Supply	0	861
29,326	**Total Revenue From Non-Exchange Transactions**	**15,055**	**81,697**
	EXPENSES		
2,556	Commercial Ops	1,756	2,388
12,765	Environmental Services and Protection	12,288	14,507
3,179	Land Rivers Coastal	3,331	3,284
19,236	Livable Communities	19,801	20,578
13,037	Regional Leadership and Support Services	22,422	24,897
48,813	Roads and Footpaths	34,318	94,928
4,956	Solid Waste	4,699	7,382
3,008	Urban Stormwater	3,216	3,372
9,775	Wastewater	11,996	10,737
7,354	Water Supply	7,439	8,740
124,679	**Total Expenses**	**121,266**	**190,813**
77,518	**Net Cost of Service**	**89,603**	**95,722**

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.

1 Roads and Footpaths revenue from non exchange transactions is $2.3m. This relates to the loss on disposal of bridges that were destroyed as a result of Cyclone Gabrielle.

2 Roads and Footpaths expenses include $67m of roading emergency reinstatement costs.

Note 3: Rates revenue

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
69,387	69,121	Gross Rates Revenue	73,979	73,350	73,076
		Gross Rates Revenue Consists of :			
6,079	5,813	General Rates	7,083	7,112	6,852
16,468	16,468	Uniform Annual General Charge	17,031	16,981	16,981
43,607	43,607	Targeted Rates	46,270	46,387	46,387
3,233	3,233	Metered Water Rates	3,594	2,870	2,856
69,387	**69,121**	**Gross Rates Revenue**	**73,979**	**73,350**	**73,076**
557	557	Less Remissions[1]	1,633	2,143	2,143
68,830	**68,564**	**Net Rates Revenue**	**72,346**	**71,207**	**70,934**

[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 $2.1m against the Annual Plan budget of $1.6m, the increase is due to rates write off's and penalties waived due to Cyclone Gabrielle.

For the years ended 30 June 2023 and 2022, 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).

2022/23	Rating Units	Total Capital Value $000s
Rateable Units	22,337	16,609,148
Non Rateable Units	1,372	343,465

Note 4: Revenue from grants and subsidies

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		REVENUE FROM GRANTS AND SUBSIDIES			
38,348	38,348	Central Government Grants	23,088	39,403	42,165
39,120	39,120	Waka Kotahi (NZTA) Roading Subsidies	34,332	84,003	84,003
77,468	**77,468**	**Total Revenue from Grants and Subsidies**	**57,420**	**123,406**	**126,168**

Total revenue from grants and subsidies is $123.4m up $66m on Annual Plan. $67m of this additional income is related to roading emergency reinstatement costs following Cyclone Gabrielle. Capital grants make up $42.9m (2022: $49m)

Our main contributors for capital grants during the year for roading related work were Waka Kotahi of $12.1m (2022: $12.7m); Crown Infrastructure Partners for Kiwa Pools $19.1m (2022: $20.3m) and Insurance and National Emergency Management Agency (NEMA) $6.3m for the reinstatement of critical infrastructure as a result of Cyclone Gabrielle.

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		REVENUE FROM OPERATING ACTIVITIES			
884	884	Development Contributions	1,622	1,864	1,864
30	30	Capital Contributions	0	0	0
409	409	Rates Penalties	1,000	428	428
10,466	20,359	Activity Revenue	12,450	11,223	21,289
144	144	Interest	0	1,176	1,189
1,662	3	Dividends	1,600	5	5
352	352	Petroleum Tax	365	319	319
13,946	**22,180**	**Total Revenue from Operating Activities**	**17,037**	**15,014**	**25,093**

Note 6: Revenue from other gains

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		REVENUE FROM OTHER GAINS (LOSSES)			
(677)	(2,170)	Gain/(Loss) on Changes in Fair Value of Forestry Assets	0	521	456
0	1,830	Gain/(Loss) on Changes in Fair Value of Livestock	0	0	(2,288)
(486)	29	Gain/(Loss) on Disposal of Property, Plant and Equipment	50	(3,277)	(3,276)
0	0	Gain/(Loss) on Disposal of Intangible Assets	0	0	0
0	0	Net Emission Trading Income	0	625	625
3,632	3,632	Gain on Derivates (Interest Rate Swaps)	(281)	700	700
3	3	Gain/(Loss) on Changes in Fair Value of Non-Current Receivables/Investment	0	15	6
2,473	**3,325**	**Total Revenue from Other Gains (Losses)**	**(231)**	**(1,415)**	**(3,776)**

Note 7: Employee benefit expenses

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		EMPLOYEE BENEFIT EXPENSE			
27,674	30,625	Salary and Wages	33,741	31,762	34,515
728	809	Defined Contribution Plans Expense	877	876	955
192	178	Increase/(Decrease) in Leave Liabilities	0	282	461
(2,373)	(2,373)	Less Recharged to Other Expense Categories[1]	(3,946)	(3,956)	(3,956)
26,221	**29,240**	**Total Employee Benefit Expenses**	**30,672**	**28,965**	**31,975**

[1] Wages and salaries can be recharged to other expense categories and capitalised project costs.

Note 8: Depreciation and amortisation expenses

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		DEPRECIATION AND AMORTISATION EXPENSES			
677	1,855	Commercial Operations	681	787	1,947
34	34	Environmental Services & Protection	47	64	64
171	171	Land, Rivers & Coastal	225	196	196
2,085	2,085	Liveable Communities	2,393	2,367	2,367
1,563	1,563	Regional Leadership & Support Services	1,642	1,715	1,715
11,954	11,954	Roading	12,906	13,386	13,386
364	364	Solid Waste	272	348	348
1,138	1,138	Urban Stormwater	1,107	1,394	1,394
2,544	2,544	Wastewater	2,951	2,651	2,651
2,697	2,697	Water Supply	2,684	3,058	3,058
23,226	**24,404**	**Total Depreciation and Amortisation Expense**	**24,907**	**25,966**	**27,126**
22,541	23,720	Total Depreciation	24,907	25,294	26,453
685	685	Total Amortisation	0	672	672
23,226	**24,404**		**24,907**	**25,966**	**27,126**

Note 9: Expenditure on operating activities

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		OPERATING EXPENDITURE			
2,471	2,471	Administration Expenses	2,408	2,605	2,605
209	269	Audit Fees Financial Reporting (incl. Trustee reporting)	369	244	325
3,473	3,879	Consultants and Professional Services	1,755	4,198	4,766
786	1,023	Councillors and Directors' Fees	890	803	1,059
219	282	Indirect Employment Costs	154	342	362
892	896	Grants and Donations	992	892	3,512
1,271	1,363	Insurance Costs	1,491	1,646	1,762
1,920	100	Rental and Operating Leases	2,115	1,918	(49)
12,471	13,436	Repairs and Maintenance	13,021	13,331	13,820
1,249	1,249	Bad Debts Written Off-Rates	1,013	1,731	1,731
338	338	Bad Debts Written Off-Other	89	230	230
174	174	IRD Compliance Costs	170	206	206
2,281	2,360	Litter bins and city cleaning	1,977	2,375	2,466
19,836	19,836	Emergency Works	2,093	68,107	68,107
25,593	28,927	Other Operating Expenditure[1]	32,667	32,371	34,645
73,182	**76,601**	**Total Operating Expenditure**	**61,205**	**130,997**	**135,547**

[1] 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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		FINANCE COSTS			
1,352	1,352	Interest on Debentures and Interest Rate Swaps	3,075	4,677	4,677
913	1,293	Interest on Bank Borrowings and Commercial Paper	1,347	188	805
60	60	Line Fee	60	70	70
0	0	Losses on Derivatives (Interest Rate Swaps)	0	1	1
(275)	(275)	Discount Unwind on Provisions	0	(50)	(50)
2,050	**2,430**	**Total Finance Costs**	**4,482**	**4,886**	**5,503**

Note 11 : Income tax

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
38,596	39,390	Surplus Before Tax	26,939	19,541	20,411
200	0	Subvention Payment	600	300	0
10,863	11,029	Tax @ 28%	7,711	5,556	5,715
		Plus/(Less) Tax Effect of:			
(10,863)	(9,750)	Net Non Taxable and Non Deductible Items	(7,711)	(5,556)	(5,275)
	0	Imputation credits Utilised	0		0
0	15	Deferred Tax Adjustment	0	0	(20)
0	**1,294**	**Tax Expense**	**0**	**0**	**421**
		Made up of -			
0	1,288	Current Tax Expense	0	0	1,188
0	7	Deferred Tax Expense	0	0	(767)
0	**1,295**		**0**	**0**	**421**

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 2021	**(214)**	**(3,584)**	**71**	**18**	**(642)**	**(4,350)**
Charged to surplus or deficit	(38)	24	(6)	0	0	(20)
Charged to Equity	(10)	0	0	0	0	(10)
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)**

Deferred tax has been calculated at 28%. Council (the parent) has recognised a deferred tax asset of $nil (2022: nil) in relation to unused tax losses of $nil (2022: 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 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
RECONCILIATION OF REVENUE				
Sources of operating funding				
Total operating funding (A) as per Funding Impact Statement	97,389	113,800	101,997	168,792
Add Sources of capital funding				
Subsidies and grants for capital expenditure	61,396	49,046	44,535	42,919
Development and financial contributions	1,587	914	1,622	1,864
Profit / (Loss) on Sale of Assets	50	(486)	50	(3,220)
	160,422	163,275	148,204	210,355
As per Statement of Comprehensive Income - Total Operating Income	160,422	163,275	148,205	210,355
RECONCILIATION OF EXPENDITURE				
Applications of operating funding				
Total applications of operating funding (B) as per Funding Impact Statement	86,860	101,453	96,359	164,848
Add depreciation and amortisation expense	23,733	23,226	24,907	25,966
	110,593	124,679	121,266	190,814
As per Statement of Comprehensive Income - Total Operating Expenditure	110,593	124,679	121,266	190,814
RECONCILIATION OF TOTAL COMPREHENSIVE INCOME				
Surplus/(deficit) of operating funding (A-B)	10,529	12,347	5,638	3,944
Add Subvention Payment	600	200	600	300
Add Subsidies and grants for capital expenditure	61,396	49,046	44,535	42,919
Add Development and financial contributions	1,587	914	1,622	1,864
Add Profit / (Loss) on Sale of Assets	50	(486)	50	(3,220)
Less Depreciation and amortisation expense	(23,733)	(23,226)	(24,907)	(25,966)
Add Gains/(Loss) on Property Revaluation	35,747	335,384	62,321	(215,596)
	86,176	374,180	89,859	(195,755)
As per Statement of Comprehensive Income - Total Comprehensive Income	86,176	374,180	89,860	(195,755)

Note 13 : Cash and cash equivalents

The total cash on hand at 30 June was $28.7m. This relates to funds received in advance for woody debris and silt removal.

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		CASH AND CASH EQUIVALENTS			
7,798	10,249	Cash at the Bank and in Hand	19,575	28,728	31,209
7,798	10,249	Total Cash and Cash Equivalents	19,575	28,728	31,209

Note 14 : Trade and other receivables

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
7,977	7,977	Rates Receivable	8,894	8,167	8,167
8,449	8,449	Roading Subsidy Due	5,339	21,124	21,124
11	11	Community Loans	13	11	11
19,712	19,721	Other Receivables	9,005	21,697	21,539
1,050	1,050	Prepayments	597	3,054	3,054
37,199	**37,208**		**23,848**	**54,054**	**53,895**
(5,523)	(5,523)	Provision for Impairment of Receivables	(5,859)	(5,337)	(5,337)
31,676	**31,685**	**Total Trade and Other Receivables**	**17,989**	**48,717**	**48,558**
		Trade and Other Receivables Classified as:			
31,676	31,685	Current Receivables	17,989	48,717	48,558
31,676	**31,685**		**17,989**	**48,717**	**48,558**
11,373	11,373	**Non Exchange Trade and Other Receivables**	8,806	24,505	24,505
20,304	20,313	**Exchange Trade and Other Receivables**	9,182	24,212	24,053

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. Roading subsidies, debtor control, GST receivable and GHL 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 2023 and 2022, 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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
5,532	5,532	Beginning Balance	5,523	5,523
(9)	(9)	Charge for Year	(186)	(186)
5,523	**5,523**	**Ending Balance**	**5,337**	**5,337**

The status of Receivables as at 30 June 2023 and 2022 are detailed below:

Note 14B: Receivables

COUNCIL 2022 Gross $000s	Impaired $000s	Net $000s		COUNCIL 2023 Gross $000s	Impaired $000s	Net $000s
			SUNDRY INVOICE RECEIVABLES			
3,822	0	3,822	Current	6,606	0	6,606
23	0	23	Past Due 1 month	49	0	49
122	0	122	Past Due 2 months	100	0	100
120	15	105	Past Due 3 months	375	11	364
4,087	**15**	**4,072**		**7,130**	**11**	**7,119**

GROUP 2022 Gross $000s	Impaired $000s	Net $000s		GROUP 2023 Gross $000s	Impaired $000s	Net $000s
			SUNDRY INVOICE RECEIVABLES			
3,828	0	3,828	Current	6,444	0	6,444
26	0	26	Past Due 1 month	52	0	52
122	0	122	Past Due 2 months	100	0	100
120	15	105	Past Due 3 months	375	11	364
4,096	**15**	**4,081**		**6,971**	**11**	**6,960**

Note 14C : Rates receivable

Council 2022 No. Of Properties	Outstanding $000s		Council 2023 No. Of Properties	Outstanding $000s
		GENERAL LAND RATES		
830	1,499	Current <12 months	1,907	1,797
123	569	Past Due 1 to 2 Years	153	662
70	414	Past Due 2 to 3 years	51	390
109	453	Past Due >3 years	132	616
1,132	**2,935**	**Total Outstanding**	**2,243**	**3,465**
		MĀORI LAND RATES		
211	947	Current <12 months	322	1,031
69	784	Past Due 1 to 2 Years	69	730
41	916	Past Due 2 to 3 Years	54	628
432	2,390	Past Due >3 Years	417	2,307
753	**5,038**	**Total Outstanding**	**862**	**4,696**
		METERED WATER SUPPLY		
684	449	Current	586	508
0	0	Past Due 1 month	5	14
25	4	Past Due 2 months	23	3
30	15	Past Due 3 months	24	26
739	**469**	**Total Outstanding**	**638**	**551**

Note 15 : Inventories

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		INVENTORIES			
0	0	Te Puia/Bushmere Road	0	0	0
14	14	Olympic Pool	15	4	4
11	11	Drainage	5	9	9
80	80	Soil Conservation	11	19	19
15	15	Bee Cards	7	13	13
0	4	Waikanae Holiday Park	0	0	7
0	0	Gisborne Vehicle Testing	0	0	0
0	11	Car Wash	0	0	12
0	207	Farming	0	0	218
120	**341**	**Total Inventories**	**38**	**45**	**281**

No inventories have been pledged as security for liabilities.

Note 16 : Investments

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		ORDINARY SHARES			
32,455	0	Gisborne Holdings Ltd	32,455	32,455	0
98	98	Civic Financial Services Ltd	100	89	89
9	9	BOPLASS Ltd	9	9	9
0	497	Shares held in unlisted Company	0	0	499
100	100	LGFA Shares	100	100	100
1,724	1,724	LGFA Notes	1,228	2,721	2,721
0	2	Top 10 Shares			2
34,387	**2,430**	**Total Investments**	**33,893**	**35,375**	**3,421**
		Investments Classified as:			
0	0	Current Investments	0	81	81
34,387	2,430	Non-Current Investments	33,893	35,294	3,340
34,387	**2,430**		**33,893**	**35,375**	**3,421**

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 2023. 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 (2022: $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 $1.7m (2022: asset of $0.9m). These swaps are exposed to fair value movements as interest rates change.

The weighted average effective interest rate of the interest rate swaps was 3.10% (2022: 3.38%). 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 185.

Note 18 : Assets held for sale

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
0	0	Land	0	0	0
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 2024, once the new pool building has been completed.

Note 19 : Deposits held

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
9	9	General and Other Deposits	22	11	11
28	28	Resource Consent Bonds	44	27	27
484	484	Footpath Deposits	418	535	535
13	13	Gisborne Rural Volunteer Fire	13	0	0
535	**535**	**Total Deposits Held**	**498**	**573**	**573**

Note 20 : Trade and other payables

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		ACCOUNTS PAYABLE			
5,708	5,856	Income in Advance	10,600	37,911	38,059
2,061	2,061	Rates in Advance	1,854	2,088	2,088
124	124	Gisborne District Council Disaster Relief Fund	73	538	0
2,017	2,017	Contract Retentions	1,033	2,694	2,694
0	0	Accruals - Loan Interest	0	0	0
151	151	Accruals - Audit Fees	155	179	185
5,405	5,405	Accruals - Other	961	2,047	2,455
24,843	23,556	Trade and other Payables	21,067	29,070	29,973
40,310	**39,170**	**Total Trade and Other Payables**	**35,742**	**74,527**	**75,454**

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.

Income in advance is significant in 2022/23 due to additional Grant funding arrangements. Please refer to Note 4: Revenue from Grants and Subsidies on page 159.

Council has received funding for the Three Water Reform 2022/23, $1.5m in funding and recognised $1.7m in revenue (2021/22 $4.04m in funding and recognised $8.67m in revenue).

In addition to this Council has received funding for the Cyclone Recovery work, $33.9m in funding and recognised $2.5m in revenue.

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						
2022						
Balance at 1 July 2021	855	2,007	21	268	177	3,329
Additional leave accrued	955	2,396	2	12	6	3,373
Amounts Paid	(775)	(2,206)	(4)	(34)	0	(3,019)
Balance at 30 June 2022	**1,035**	**2,197**	**19**	**246**	**183**	**3,682**
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**
Current Portion	1,189	2,513	5	128	213	**4,049**
Non Current Portion	0	0	0	111	0	**111**
Total Provisions	**1,189**	**2,513**	**5**	**239**	**213**	**4,160**
COUNCIL						
2022						
Balance at 1 July 2021	775	1,841	21	268	77	2,982
Additional leave accrued	936	2,423	2	12	17	3,390
Amounts Paid	(775)	(2,206)	(4)	(34)	0	(3,019)
Balance at 30 June 2022	**936**	**2,058**	**19**	**246**	**94**	**3,353**
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**
Current Portion	1,007	2,362	5	128	102	**3,604**
Non Current Portion	0	0	0	111	0	**111**
Total Provisions	**1,007**	**2,362**	**5**	**239**	**102**	**3,715**

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 4.62% (2022: 3.68%) and assumed salary inflation of 2.19% (2022: 2.0%). (Treasury discount rates: 1 year 5.42%, 2 years 5.27%, 5 years 4.62%).

Note 22 : Borrowings

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
0	15,006	Bank Loans	0	0	0
15,500	15,500	Debenture	7,100	15,000	15,000
15,500	**30,506**	**Total Current**	**7,100**	**15,000**	**15,000**
0	0	Bank Loans	73,899	0	10,414
70,200	70,200	Debenture and FRN Debt Securities	61,500	109,800	109,800
70,200	**70,200**	**Total Non Current**	**135,399**	**109,800**	**120,214**
85,700	**100,706**	**Total Borrowings**	**142,499**	**124,800**	**135,214**

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.

Debenture and floating rate note (FRN) debt securities

Council has issued $124.8m (2022: $85.7m) of debentures and floating rate notes with maturities from 15 April 2024 to 15 May 2031. Interest is paid quarterly in arrears. The interest rates range as at 30 June 2023 varies from 1.08% to 6.46% (2022: 1.08% to 2.89%) and are subject to quarterly reset dates.

Bank facilities

Council has $35m (2022: $25m) worth of committed funding facilities available. At reporting date the draw down under these facilities was $nil (2022: $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 2023 was $nil (2022: $0.1m). GHL also has a term facility of $10.4m which is fully drawn at 30 June 2023. This facility is secured by way of a mortgage and a general security agreement which terminates on 31 July 2024.

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
2022				
Balance at 1 July 2021	1,304	1,081	346	2,730
Additional Provisions Made/(Reversed)	0	0	(186)	(186)
Amounts Used	(51)	0	0	(51)
Discount unwind	(168)	(107)	0	(275)
Balance at 30 June 2022	**1,084**	**974**	**160**	**2,218**
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**
Current Portion	85	0	383	468
Non Current Portion	896	946	160	2,002
Total Provisions	**981**	**946**	**543**	**2,470**

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 2023 provision:

- Future cash flows were indexed 2.12% each year before a discount rate of 4.54% was applied.

In 2022, a discount rate of 3.85% was applied, with future costs indexed each year at 1.97%.

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 2023 provision:

- Future cash flows were indexed 2.02% each year before a discount rate of 4.14% was applied.

In 2022, a discount rate of 3.55% was applied, with future costs indexed each year at 1.90%.

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-weathertight defects (in a mixed claim involving both weathertight and non-weathertight 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 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	Current Year Additions $000s	Current Year Disposals & other movements $000s	Revaluation Current Year $000s	Revaluation (accumulated depreciation reversed) $000s	Current Year Depreciation $000s	Recovered Depreciation $000s	Other Adjustments $000s	Cost/Revaulation 30 June 2023 $000s	Accumulated Depreciation $000s	Carrying Amount 30 June 2023 $000s
OPERATIONAL ASSETS														
Land	315,585	–	315,585	–	15	(57)	–	–	–	–	–	315,543	–	315,543
Buildings/Land Improvements	109,591	(5,747)	103,845	2,025	1,798	(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	(2,025)	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	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)	(18,552)	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)**	**(17,338)**	**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)**	**(17,338)**	**21,019**	**(25,294)**	**958**	**(64,254)**	**2,667,911**	**(25,108)**	**2,642,803**

COUNCIL 2022	Cost/Revaluation 1 July 2021 $000s	Accumulated Depreciation and Impairment 1 July 2021 $000s	Carrying Amount 1 July 2021 $000s	Current Year Transfers $000s	Current Year Additions $000s	Current Year Disposals & other movements $000s	Revaluation Current Year $000s	Revaluation (accumulated depreciation reversed) $000s	Current Year Depreciation $000s	Recovered Depreciation $000s	Other Adjustments $000s	Cost/Revaluation 30 June 2022 $000s	Accumulated Depreciation $000s	Carrying Amount 30 June 2022 $000s
OPERATIONAL ASSETS														
Land	216,520	–	216,520	–	2,435	–	96,630	–	–	–	–	315,585	–	315,585
Buildings / Land Improvements	89,012	(8,033)	80,979	2,162	3,120	(306)	15,604	4,534	(2,303)	56	–	109,591	(5,747)	103,845
Plant / Motor Vehicles	8,330	(4,466)	3,864	181	1,602	(375)	–	–	(827)	290	–	9,739	(5,003)	4,736
Office Equipment	7,123	(5,043)	2,080	–	95	(12)	–	–	(136)	9	–	7,206	(5,171)	2,036
Other Equipment	4,423	(2,808)	1,616	–	813	(170)	–	–	(425)	167	–	5,067	(3,066)	2,001
Wharves	3,424	(804)	2,621	–	–	–	–	–	(68)	–	–	3,424	(872)	2,552
Library books - General	1,513	(1,033)	480	–	182	(277)	–	–	(118)	288	–	1,418	(862)	556
Library books - Permanent	336	(6)	330	–	–	–	–	–	–	–	–	336	(6)	330
Assets Under Construction	6,950	–	6,950	(2,217)	21,917	(3)	–	–	–	–	–	26,648	–	26,648
Total Operational Assets	**337,632**	**(22,193)**	**315,439**	**126**	**30,164**	**(1,143)**	**112,234**	**4,534**	**(3,877)**	**809**	**0**	**479,014**	**(20,726)**	**458,288**
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	60,782	(147)	60,635	1,277	535	(40)	7,186	1,540	(1,531)	1	–	69,740	(137)	69,603
Sewer and Wastewater Treatment Plant & Facilities	34,939	(83)	34,856	–	251	–	870	991	(996)	–	–	36,060	(89)	35,971
Stormwater	63,937	(90)	63,847	1,117	549	(31)	11,255	1,112	(1,138)	1	–	76,827	(115)	76,713
Water Supply Reticulation Systems	52,570	(110)	52,460	76	1,460	(29)	14,447	1,375	(1,408)	5	–	68,523	(138)	68,385
Water Supply Treatment Plant & Facilities	60,927	(105)	60,822	76	309	(31)	2,182	1,236	(1,249)	2	–	63,462	(117)	63,346
Solid Waste	2,482	(24)	2,458	–	18	(14)	(22)	284	(303)	3	(161)	2,303	(40)	2,263
Flood Control	75,310	(13)	75,297	746	4,473	(37)	4,713	165	(167)	1	–	85,206	(15)	85,191
Waiapu Aftercare Provision Deferred Expense Asset	575	(363)	212	–	–	–	–	–	(53)	–	–	575	(416)	159
Roading	1,731,286	0	1,731,286	2,355	16,518	–	159,515	11,818	(11,818)	–	–	1,909,674	0	1,909,674
Assets under Construction	16,961	–	16,961	(5,774)	23,771	–	–	–	–	–	–	34,958	–	34,958
Total Infrastructural Assets	**2,099,769**	**(935)**	**2,098,834**	**(126)**	**47,883**	**(183)**	**200,148**	**18,521**	**(18,664)**	**13**	**(161)**	**2,347,329**	**(1,065)**	**2,346,264**
Total Property Plant and Equipment	**2,437,401**	**(23,127)**	**2,414,273**	**(0)**	**78,048**	**(1,326)**	**312,382**	**23,056**	**(22,541)**	**822**	**(161)**	**2,826,343**	**(21,791)**	**2,804,552**

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	Current Year Additions $000s	Current Year Disposals & other movements $000s	Revaluation Current Year $000s	Revaluation (accumulated depreciation reversed) $000s	Current Year Depreciation $000s	Recovered Depreciation $000s	Other Adjustments $000s	Cost/Revaulation 30 June 2023 $000s	Accumulated Depreciation $000s	Carrying Amount 30 June 2023 $000s
OPERATIONAL ASSETS														
Land	420,184	(2,623)	417,560	–	15	(57)	(2,852.0)	–	(186)	–	3,872	395,494	(2,809)	392,685
Buildings/Land Improvements	148,400	(7,508)	140,892	2,302.5	1,587.6	(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	(2,302.5)	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)	(18,552)	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)**	**(17,238)**	**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)**	**(20,238)**	**21,019**	**(26,453)**	**958**	**(64,254)**	**2,787,206**	**(32,405)**	**2,754,801**

GROUP 2022	Cost/Revaluation 1 July 2021 $000s	Accumulated Depreciation and Impairment 1 July 2021 $000s	Carrying Amount 1 July 2021 $000s	Current Year Transfers $000s	Current Year Additions $000s	Current Year Disposals & other movements $000s	Revaluation Current Year $000s	Revaluation (accumulated depreciation reversed) $000s	Current Year Depreciation $000s	Recovered Depreciation $000s	Other Adjustments $000s	Cost/Revaluation 30 June 2022 $000s	Accumulated Depreciation $000s	Carrying Amount 30 June 2022 $000s
OPERATIONAL ASSETS														
Land	282,071	(2,443)	279,629	–	848	(3,139)	140,403	–	(181)	–	–	420,184	(2,623)	417,560
Buildings/Land Improvements	121,119	(9,992)	111,127	2,162	3,592	(700)	22,227	5,400	(2,971)	56	–	148,400	(7,508)	140,892
Plant /Motor Vehicles	10,917	(5,678)	5,239	181	1,818	(450)	–	–	(944)	290	–	12,466	(6,332)	6,135
Office Equipment	7,616	(5,254)	2,362	–	169	(31)	–	–	(349)	9	–	7,754	(5,594)	2,160
Other Equipment	4,423	(2,808)	1,616	–	813	(170)	–	–	(425)	167	–	5,067	(3,066)	2,001
Wharves	3,424	(804)	2,621	–	–	–	–	–	(68)	–	–	3,424	(872)	2,552
Library Books - General	1,513	(1,033)	480	–	182	(277)	–	–	(118)	288	–	1,418	(862)	556
Library Books - Permanent	336	(6)	330	–	–	–	–	–	–	–	–	336	(6)	330
Assets Under Construction	7,059	–	7,059	(2,217)	21,917	(112)	–	–	–	–	–	26,648	–	26,648
Total Operational Assets	**438,480**	**(28,017)**	**410,462**	**126**	**29,338**	**(4,878)**	**162,631**	**5,400**	**(5,055)**	**809**	**0**	**625,697**	**(26,863)**	**598,833**
INFRASTRUCTURAL ASSETS														
Sewer and Wastewater Reticulation Systems	60,782	(147)	60,635	1,277	535	(40)	7,186	1,540	(1,531)	1	–	69,740	(137)	69,603
Sewer and Wastewater Treatment Plant & Facilities	34,939	(83)	34,856	–	251	–	870	991	(996)	–	–	36,060	(89)	35,971
Stormwater	63,937	(90)	63,847	1,117	549	(31)	11,255	1,112	(1,138)	1	–	76,827	(115)	76,713
Water Supply Reticulation Systems	52,570	(110)	52,460	76	1,460	(29)	14,447	1,375	(1,408)	5	–	68,523	(138)	68,385
Water Supply Treatment Plant & Facilities	60,927	(105)	60,822	76	309	(31)	2,182	1,236	(1,249)	2	–	63,462	(117)	63,346
Solid Waste	2,482	(24)	2,458	–	18	(14)	(22)	284	(303)	3	(161)	2,303	(40)	2,263
Flood Control	75,310	(13)	75,297	746	4,473	(37)	4,713	165	(167)	1	–	85,206	(15)	85,191
Waiapu Aftercare Provision Deferred Expense Asset	575	(363)	212	–	–	–	–	–	(53)	–	–	575	(416)	159
Roading	1,731,286	0	1,731,286	2,355	16,518	–	159,515	11,818	(11,818)	–	–	1,909,674	0	1,909,674
Assets under Construction	16,961	–	16,961	(5,774)	23,771	–	–	–	–	–	–	34,958	–	34,958
Total Infrastructural Assets	**2,099,769**	**(935)**	**2,098,834**	**(126)**	**47,883**	**(183)**	**200,148**	**18,521**	**(18,664)**	**13**	**(161)**	**2,347,329**	**(1,065)**	**2,346,264**
Total Property Plant and Equipment	**2,538,248**	**(28,952)**	**2,509,297**	**(0)**	**77,221**	**(5,061)**	**362,779**	**23,921**	**(23,720)**	**822**	**(161)**	**2,973,025**	**(27,928)**	**2,945,097**

Properties held for resale are recorded at net cost as at 30 June 2023. Refer to Note 18: Assets Held for Sale on page 167.

Roading assets

The roading asset valuation was undertaken at 30 June 2023 by Pauline True, an independent valuer of Stantec Limited. The depreciated replacement cost of roading assets as at 30 June 2023 is $1.7b (2022: $1.9b). The majority of the decrease relates to a reduction of value in land under roads.

During the 2023 year treatment lengths for land under the roads went under full review. The treatment lengths are based on sections of road that will be treated with a future reseal or pavement rehabilitation. The assessment was carried out by Downer NZ Limited, thereafter McKay Consultants Ltd and Roading Logistics Ltd were involved with the measurement of the roads and updating the Council's roading network records, their work is still ongoing.

The updated measurement of treatment lengths resulted in an overall reduction of 47km (out of approximately 1,900km in total) of roads located at bridges, footpaths, access ways, intersections, traffic calming features and including unsealed roads.

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 $351,878,467. 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 $1,000.000.

Forestry

The total value of assets covered by insurance contracts for forestry is $1,455,100. This covers loss or damage to trees principally by fire and reinstatement costs. Council's limit of liability is $1,303,617.90.

Motor vehicles

The total value of our fleet is $2,991,565. 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 $20,000,000 across BoPLASS.

Water, wastewater, stormwater, rivers and land drainage

The declared value for infrastructure assets is $634,359,617. Insurance covers physical loss caused by a natural catastrophe event. Council has a limit of liability of $250,000,000.

Note 24A : Assets under construction

	Council		Group	
	2022 $000s	2023 $000s	2022 $000s	2023 $000s
Building/Land Improvements	207	90	207	403
Community Property Management	22,452	4,107	22,452	4,107
Conveniences	166	361	166	361
Information Management	2	252	2	252
Land	0	0	0	0
Library	0	0	0	0
Parks and Open Spaces	3,934	2,472	3,934	2,472
Plant	0	34	0	34
Rivers and Flood Control	622	1,077	622	1,077
Roading	4,706	1,079	4,706	1,079
Sewer and Wastewater	26,151	46,429	26,151	46,429
Solid Waste	4	52	4	52
Stormwater	1,050	1,098	1,050	1,098
Theatres	2	0	2	0
Water Supply	2,311	3,971	2,311	3,971
Total Assets Under Construction	**61,605**	**61,022**	**61,605**	**61,333**

Note 25 : Intangible assets

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		OTHER INTANGIBLE ASSETS			
11,325	11,325	Balance at 1 July - Cost	11,110	12,287	12,287
321	321	Balance at 1 July - WIP	0	0	0
(6,837)	(6,837)	Less Accumulated Amortisation and Impairment	(6,622)	(7,521)	(7,521)
4,809	4,809	Opening Carrying Amount	4,488	4,766	4,766
(321)	(321)	Additions/Disposals to WIP	0	17	17
963	963	Additions	0	838	838
0	0	Disposals	0	0	0
0	0	Transfers from WIP	0	0	0
0	0	Change in Fair Value	0	0	0
(685)	(685)	Less Amortisation Charge	0	(672)	(672)
0	0	Amortisation Recovered	0	0	0
4,766	4,766	Closing Carrying Amount	4,488	4,949	4,949
		Balance at 30 June			
12,287	12,287	Cost	11,110	13,142	13,142
(7,521)	(7,521)	Less Accumulated Amortisation and Impairment/Change in Fair Value	(6,622)	(8,194)	(8,194)
4,766	4,766	Closing Carrying Amount	4,488	4,949	4,949
		EMISSIONS TRADING SCHEME ASSETS			
2,061	5,257	Balance at 1 July - Cost	2,061	2,681	5,877
0	0	Less Impairment	0	0	0
2,061	5,257	Opening Carrying Amount	2,061	2,681	5,877
620	620	Additions	0	0	0
0	0	Disposals	0	(1,150)	(1,150)
0	0	Impairment	0	0	0
2,681	5,877	Closing Carrying Amount	2,061	1,531	4,727
		Balance at 30 June			
2,681	5,877	Cost	2,061	1,531	4,727
0	0	Less Impairment	0	0	0
2,681	5,877	Closing Carrying Amount	2,061	1,531	4,727
7,447	10,643	Total Intangibles	6,548	6,480	9,676
		EMISSIONS TRADING SCHEME LIABILITIES			
1,950	2,855	Balance at 1 July - Cost	1,950	2,570	3,476
620	620	Additions	0	0	0
0	0	Disposals	0	(1,775)	(1,775)
0	0	Impairment/Revaluation	0	0	0
2,570	3,476	Closing Carrying Amount	1,950	795	1,701
111	2,401	Net Emissions Trading Scheme Assets	111	736	3,026

At balance date Council recognised 1,530,895 (2022: 2,681,059) of Emission Trading Scheme carbon units.

Note 26 : Biological assets – livestock

Biological assets

Council biological assets consist of forest only ($1.5m). Group biological assets consist of sheep and cattle (livestock - $9.6m) and forestry ($12.1m). The Group farms livestock for the sale of sheep, lambs, cattle and calves. As at 30 June 2023 the Group had 29,132 sheep, 4,456 cattle (2022: 32,553 sheep, 4,676 cattle). During the year the Group sold 30,801 sheep, 2,350 cattle (2022: 27,846 sheep, 1,896 cattle).

Reconciliation of Opening Balance to Closing Balance - 2023

	SHEEP		CATTLE		Total
GROUP	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

Reconciliation of Opening Balance to Closing Balance - 2022

	SHEEP		CATTLE		Total
GROUP	Quantity	$000s	Quantity	$000s	$000s
Opening Balance as at 1 July 2021	31,116	6,262	4,651	3,841	10,103
Natural Increase	32,328	4,043	2,047	1,706	5,749
Purchases	77	79	31	158	237
Changes in Fair Value	0	1,015	0	1,647	2,662
Sales	(27,846)	(4,044)	(1,896)	(1,974)	(6,018)
Death and Killed	(3,122)	(602)	(157)	(196)	(799)
Closing Balance as at 30 June 2022	32,553	6,752	4,676	5,181	11,934

Note 26A : Biological assets – livestock

The fair value of livestock as at end of year was:

2021/22			2022/23	
Quantity	$000s		Quantity	$000s
		SHEEP		
25,648	5,710	Mature	29,039	4,729
6,905	1,042	Immature	93	7
32,553	6,752	Total Sheep	29,132	4,736
		CATTLE		
2,735	3,632	Mature	2,676	3,504
1,941	1,550	Immature	1,780	1,406
4,676	5,181	Total Cattle	4,456	4,910

Note 26B : Biological assets – livestock

2021/22 Quantity	2021/22 Average Price $	2022 $000s		2022/23 Quantity	2022/23 Average Price $	2023 $000s
			SHEEP			
27,846	145	4,045	Sales	30,801	122	3,743
			Less Cost of Sales			
31,116	201	6,262	Opening Stock	32,553	207	6,752
77	1,026	79	Add Purchases	83	1,205	100
32,553	207	6,752	Less Closing Stock	29,132	163	4,736
		(411)	Total Cost of Sales			2,116
		4,455	**Gross Profit from Sheep**			**1,627**
			CATTLE			
1,896	1,041	1,974	Sales	2,350	1,076	2,529
			Less Cost of Sales			
4,651	826	3,841	Opening Stock	4,676	1,108	5,181
31	678	21	Add Purchases	15	7,000	105
4,676	1,108	5,181	Less Closing Stock	4,456	1,102	4,910
		(1,319)	Total Cost of Sales			376
		3,293	**Gross Profit from Cattle**			**2,153**

The fair value of livestock is determined by independent valuation as at 30 June 2023. 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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
3,546	15,603	Balance at 1 July	3,022	2,101	12,667
0	0	Increases due to Purchases	0	0	0
(677)	(2,168)	Gains/(Losses) arising from changes in fair value less estimated point of sale costs attributable to price changes	(281)	521	452
(769)	(769)	Harvest	0	(1,079)	(1,079)
2,101	**12,667**	**Balance at 30 June**	**2,741**	**1,543**	**12,040**

Harvesting was undertaken during the year; income received from log sales was $1.1m (2022: $0.8m).

Councils forestry holdings have been valued by PF Olsen and Company Limited. A post-tax discount rate of 6.5% (2022: 6.0%) has been used in discounting the present value of expected cash flows. The valuations are compliant with PBE IPSAS27.

The valuation of the Pamoa forestry assets as at 30 June 2023 is $1.0m. (2022: $1.6m).

The valuation of the Council's forestry assets as at 30 June 2023 is $0.6m. (2022: $0.5m).

Tauwharepārae forests

The fair value of the forest tree crop is determined by independent valuation. Independent forestry valuation as at 30 June 2023 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% (2022: 6%)
- Rate of Inflation - 1% (2022: 1%)
- Rate of Tax - 28% (2022: 28%)

During the year there was no forestry development expenditure capitalised to the forest asset (2022: $0).

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 AP $000s	Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		ACCUMULATED SURPLUS (RETAINED EARNINGS)			
475,681	481,892	Balance at 1 July	533,381	514,910	520,421
(58)	(58)	Transfers (to)/from Special Funds	14,559	(938)	(938)
491	491	Transfers from Asset Revaluation Reserve on Disposal of Property, Plant and Equipment	0	269	269
38,796	38,096	Surplus/(Deficit) for the year	27,539	19,841	19,990
514,910	**520,421**	**Balance at 30 June**	**575,479**	**534,082**	**539,742**
		SPECIAL FUNDS AND RESERVES			
52,192	52,191	Balance at 1 July	47,036	52,250	52,250
58	58	Transfer (to)/from Retained Earnings	(14,559)	938	938
52,250	**52,250**	**Balance at 30 June**	**32,477**	**53,188**	**53,188**
		ASSET REVALUATION RESERVES			
1,852,321	1,911,520	Balance at 1 July	1,888,068	2,187,214	2,298,524
335,384	387,555	Revaluations	62,321	(215,596)	(243,496)
(491)	(491)	Transfers to Retained Earnings on Disposal of Property, Plant and Equipment	0	(269)	(269)
0	(60)	Deferred Tax on building revaluations	0	0	(832)
2,187,214	**2,298,524**	**Balance at 30 June**	**1,950,389**	**1,971,349**	**2,053,926**

Note 27C: Special funds and other reserves

	Opening Balance 1 July 2022 $000s	Transfers to Reserves $000s	Transfers from Reserves $000s	Closing Balance 30 June 2023 $000s	Description / Use
Waipaoa River Flood Control Scheme	772	18	0	790	Reserve is a funding source for minor and major capital work in relation to the Waipaoa River Flood Control Scheme.
Wastewater Treatment Plant Reserve	350	0	350	0	Reserve holds prefunded rates for the WWTP.
Civil Defence Disaster Relief	482	25	0	507	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	3,052	62	1,329	1,785	Reserve is to hold proceeds of selected asset sales which are to be utilised for capital developments as determined by Council.
Quarry Rehab	1,207	28	0	1,235	Reserve is to provide for the restoration and rehabilitation of the Patutahi Quarry.
Olympic Pool Development	31	1	0	31	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	121	12	0	133	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	(347)	438	1	90	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	(104)	183	0	78	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	1,173	850	565	1,458	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	(864)	304	25	(585)	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	336	74	0	410	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.
Pamoa Restoration Reserve	2,715	1,152	360	3,508	Funds from Pamoa harvest for the restoration around the Waingake water supply.
Roading FAR Reserve	1,670	37	1,707	0	Funds from increased subsidy from NZTA to be used on roading projects subject to approval by Council.
Land Subdivision	380	9	18	371	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	3,951	1,245	655	4,541	Operational Surplus to be used to fund organisational development.
Depreciation	37,319	27,265	25,754	38,830	Reserve holds funds utilised on projects that replace the district's assets.
Total Special Funds and Other Reserves	**52,250**	**31,703**	**30,765**	**53,188**	

Note 28 : Reconciliation of net surplus to operating cash flows

Council 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
38,796	38,096	Reported Net Surplus after tax	19,841	19,990
		ADD/(DEDUCT) NON CASH ITEMS		
23,226	24,404	Depreciation & Amortisation	25,966	27,126
(3,632)	(3,632)	Unrealised (Gain)/Loss on Derivative Financial Instruments	(700)	(700)
(3)	(3)	Other Fixed and Investment Asset Changes/(Credits)	(15)	(6)
0	(1,830)	Livestock Holding (Gain)/ Loss	0	2,288
485	(30)	(Profit)/ Loss on Disposal of Assets	2,652	2,652
677	2,170	Forestry Value (Gain) / Loss	(521)	(456)
0	0	Loss on timber stock	0	0
(512)	(512)	Other provisions and deferred expense asset	252	252
0	(147)	Increase in Deferred Taxation	0	(768)
0	0	Carbon Credit Allocation	0	0
1,587	1,587	Bad Debts Written Off	1,587	1,587
0	0	Vested Assets	0	0
21,828	**22,008**		**29,221**	**31,975**
		ADD ITEMS CLASSIFIED AS INVESTING ACTIVITIES		
1,491	3,673	Movement of Plant, Property and Equipment included in Trade Payables	4,170	1,988
1,491	**3,673**		**4,170**	**1,988**
		INCREASE/(DECREASE) IN WORKING CAPITAL		
(15,786)	(17,925)	Trade & Other Receivables	(18,528)	(16,272)
(81)	(106)	Inventories	74	59
37	37	Deposits Held	38	38
4,045	3,963	Trade & Other Payables	34,220	34,089
0	0	Provision for Other Liabilities		0
371	353	Employee Benefit Liabilities	362	478
200	0	Subvention Payment Due	(100)	0
0	328	Taxation Payable		(95)
(11,214)	**(13,350)**		**16,066**	**18,297**
50,901	**50,426**	**Net Cash Inflow from Operating Activities**	**69,298**	**72,249**

Note 29 : Financial instruments

Financial risk management objectives and policies

In accordance with the transitional provisions in PBE IPSAS 41, the Council and Group have elected not to restate the comparative information. The comparative information continues to be reported under PBE IPSAS 29. Adjustments arising from the adoption of PBE IPSAS 41 are recognised in opening equity at 1 July 2022 (the date of initial application).

On the date of initial of application of PBE IPSAS 41, the classification and carrying amounts of financial assets under PBE IPSAS 41 and PBE IPSAS 29 is outlined in the tables below.

	Measurement Classification		06-30-2022	07-01-2023	Adoption
	Original PBE IPSAS 29 category	New PBE IPSAS 41 category	PBE IPSAS 29 $000	PBE IPSAS 41 $000	Adjustment $000
Financial Assets					
Cash and Cash Equivalents	Loans and receivables	Amortised cost	7,798	7,798	0
Trade and Other Receivables	Loans and receivables	Amortised cost	31,676	31,676	0
NZ LGFA Borrower Notes	Held for Trading	FVTSD	1,724	1,724	0
Derivative Financial Instruments	Held for Trading	FVTSD	898	898	0
Unlisted Shares	Held for Trading	FVTSD	208	208	0
			42,304	42,304	

Additional information in relation to subsequent measurement classification assessment

PBE IPSAS 41 requires debt instruments to be subsequently measured at Fair Value Through Surplus or Deficit (FVTSD), amortised cost, or Fair Value through Other Comprehensive Revenue and Expenses (FVTOCRE). This classification is based on the business model for managing the debt instruments, and whether the payments are for solely payments of principal or interest on the principal amount outstanding.

Council assessed the business model for its classes of financial assets at the date of initial application. Debt instruments are held mainly to collect. Council's debt instruments are solely comprised of contractual cash flows solely for payments of principal and interest, in line with basic lending arrangements. This assessment was based on the facts and circumstances as at the initial recognition of the assets.

PBE IPSAS 41 requires equity instruments to be classified at FVTSD. However, it permits entities to make an irrevocable election on transition to PBE IPSAS 41 to subsequently measure at FVTOCRE if the shares are not held for trading.

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		FINANCIAL ASSETS		
		Amortised Cost		
7,798	10,249	Cash and Cash Equivalents	28,728	31,209
31,676	31,685	Trade and Other Receivables	48,717	48,558
1,932	**2,431**	**Total at amortised cost**	**77,445**	**79,768**
		Fair Value through Surplus or (Deficit)		
898	898	Derivative Financial Instruments	1,728	1,728
1,724	1,724	NZ LGFA Borrower Notes	2,721	2,721
208	707	Unlisted Shares	199	700
2,830	**3,329**	**Total at FVTSD**	**4,647**	**5,148**
4,761	**5,759**	**Total Financial Assets**	**82,092**	**84,916**
		FINANCIAL LIABILITIES		
		Amortised Cost		
0	15,006	Bank Loan	0	10,414
85,700	85,700	Secured Debentures	124,800	124,800
43,541	42,694	Trade Payables and Accruals	78,242	79,614
129,241	**143,400**	**Total at amortised cost**	**203,042**	**214,827**
129,241	**143,400**	**Total Financial Liabilities**	**203,042**	**214,827**

Note 29B - Fair value hierachy

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 2022 Valuation Technique					Year Ended 30 June 2023 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	208	208	Unlisted Investments	0	0	199	199
0	1,724	0	1,724	LGFA Borrower Notes	0	2,721	0	2,721
0	898	0	898	Derivative Financial Instruments	0	1,728	0	1,728
0	2,622	208	2,830		**0**	4,449	199	4,647

Group

Year Ended 30 June 2022 Valuation Technique					Year Ended 30 June 2023 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	707	707	Unlisted Investments	0	0	700	700
0	1,724	0	1,724	LGFA Borrower Notes	0	2,721	0	2,721
0	898	0	898	Derivative Financial Instruments	0	1,728	0	1,728
0	2,622	707	3,329		**0**	4,449	700	5,148

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)		
2022 $000		**2023 $000**
204	Balance at 1 July	208
3	Gains and losses recognised in surplus or deficit	-9
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
207	Balance at 30 June	**199**

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		Financial Assets		
7,798	10,249	Cash and Cash Equivalents	28,728	31,209
31,676	31,685	Trade and Other Receivables	48,717	48,558
898	898	Derivative Financial Instruments	1,728	1,728
40,373	**42,833**	**Total Financial Assets**	**79,173**	**81,496**

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		CounterParties Without Credit Ratings		
		Cash at Bank and Term Deposits		
7,798	10,249	AA-	28,728	31,209
		Derivative Financial Instruments		
898	898	AA-	1,728	1,728
		COUNTERPARTIES WITHOUT CREDIT RATINGS		
11	11	Existing counterparty with no defaults in the past	11	11
11	11	Total Rates postponement and Community loans	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 XXX.

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 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
Derivative Financial Instruments	1,728	1,750	812	585	377	(24)
Trade and Other Receivables	48,717	48,717	48,706	0	0	11
LGFA Borrower Notes	0	0	0	0	0	0
Total Financial Assets	**79,173**	**79,195**	**78,245**	**585**	**377**	**(13)**

COUNCIL 2022	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	7,798	7,798	7,798	0	0	0
Derivative Financial Instruments	898	1,046	213	303	591	(61)
Trade and Other Receivables	37,199	37,199	37,188	0	0	11
LGFA Borrower Notes	0	0	0	0	0	0
Total Financial Assets	**45,895**	**46,043**	**45,199**	**303**	**591**	**(50)**

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
Derivative Financial Instruments	1,728	1,750	812	585	377	(24)
Trade and Other Receivables	48,558	48,558	48,547	0	0	11
LGFA Borrower Notes	0	0	0	0	0	0
Total Financial Assets	**81,496**	**81,518**	**80,568**	**585**	**377**	**(13)**

GROUP 2022	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	10,249	10,249	10,249	0	0	0
Derivative Financial Instruments	898	1,046	213	303	591	(61)
Trade and Other Receivables	37,208	3,728	37,197	0	0	11
LGFA Borrower Notes	0	0	0	0	0	0
Total Financial Assets	**48,355**	**48,503**	**47,659**	**303**	**591**	**(50)**

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 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**

COUNCIL 2022	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	43,663	43,663	43,663	0	0	0
Bank Loans	0	0	0	0	0	0
Debentures	85,700	101,760	18,823	7,742	37,030	38,165
Total Financial Liabilities	**129,363**	**145,423**	**62,486**	**7,742**	**37,030**	**38,165**

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**

GROUP 2022	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	42,852	42,852	42,852	0	0	0
Bank Loans	15,006	15,006	15,006	0	0	0
Debentures	85,700	101,760	18,823	7,742	37,030	38,165
Total Financial Liabilities	**143,558**	**159,618**	**76,681**	**7,742**	**37,030**	**38,165**

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		WEIGHTED EFFECTIVE INTEREST RATES		
n/a	2.28%	Bank Loan	n/a	2.28%
2.56%	2.56%	Debentures	5.51%	5.51%
3.38%	3.38%	Derivative Financial Instruments	3.10%	3.10%

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 2021/22 Actual $000s	Group 2021/22 Actual $000s		Council 2022/23 Actual $000s	Group 2022/23 Actual $000s
		NET SURPLUS HIGHER/(LOWER)		
663	663	+ 100 Basis Points	110	110
(734)	(734)	- 100 Basis Points	(202)	(202)

Note 30 : Commitments

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**

COUNCIL 2022	Total $000s	0 - 12 Months $000s	1 - 5 Years $000s
Capital Commitments - Approved and Contracted	48,968	48,342	626
Total Commitments	**48,968**	**48,342**	**626**

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**

GROUP 2022	Total $000s	0 - 12 Months $000s	1 - 5 Years $000s
Capital Commitments - Approved and Contracted	48,968	48,342	626
Total Commitments	**48,968**	**48,342**	**626**

Note 31A : Leases

	Total $000s	0 - 12 Months $000s	1 - 5 Years $000s	5+ Years $000s
GROUP 2023				
Operating Lease Payments	630	185	444	0
Total Non Cancellable Operating	**630**	**185**	**444**	**0**
GROUP 2022				
Operating Lease Payments	2,178	242	540	1397
Total Non Cancellable Operating	**2,178**	**242**	**540**	**1,397**
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**
COUNCIL 2022				
Operating Lease Payments	26,354	2,013	7,625	16,716
Total Non Cancellable Operating	**26,354**	**2,013**	**7,625**	**16,716**

Gisborne District Council leases buildings from Gisborne Holdings Ltd. This arrangement began 1 December 2015. In 2023 the annual lease amount was $1.92m. 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 $220,779 (2022: $42,513).

The Council lease three motor vehicles for the specific purpose of one project which is scheduled to cease in three years from inception in 2022. It is more economical to lease these motor vehicles over and above an outright purchase for this purpose.

Note 31B : Residential lease

	Total $000s	0 - 12 Months $000s	1 - 2 Years $000s	2 - 5 Years $000s
COUNCIL 2023				
Operating Lease Commitments	102	102	0	0
Total Operating Lease Commitments	**102**	**102**	**0**	**0**
COUNCIL 2022				
Operating Lease Commitments	103	103	0	0
Total Operating Lease Commitments	**103**	**103**	**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 32 : 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 $37.7m determined at 30 June 2023 (2022: $69.9m).

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 $9.2m determined at 30 June 2023 (2022: $17.1m). 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 $0.1m. 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 2023, NZLGFA had borrowings totaling $16,351m (2022: $15,789m).

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.

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	2022 $000s	2023 $000s
Services Provided to Council	210	208
Services Provided by Council	373	342
Others	2,424	0
Lease Provided by GHL	1,873	1,882

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

	2022 $000s	2023 $000s
Salaries and Other Short Term Employees Benefit;		
Governance	819	905
Chief Executive and Senior Leadership Team	2,035	2,342

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.

Note 35: Council remuneration and severance payments

During the year to 30 June 2023, the total remuneration received by or payable to the Mayor, other councillors and Chief Executive of the Council were as follows:

	2022	2023
R Stoltz, Mayor	$161,352	$169,738
J Wharehinga, Deputy Mayor	$66,870	$68,096
WS Burdett	$54,576	$19,848
P Seymour	$59,626	$21,229
A Cranston	$51,340	$56,925
M Akuhata-Brown	$44,313	$14,919
L Foster	$51,441	$57,149
S Dowsing	$44,313	$14,919
S Faulkner	$47,309	$16,095
D Gregory	$44,466	$48,697
A Robinson	$44,313	$52,127
T Sheldrake	$52,079	$25,979
K Worsnop	$48,336	$18,367
I Hughes	$44,313	$14,919
L Pardoe	$4,090	$0
C Alder	$0	$34,373
A Pahuru-Huriwai	$0	$48,397
R Parata	$0	$43,502
A Ria	$0	$34,162
R Telfer	$0	$33,891
D Thompson	$0	$43,589
R Tibble	$0	$34,581
M Tupara	$0	$33,902
N Thatcher-Swann, Chief Executive	$369,107	$399,767

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 councilors not residing in Gisborne.

TOTAL ANNUAL REMUNERATION BY BAND FOR EMPLOYEES AS AT 30 JUNE 2023		
	Number of Employees	
Salary Bands	2022	2023
$160,000 - $400,000[1]	8	13
$140,000 - $160,000	5	20
$120,000 - $140,000	20	18
$100,000 - $120,000	32	54
$ 80,000 - $100,000	64	104
$ 60,000 - $ 80,000	115	108
Less than $ 60,000	128	111
	372	**428**
	2022	**2023**
Full Time Employees[2]	279	300
Full Time Equivalent Employees[3]	49	53

[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 2023.

[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

No severance payments were made during the 2023 financial year. Two severance payments were made during the 2022 financial year for $16,000 and $30,016.

Note 36: Events after balance sheet

During July 2023, Central Government released 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. This information pack provided information about risk categories processes and Responsibilities. Council is responsible for categorising land and determining how and to what extent assistance would be provided to affected properties. Government offered a $204m support package in relation to this matter. In August 2023 the Councillors approved in principle the Government support package of $204 million that was offered pending the outcome of community consultation. Council had its first meeting with the community on 3 October 2023 with consultation to run through until 16 October 2023. Council will decide after feed back from the community has been received, on 1 November 2023.

Note 37: Disclosure statement

Rates affordability benchmark

The 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

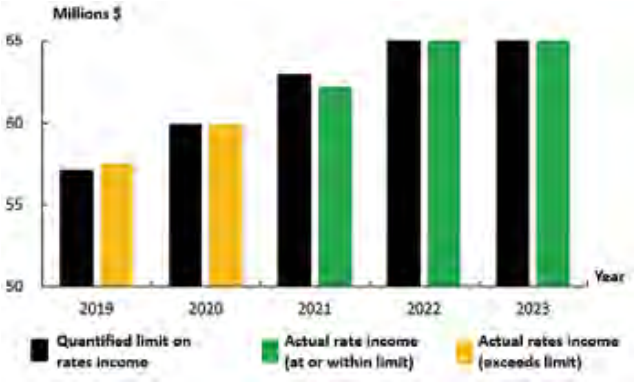
The quantified limit is for actual rates to be no more than 6.5% plus growth* than what was adopted for the preceding year of the LTP in the first 3 years, thereafter 5% plus growth* for the following years of the LTP.

*growth is assumed at 0.5% each year

Rates increases affordability

The following graph compares the Councils actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Councils Long Term Plan.

Rates affordability benchmark

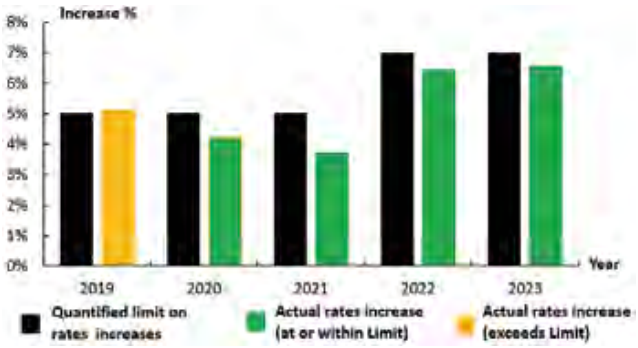


Quantified limit on rates increases

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 is assumed at 0.5% each year.

Rates increases benchmark



Debt affordability benchmark

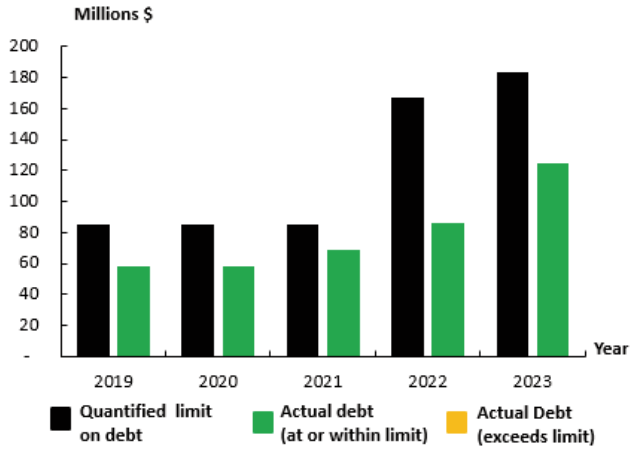
The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

Our limits for debt

The following graph compares the 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.

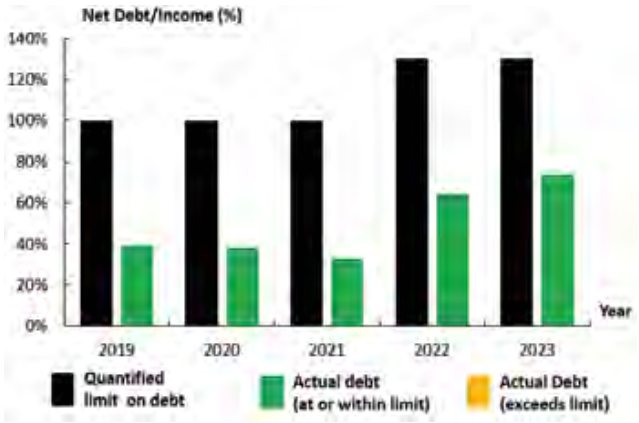
Debt affordability benchmark



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 2023 the ratio is 53.4% debt to revenue. However after eliminating non recurring revenue such as grants for recovery and/or are non-recurring in nature, the ratio is 79.8% in line with the 130% threshold.

Debt affordability benchmark

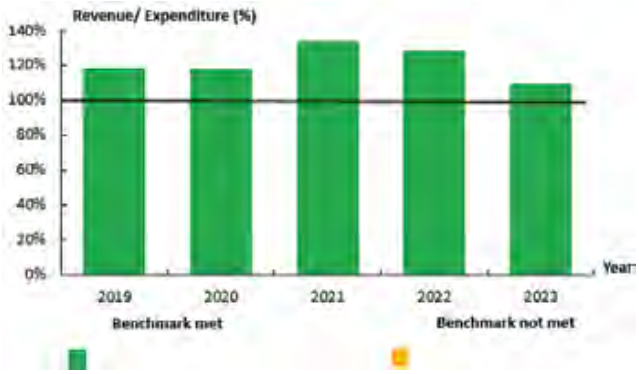


Balanced budget benchmark

The following graph displays the 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).

The Council meets this benchmark if its revenue equals or is greater than operating expenses.

Balanced budget benchmark



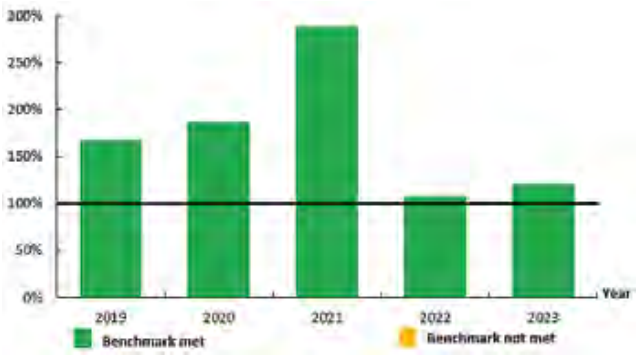
Essential services benchmark

The following graph displays the Council's capital expenditure on network services as a proportion of depreciation on network services.

The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

From 2019 to 2023, Council has received additional funding mostly from the Provincial Growth Fund for capital investment in roads.

Essential services benchmark



Debt servicing benchmark

The following graph displays the 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).

The Council meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

Debt servicing benchmark

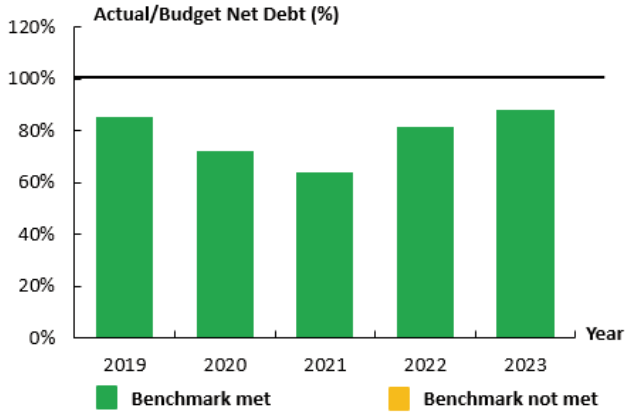


Debt control benchmark

The following graph displays the 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).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

Debt control benchmark

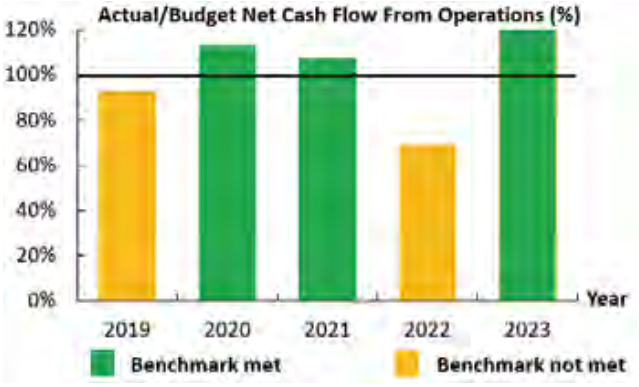


Operations control benchmark

This graph displays the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The 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)	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	23,493	23,274	25,113	24,638
Targeted Rates	46,654	46,521	49,865	49,140
Subsidies and grants for operating purposes	14,699	28,459	12,885	80,487
Fees and Charges	9,530	8,783	10,598	9,580
Interest and dividends from investments	1,500	1,806	1,600	1,180
Local authorities fuel tax, Infringement Fees and other receipts	1,513	4,956	1,936	3,766
Total operating funding (A)	**97,389**	**113,800**	**101,997**	**168,792**
Applications of operating funding				
Payments to staff and suppliers	83,065	99,409	91,895	159,968
Finance costs	3,795	2,044	4,464	4,880
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**86,860**	**101,453**	**96,359**	**164,848**
Surplus (deficit) of operating funding (A-B)	**10,529**	**12,347**	**5,638**	**3,944**
Sources of capital funding				
Subsidies and grants for capital expenditure	61,396	49,046	44,535	42,919
Development and financial contributions	1,587	914	1,622	1,864
Increase/(decrease) in debt	17,673	12,470	23,716	21,648
Gross proceeds from sale of assets	50	(363)	50	(3,024)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**80,706**	**62,068**	**69,923**	**63,406**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	1,642	1,837	3,442	2,620
- to improve the level of service	53,075	36,451	48,035	39,599
- to replace existing assets	48,749	40,722	47,722	41,344
Increase/(decrease) in reserves	(12,232)	(4,595)	(23,636)	(16,212)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**91,235**	**74,415**	**75,562**	**67,350**
Surplus (deficit) of capital funding	**(10,529)**	**(12,347)**	**(5,638)**	**(3,944)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Surplus of operating funding is $1.694m less than the Annual Plan. This is mostly due to Gisborne Holdings Limited not having paid / declared a dividend during the year ended 30 June 2023.

Commercial operations

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	(34)	(34)	(40)	(40)
Targeted Rates	0	0	0	0
Subsidies and grants for operating purposes	0	0	0	0
Fees and Charges	2,536	1,459	2,057	1,525
Internal charges and overheads recovered	7	53	6	104
Local authorities fuel tax, fines, infringement fees and other receipts	(450)	(410)	(110)	1,380
Total operating funding (A)	**2,059**	**1,068**	**1,913**	**2,970**
Applications of operating funding				
Payments to staff and suppliers	800	1,631	801	1,313
Finance costs	12	11	11	11
Internal charges and overheads applied	257	290	269	381
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**1,069**	**1,932**	**1,081**	**1,705**
Surplus (deficit) of operating funding (A-B)	**990**	**(864)**	**833**	**1,265**
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	267	252	282	68
Increase/(decrease) in reserves	681	(1,158)	508	1,155
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**948**	**(906)**	**791**	**1,223**
Surplus (deficit) of capital funding	**(990)**	**864**	**(833)**	**(1,265)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Environmental services and protection

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	5,014	5,014	5,373	5,373
Targeted Rates	572	572	609	609
Subsidies and grants for operating purposes	0	16	0	37
Fees and Charges	4,165	4,440	4,803	5,187
Internal charges and overheads recovered	1,624	1,624	2,087	1,846
Local authorities fuel tax, fines, infringement fees and other receipts	1,223	686	1,344	883
Total operating funding (A)	**12,598**	**12,352**	**14,216**	**13,934**
Applications of operating funding				
Payments to staff and suppliers	7,769	9,329	8,883	10,725
Finance costs	1	6	4	7
Internal charges and overheads applied	4,945	5,020	5,441	5,558
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**12,715**	**14,355**	**14,328**	**16,289**
Surplus (deficit) of operating funding (A-B)	**(116)**	**(2,003)**	**(112)**	**(2,355)**
Sources of capital funding				
Subsidies and grants for capital expenditure	0	0	0	0
Development and financial contributions	0	0	0	9
Increase/(decrease) in debt	(16)	13	(16)	43
Gross proceeds from sale of assets	0	1	0	1
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**(16)**	**13**	**(16)**	**53**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	0	0	0	62
- to replace existing assets	250	388	45	0
Increase/(decrease) in reserves	(382)	(2,378)	(173)	(2,365)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**(132)**	**(1,990)**	**(128)**	**(2,302)**
Surplus (deficit) of capital funding	**116**	**2,003**	**112**	**2,355**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Land, rivers and coastal

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	1,682	1,682	1,772	1,772
Targeted Rates	1,083	1,083	1,274	1,274
Subsidies and grants for operating purposes	0	0	0	132
Fees and Charges	265	163	273	148
Internal charges and overheads recovered	167	58	411	(3)
Local authorities fuel tax, fines, infringement fees and other receipts	12	22	12	8
Total operating funding (A)	**3,208**	**3,007**	**3,741**	**3,331**
Applications of operating funding				
Payments to staff and suppliers	1,869	1,955	1,947	1,816
Finance costs	340	405	528	538
Internal charges and overheads applied	820	706	1,042	731
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**3,028**	**3,066**	**3,517**	**3,086**
Surplus (deficit) of operating funding (A-B)	**179**	**(59)**	**225**	**245**
Sources of capital funding				
Subsidies and grants for capital expenditure	2,700	3,344	2,438	3,064
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	1,711	1,442	1,669	1,398
Gross proceeds from sale of assets	0	(36)	0	(432)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**4,411**	**4,749**	**4,106**	**4,030**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	4,685	4,176	4,391	3,658
- to replace existing assets	810	820	578	1,663
Increase/(decrease) in reserves	(904)	(306)	(637)	(1,044)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**4,591**	**4,690**	**4,331**	**4,276**
Surplus (deficit) of capital funding	**(179)**	**59**	**(225)**	**(245)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Liveable communities

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	7,440	7,440	7,537	7,537
Targeted Rates	8,630	8,630	9,032	9,032
Subsidies and grants for operating purposes	276	324	174	510
Fees and Charges	1,614	1,053	2,410	1,432
Internal charges and overheads recovered	4,081	4,111	4,480	4,182
Local authorities fuel tax, fines, infringement fees and other receipts	109	97	112	24
Total operating funding (A)	**22,151**	**21,656**	**23,744**	**22,715**
Applications of operating funding				
Payments to staff and suppliers	11,708	12,398	12,862	13,415
Finance costs	755	616	749	680
Internal charges and overheads applied	8,020	8,247	8,277	8,297
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**20,482**	**21,261**	**21,888**	**22,392**
Surplus (deficit) of operating funding (A-B)	**1,669**	**394**	**1,856**	**323**
Sources of capital funding				
Subsidies and grants for capital expenditure	26,446	21,677	20,173	20,129
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	2,922	700	3,396	730
Gross proceeds from sale of assets	0	(242)	0	(189)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**29,368**	**22,134**	**23,569**	**20,671**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	446	0
- to improve the level of service	12,106	8,410	11,788	7,716
- to replace existing assets	20,897	16,260	16,143	15,362
Increase/(decrease) in reserves	(1,967)	(2,142)	(2,951)	(2,084)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**31,036**	**22,529**	**25,425**	**20,994**
Surplus (deficit) of capital funding	**(1,669)**	**(394)**	**(1,856)**	**(323)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Regional leadership and support services

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	6,598	6,373	7,568	7,081
Targeted Rates	3,055	3,055	3,001	3,001
Subsidies and grants for operating purposes	204	746	0	5,463
Fees and Charges	198	521	216	507
Internal charges and overheads recovered	25,473	26,483	28,122	30,567
Interest and Dividends from Investments	1,500	1,806	1,600	1,180
Local authorities fuel tax, fines, infringement fees and other receipts	556	4,337	490	1,257
Total operating funding (A)	**37,584**	**43,323**	**40,996**	**49,058**
Applications of operating funding				
Payments to staff and suppliers	28,648	26,656	34,234	37,488
Finance costs	398	(485)	553	950
Internal charges and overheads applied	11,174	11,786	14,114	15,310
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**40,220**	**37,957**	**48,901**	**53,749**
Surplus (deficit) of operating funding (A-B)	**(2,636)**	**5,365**	**(7,905)**	**(4,691)**
Sources of capital funding				
Subsidies and grants for capital expenditure	65	151	127	380
Development and financial contributions	1,587	884	1,622	1,855
Increase/(decrease) in debt	1,739	343	1,473	570
Gross proceeds from sale of assets	50	157	50	298
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**3,441**	**1,535**	**3,272**	**3,103**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	0	0	0
- to improve the level of service	2,948	1,316	2,722	2,762
- to replace existing assets	3,168	1,297	2,094	1,959
Increase/(decrease) in reserves	(5,311)	4,287	(9,450)	(6,309)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**805**	**6,900**	**(4,634)**	**(1,588)**
Surplus (deficit) of capital funding	**2,636**	**(5,365)**	**7,905**	**4,691**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Roads and footpaths

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	250	250	367	367
Targeted Rates	12,350	12,350	13,007	13,007
Subsidies and grants for operating purposes	14,219	27,373	12,711	71,865
Fees and Charges	0	1	0	0
Internal charges and overheads recovered	1,927	1,922	2,011	2,012
Local authorities fuel tax, fines, infringement fees and other receipts	46	149	48	188
Total operating funding (A)	**28,793**	**42,046**	**28,143**	**87,439**
Applications of operating funding				
Payments to staff and suppliers	19,094	33,367	17,856	77,285
Finance costs	454	392	475	464
Internal charges and overheads applied	4,913	5,022	5,092	5,805
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**24,461**	**38,781**	**23,423**	**83,554**
Surplus (deficit) of operating funding (A-B)	**4,332**	**3,265**	**4,720**	**3,885**
Sources of capital funding				
Subsidies and grants for capital expenditure	21,411	15,408	21,797	15,185
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	825	606	177	(629)
Gross proceeds from sale of assets	0	0	0	(2,581)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**22,236**	**16,014**	**21,974**	**11,975**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	0	356	0	39
- to improve the level of service	11,037	4,176	11,606	6,659
- to replace existing assets	16,632	17,159	16,268	13,106
Increase/(decrease) in reserves	(1,102)	(2,412)	(1,179)	(3,944)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**26,568**	**19,279**	**26,694**	**15,860**
Surplus (deficit) of capital funding	**(4,332)**	**(3,265)**	**(4,720)**	**(3,885)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Solid waste

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	2,543	2,543	2,537	2,537
Targeted Rates	2,315	2,315	2,380	2,380
Subsidies and grants for operating purposes	0	0	0	1,326
Fees and Charges	197	384	199	243
Internal charges and overheads recovered	154	369	192	303
Local authorities fuel tax, fines, infringement fees and other receipts	10	6	33	8
Total operating funding (A)	**5,220**	**5,617**	**5,341**	**6,796**
Applications of operating funding				
Payments to staff and suppliers	3,858	4,428	3,985	6,698
Finance costs	119	(183)	113	38
Internal charges and overheads applied	495	716	520	601
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**4,473**	**4,961**	**4,619**	**7,337**
Surplus (deficit) of operating funding (A-B)	**748**	**656**	**722**	**(542)**
Sources of capital funding				
Subsidies and grants for capital expenditure	0	0	0	68
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	(323)	(460)	637	(492)
Gross proceeds from sale of assets	0	(119)	0	(7)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**(323)**	**(579)**	**637**	**(430)**
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	281	22	1,266	81
Increase/(decrease) in reserves	144	55	94	(1,053)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**425**	**77**	**1,359**	**(972)**
Surplus (deficit) of capital funding	**(748)**	**(656)**	**(722)**	**542**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Urban stormwater

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted Rates	3,078	3,078	3,216	3,216
Subsidies and grants for operating purposes	0	0	0	0
Fees and Charges	0	0	0	0
Internal charges and overheads recovered	190	204	226	334
Local authorities fuel tax, fines, infringement fees and other receipts	0	3	0	0
Total operating funding (A)	**3,268**	**3,285**	**3,442**	**3,550**
Applications of operating funding				
Payments to staff and suppliers	1,335	1,128	1,405	1,328
Finance costs	328	266	335	308
Internal charges and overheads applied	563	681	595	676
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**2,226**	**2,075**	**2,335**	**2,313**
Surplus (deficit) of operating funding (A-B)	**1,042**	**1,211**	**1,107**	**1,238**
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	357	(92)	1,217	83
Gross proceeds from sale of assets	0	(31)	0	(31)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**357**	**(123)**	**1,217**	**52**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	75	45	650	30
- to improve the level of service	989	425	1,421	761
- to replace existing assets	954	619	2,119	312
Increase/(decrease) in reserves	(620)	(1)	(1,866)	186
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**1,398**	**1,088**	**2,324**	**1,289**
Surplus (deficit) of capital funding	**(1,042)**	**(1,211)**	**(1,107)**	**(1,238)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Wastewater

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	0	0	0
Targeted Rates	8,554	8,554	9,871	9,871
Subsidies and grants for operating purposes	0	0	0	304
Fees and Charges	445	503	527	309
Internal charges and overheads recovered	503	499	864	1,003
Local authorities fuel tax, fines, infringement fees and other receipts	8	19	8	2
Total operating funding (A)	**9,510**	**9,574**	**11,269**	**11,490**
Applications of operating funding				
Payments to staff and suppliers	4,495	4,659	6,164	4,665
Finance costs	1,314	950	1,602	1,770
Internal charges and overheads applied	2,016	2,122	2,143	2,654
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**7,825**	**7,730**	**9,910**	**9,088**
Surplus (deficit) of operating funding (A-B)	**1,684**	**1,844**	**1,360**	**2,401**
Sources of capital funding				
Subsidies and grants for capital expenditure	7,505	7,500	0	918
Development and financial contributions	0	30	0	0
Increase/(decrease) in debt	10,456	9,914	14,041	18,524
Gross proceeds from sale of assets	0	(40)	0	(38)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**17,961**	**17,404**	**14,041**	**19,404**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	1,533	1,432	2,310	2,526
- to improve the level of service	17,933	16,861	14,851	14,552
- to replace existing assets	3,030	1,464	6,027	4,621
Increase/(decrease) in reserves	(2,850)	(509)	(7,788)	107
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**19,645**	**19,248**	**15,400**	**21,806**
Surplus (deficit) of capital funding	**(1,684)**	**(1,844)**	**(1,360)**	**(2,401)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**

Water supply

Funding Impact Statement for the Year ended 30 June	LTP 2021/22 $000s	Actual 2021/22 $000s	AP 2022/23 $000s	Actual 2022/23 $000s
Sources of operating funding				
General Rates, uniform annual general charges, rates penalties	0	6	0	12
Targeted Rates	7,016	6,884	7,475	6,750
Subsidies and grants for operating purposes	0	0	0	849
Fees and Charges	110	258	114	228
Internal charges and overheads recovered	760	1,069	911	1,503
Local authorities fuel tax, fines, infringement fees and other receipts	0	48	0	16
Total operating funding (A)	**7,886**	**8,265**	**8,500**	**9,358**
Applications of operating funding				
Payments to staff and suppliers	3,489	3,858	3,757	5,235
Finance costs	74	67	94	113
Internal charges and overheads applied	1,685	1,802	1,816	1,837
Other operating funding applications	0	0	0	0
Total applications of operating funding (B)	**5,248**	**5,727**	**5,666**	**7,185**
Surplus (deficit) of operating funding (A-B)	**2,638**	**2,538**	**2,834**	**2,173**
Sources of capital funding				
Subsidies and grants for capital expenditure	3,269	967	0	3,175
Development and financial contributions	0	0	0	0
Increase/(decrease) in debt	43	48	1,165	1,463
Gross proceeds from sale of assets	0	(54)	0	(46)
Lump sum contributions	0	0	0	0
Total sources capital funding (C)	**3,312**	**961**	**1,165**	**4,592**
Applications of capital funding				
Capital expenditure				
- to meet additional demand	34	4	35	25
- to improve the level of service	3,376	1,088	1,256	3,428
- to replace existing assets	2,461	2,439	2,900	4,173
Increase/(decrease) in reserves	79	(32)	(192)	(861)
Increase/(decrease) of investments	0	0	0	0
Total applications of capital funding (D)	**5,950**	**3,499**	**3,999**	**6,764**
Surplus (deficit) of capital funding	**(2,638)**	**(2,538)**	**(2,834)**	**(2,173)**
Funding balance ((A-B)+(C-D))	**0**	**0**	**0**	**0**



He whakamarāma anō
Additional information

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 as outlined below:

Biosecurity
Control of regional plant and animal pests

Civil defence
Natural disasters, marine oil spills

Regional land transport
Planning and contracting of passenger services

Resource management
Quality of water, soil, coastal planning etc

River management
Flood control and mitigation of erosion

Community wellbeing and development
Including advocacy, funding, partnerships and Council's Long Term Plan

Environmental health and safety
Including building control and environmental health matters

Infrastructure
Roading and transport, sewerage, water/ stormwater

Recreation and culture
Includes 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

Mayor



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

General Ward



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



Colin Alder
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Larry Foster
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Andy Cranston
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Debbie Gregory
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Tony Robinson
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Teddy Thompson
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Māori Ward



Rhonda Tibble
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Aubrey Ria
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Nick Tupara
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022 019 2705



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



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

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.



Chief Executive

Nedine Thatcher Swann

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

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

Our management team COR (Central Organising Rōpū



Chief Financial Officer
Finance and Affordability

Pauline Foreman

(06) 869 2899

pauline.foreman@gdc.govt.nz

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

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

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



Director Community Lifelines

David Wilson

(06) 869 2356

david.wilson@gdc.govt.nz

Community Lifelines manages Council's capital and infrastructure assets.

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

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



Director Internal Partnerships

James Baty

(06) 869 2881

james.baty@gdc.govt.nz

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

- People and Capability - HR, Health and Safety
- Democracy and Support Services
- Legal Services
- Information Services - Information Technology, Information Management, Land Information, Business Solutions and Business Analytics
- Risk and Assurance
- Compliance, Monitoring and Enforcement

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



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



Director Engagement and Māori Responsiveness

Anita Reedy-Holthausen

(06) 869 2647

anita.reedy-holthausen@gdc.govt.nz

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

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

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

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



Director Liveable Communities

Michele Frey

(06) 867 2049

michele.frey@gdc.govt.nz

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

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

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



Chief of Strategy and Science

Jo Noble

(06) 869 2720

joanna.noble@gdc.govt.nz

Strategy and Science are responsible for:

- Strategic Planning
- Environmental Monitoring and Science
- Resource Consents

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

Ngā Whakapotonga
Abbreviations

AP	Annual Plan
AR	Annual Report
AUD	Alternate Use Disposal
BAU	Business as Usual
BoPLASS	Ltd is 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.
GDC	Gisborne District Council
CCC	Code Compliance Certificate
CBD	Central Business District
CDEM	Civil Defence and Emergency Management
CLS	Cook Landing Site
CME	Compliance Monitoring and Enforcement
CCTO	Council-Controlled Trading Organisations
COR	Central Organising Rōpū (Leadership Team/ Directors)
DIA	Department of Internal Affairs
DRT	Disaster Relief Trust
ECC	Emergency Coordination Centre
ECFP	Erosion Control Funding Programme
ETS	Emissions Trading Scheme
FEP	Farm Environmental Plans
FOSAL	Future of Severely Affected Land
GDP	Gross Domestic Product
GHL	Gisborne Holdings Limited
GIS	Geographic Information System
IFRS	International Financial Reporting Standard
IPAS	Inflation Protected Annuity
IPSAS	International Public Sector Accounting Standards
JMA	Joint Management Agreement
KPI	Key Performance Indicators
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
MOU	Memorandum of Understanding
MRF	Mayoral Relief Fund
NAASRA	National Association of Australian State Road Authorities
NES	National Environmental Standards
NPS	National Planning Standards
NES-PF	National Environmental Standard for Plantation Forestry
NPS – FW	National Policy Statement for Freshwater
NZIER	New Zealand Institute for Economic Research
NZTA	New Zealand Transport Agency
OPC	Olympic Pool Complex
PBE	Public Benefit Entity
QMS	Quality Management System
RfS	Request for Service
RLTP	Regional Land Transport Plan
RMA	Resource Management Act
RPMP	Regional Pest Management Plan
RSS	Resident Satisfaction Survey
SOE	State of Environment
SOI	Statement of Intent
SWERL	Severe Weather Event Emergency Legislation Act
TEMO	Tairāwhiti Emergency Management Office
TRMP	Tairāwhiti Resource Management Plan
TRONPnui	Te Rūnanganui o Ngāti Porou
UCP	Urban Cycleways Programme
WMC	Wastewater Management Committee
WMMP	Waste Management and Minimisation Plan
WWTP	Wastewater Treatment Plant



Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

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GDC Fix app

2022/23 Annual Report
Content correct as of 12 October 2023

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

DRAFT FOR APPROVAL
6TH OCTOBER



Tō Tātau Tairāwhiti 2022/23 Whakarāpopototanga Pūrongo ā-Tau

Our Tairāwhiti 2022/23 Annual Report Summary

Te Kaunihera o Te Tairāwhiti
Gisborne District Council

Adopted by Council on 12 October 2023

ISSN 1178-1084 (Print)
ISSN 1178-1106 (Online)

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.

All images and illustrations in this document are the property of Gisborne District Council, unless otherwise specified.

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He mihi ki tā mātau Pūrongo ā Tau 2022/23
Welcome to our Annual Report for 2022/23

About this report

The Annual Report tells the story of how we performed in the 2022/23 financial year, the challenges we faced and how we are responding to them. This report covers the period from 1 July 2022 to 30 June 2023.

The report is an important tool for informing our communities about how we spent their rates. It also highlights the areas we performed well in, identifies areas for improvement and offers context for our future direction.

Included in this report are the major projects, programmes and services we delivered. It contains a summary of the impacts multiple severe weather events had on our region this year, and the steps we have taken so far in our recovery response.

The report is divided into the following sections:

- The year that's been
- Our direction
- Our responses
- Our performance
- Our activities
- Our finance

What's different this year?

Our 2022/23 Annual Plan outlined our focus and priorities for this year, in line with what we said we would do in our 2021-2031 Long Term Plan. However, as the year unfolded, we needed to make changes in response to the multiple severe weather events we experienced, including Cyclones Hale and Gabrielle.

Our immediate focus shifted from delivering major projects and regular services to emergency response. Restoration of our water supply network and road access became our top priorities.

Following our immediate response, we transitioned into a recovery phase which is where we are now. Our main priorities for recovery are ensuring that our community remains safe, protected and connected, while strategically planning for our long term recovery.

Council has identified specific key objectives that we want to achieve when it comes to recovery, which will be the focus of our Annual Plan for 2023/24. These key objectives include:

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



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 all fits together with the Annual Report.

Long Term Plan

In line with the Local Government Act 2002 (LGA), all councils need to outline the activities and services they plan to provide over ten years. Every three years Gisborne District Council (Council) has to review and prepare a new Long Term Plan (LTP) by engaging with our community. This ensures that our community contributes to setting our future direction. The LTP explains what we're planning to do, how we'll pay for it and what it means for rates and debt. It also sets out measures to monitor and evaluate our progress to ensure we remain transparent and accountable to our community.

This LTP is also an opportunity for Council to explain how we'll:

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

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

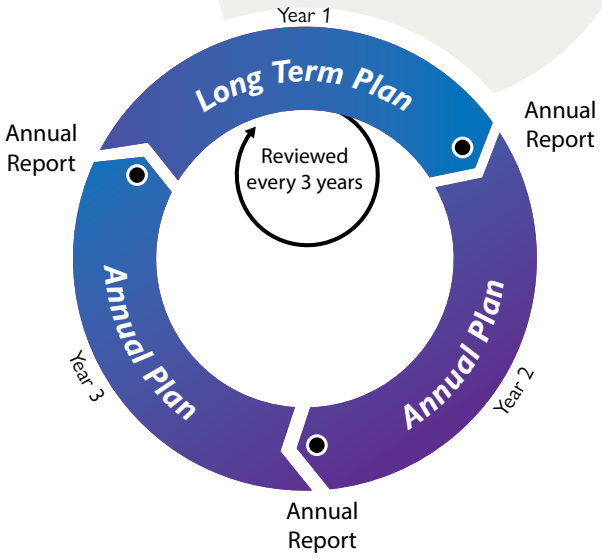
Annual Plan

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



Annual Report

The Annual Report is the key accountability document that Council is required to produce every year, which reports against our Annual Plan and current LTP. It tells the financial story of our performance over the past financial year and also serves as an important way of informing our communities about how we spent rates. It also highlights the areas we performed well in, the areas where we need to improve and provides context for where we need to head in the future.



Three Year Plan

Following the severe weather events of 2023, an Order in Council was made under the Severe Weather Emergency Recovery Legislation Act 2023. This will allow us to develop a three-year, recovery-focused plan instead of the standard 10-year plan.

Community consultation during the long-term planning process will remain part of the process for adopting the three-year plan.

Under the Order, Council will make information available on the three-year plan and will provide an opportunity for the community to present their views to Council. The proposed Order does not include audit requirements for the three-year plan, however Annual Reports will continue to be audited.



From left: Nedine Thatcher Swann, Rehette Stoltz

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

Tairāwhiti e! Tairāwhiti e! Tēnei te mihi e rere atu ana ki a koutou katoa mai runga, mai raro, mai tawhiti, mai tata, kia tiro mai ki ngā mahi a te Kaunihera o Te Tairāwhiti i te tau kua taha ake nei me ngā rā kei te heke.

Hāunga ngā piki heketanga o te wā kua hori, kia aro atu tātau ki pae tawhiti me ngā tūmanako e wawatatia ana e tātau. Me mahi tahi, me piritahi tātau. Ma te pērā ka ōti ai ngā mahi mo te rohe mo te iwi. Tihe mauri ora!

Nau mai ki te 2022/23 Annual Report

This report covers a year divided into two very different halves. In the first half of the 2022/23 financial year, we concentrated on delivering what was outlined in our Annual Plan. This was off the back of the previous year which also saw four severe weather events.

The second half of the year took an unexpected turn as Te Tairāwhiti experienced multiple severe weather events and four months of persistent rain. This led to widespread damage and several Civil Defence Emergency declarations. Following these events, our focus immediately shifted towards reconnecting our communities and planning for our recovery.

The devastation left in the wake of Cyclones Hale and Gabrielle was and still is, significant. The extensive damage to our roads and vital infrastructure left entire communities isolated. The scale of damage and destruction caused by these events has left us with big recovery bills, and while this Annual Report notes the immediate work that has been done in response to these events, it also highlights that there is a long road to recovery ahead of us.

Despite these challenges, we've managed to keep our major projects on schedule. These include the opening of the externally funded Kiwa Pools, providing the community with a state-of-the-art aquatic centre, and the near completion of the Wastewater Treatment Plant upgrade. Another key milestone this year has been the completion of flood protection work on the Waipaoa River, now extending to 32km. Without this crucial infrastructure, many more properties would have been adversely affected during Cyclone Gabrielle.

In January 2023, a petition was presented to Council asking for a ministerial inquiry into land use in Te Tairāwhiti. Council backed the petition's call for an independent review of forestry land use to be conducted by the Government. Following the inquiry, we moved to speed up the review process of the Tairāwhiti Resource Management Plan rules. We also established a dedicated forestry team to assess forests in the region for potential debris risks and to work with industry to improve forestry outcomes.



On top of all that, Council is in a period of change due to several major reforms affecting regulation, governance, and core infrastructure. These include a new National Policy Statement for Freshwater Management, new representational arrangements, and legislative changes such as the Water Services and Resource Management reforms.

We've sustained our commitment to advancing our partnerships and mahi within the context of Te Tiriti obligations. A new Māori responsiveness plan has been rolled out, aiding us in enacting national guidelines that facilitate substantive relationships with tangata whenua. This is particularly relevant in our crucial areas of focus such as freshwater, urban development, and land management.

We have managed to maintain stability in our financial position, particularly in debt management and overall financial performance. This year, rates revenue made up 35% of our total operating revenue, falling below the Annual Plan's forecast of 50%. We have navigated extra costs through support from central government and insurance, mitigating the financial impact on our ratepayers. Our current debt stands at $124.8m, in alignment with the financial cap and within the boundaries set by the 2021-2031 Long-Term Plan (LTP).

As we move ahead, it's important to acknowledge the long-term consequences of Cyclone Gabrielle and other severe weather events we've encountered this year. Managing these will require significant borrowing and additional funding support to handle future recovery work.

However, if we continue our commitment to working together with central government, our partners and community, to achieve affordable goals for our region, we are confident we can keep moving forward and keep our communities protect and connected into the future.

We invite you to read our Annual Report, acknowledge the challenges and celebrate the good work we've done.

Ngā mihi

Mayor
Rehette Stoltz

Chief Executive
Nedine Thatcher Swann

Pūrongo arotake pūtea
Audit report

Ko te tau kua taha
The year that's been

Tairāwhiti āianei
Tairāwhiti today

Our population by location

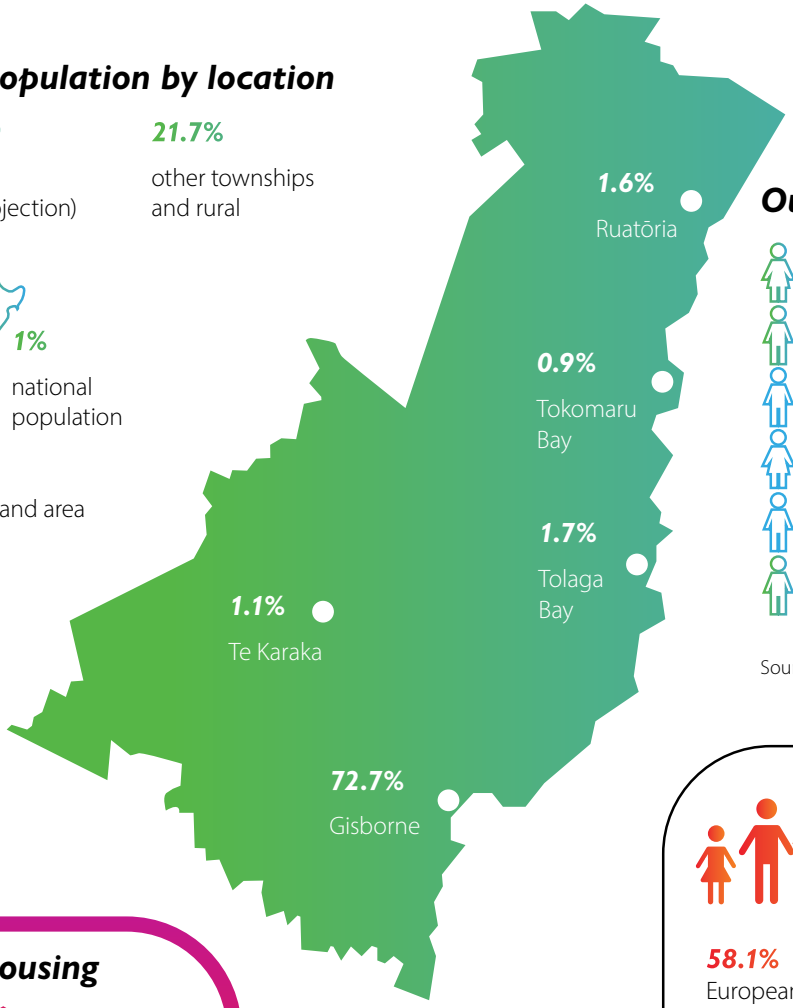
52, 100
people
(2022 projection)

21.7%
other townships
and rural

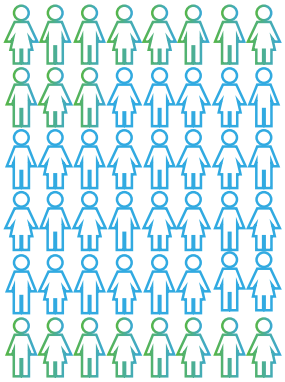


1%
national
population

3%
national land area



Our population age



22%
under 15 years old

61%
15-65 years old

17%
over 65 years old

***Median age* 37.2**

***Highest proportion of* under 25's in NZ**

Source: Stats NZ – www.stats.govt.nz

Our housing



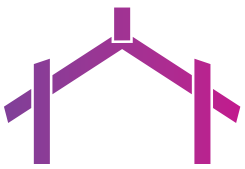
$780,000 ↓8.2%
national median

$575,000
Tairāwhiti median

↓19.6%
Tairāwhiti house price decline

(As of year on year
to June 2023)

Source: REINZ – www.reinz.co.nz



Our tangata whenua

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



Our ethnicities

58.1%
European

53%
Māori

4.5%
Pacific
peoples

2.8%
Asian

1.3%
other
ethnicities

Multiple ethnicities possible so totals more than 100%.

Source: Stats NZ – www.stats.govt.nz

Council services

10,889 registered dogs

39 playgrounds

30 sports parks

12 basketball and netball courts and hoops

13 skateparks and pumptracks

1,889km of roads of which almost

87% are rural roads

236km of footpaths

18.5km cycle lanes/ shared paths

72 public conveniences

38,300m³ of water capacity stored in

7 reservoirs

77km of stopbanks

Household income

$105,000

national median

$95,500

Tairāwhiti median

=13%

less than national median

Source: MBIE – www.mbie.govt.nz/

Employment

68% working-age employed

3.9% unemployment rate

14% self-employed

24,650 jobs, mainly in

1. ***Agriculture/Horticulture***
2. ***Construction***
3. ***Healthcare***

GDP

$2.46b

$51,883 per capita

0.7% national contribution

Gisborne Airport

210,236 (↻76,000)

passenger movements

25,202

take-offs and landings

Source: Eastland Group www.eastland.nz – Annual Report 2023

Gisborne Port

2.4m tonnes of cargo left our port

Source: Eastland Group www.eastland.nz – Annual Report 2023

Ngā mahi whakahirahira i te rohe
Our district highlights

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

During 2022/23 Council carried out and supported many initiatives around Te Tairāwhiti that contributed to improving our community's wellbeing. Some of our achievements are highlighted here.

Community wellbeings

Social

Cultural

Environmental

Economic



Enviroschools

Support through the Earthwise Action Fund has contributed to the sustainability initiatives at Waikirikiri School.



Makorori beach spinifex planting

In October 2022, Makorori Beach residents planted 700 native spinifex grass in a community planting bee.



Community planting day at Rere

One thousand trees were planted July 2022 to help protect against erosion sediment.



Civil Defence roadshows

The roadshow brought together emergency services in Te Tairāwhiti to train in partnership with community Civil Defence volunteers, which form part of the 'Community Link' regional structure.



Community sandbag event

We took part in a community project to fill 10,000 sandbags for Te Tairāwhiti - the first of its kind in New Zealand.



Restored connection to city's reservoirs

Ten breaks in the water supply pipeline from the Waingake Treatment Plant to the Gisborne reservoirs were fixed within six weeks. In recognition of this achievement, a joint blessing between Council and Maraetaha was conducted at the Waingake Treatment Plant.



Resource recovery centre study

We're investigating the development of a new community resource recovery centre. We received $90k in funding from the Ministry to complete the Environment's Waste Minimisation Fund for the feasibility study.



Kiwa Pools complex built

The Kiwa Pools complex was opened for public use on Saturday 2 September. This contemporary, temperature-controlled facility was developed in collaboration with Ngāi Tāwhiri hapū. The project was supported by $40m from the Government's COVID-19 shovel-ready stimulus package.



Waikanae beach half-courts

A partnership between Basketball New Zealand, Gisborne Basketball Association, Hoeā! Gallery and Council has resulted in two new half-courts at Waikanae Beach.



New playgrounds in Te Araroa and Tiniroto

Tamariki and rangatahi of Te Araroa are enjoying their newly completed playground after it was officially opened by Mayor Rehette Stoltz, Councillor Ani Pahuru-Huriwai and former Councillor Bill Burdett.



Local legend

Our very own Biosecurity Team Leader, Phil Karaitiana was named the winner of the New Zealand Ministerial Biosecurity Award.



Wai to Muriwai

A major milestone was reached for Te Muriwai Mai Tāwhiti on 9 June 2023 when their new water supply was officially blessed at Pātaka Wai.



Hikurangi Magnitude 9 Workshop

Our Civil Defence team and NEMA organised a 3-day workshop with other agencies and emergency services, focusing on response and recovery for a potential Hikurangi M9 earthquake offshore of Gisborne.



Te Tiriti Compass

Adopted by Council in September 2022, Te Tiriti Compass is a new tool designed to support Council in applying the kaupapa of Te Tiriti o Waitangi across our mahi.



100s of new books

Hundreds of new books were added to the large print collection in the library, purchased with support from the HB Williams Memorial Library Book Trust.

Ngā mahinga manawarū whakarauora
Our recovery highlights

Recovery overview

Estimated total recovery costs of approximately $1.2 billion

Water network reinstatement

10 major breaks in water supply pipeline

$2.9m in repair work

Repair work completed in 45 days

Road reinstatement

Estimated cost for road network reinstatement: $465m +

Assessment identified 62 bridges were affected

$51m spent on emergency roading works this year

Future of Severely Affected Land (FOSAL)

SWERL Act 2023 introduced post-Cyclone Gabrielle to aid recovery

2,000 properties faced flooding, silt inundation, and land erosion

32 properties considered unsafe for habitation

Consultation on $204m Central Government package opens 2 October until 16 October.

Flood protection, woody debris and silt management

$31.4m allocated for silt and woody debris emergency response

Over 650,000m^3 of silt removed

Slash removal from 77 bridges completed

Excavators clearing approximately 200m^3 of silt and debris daily from local drains

Disaster Relief Trust and Mayoral Relief Fund

417 applications received for financial aid

222 red and yellow stickered properties assisted

$2.8m allocated to date



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





Kiwa Pools

We've built a pool for our community that is fit for purpose now and in the future. The completed facility is a modern, year-round, temperature-controlled aquatic centre the whole community can enjoy. We have worked collaboratively with Ngāi Tāwhiri hapū, paying careful attention to the relationship of the building, the land and the people of Te Tairāwhiti.

Dollars and cents

2022/23 budget $19.56m - Actual $19.67m

LTP budget $44.5m



Central government funded $40m as part of the nationwide COVID-19 shovel-ready stimulus package, while Council committed the remaining funds towards the project. Further grants totalling $1.4m were secured towards additional enhancements of the build (solar panels and hydrotherapy pool fitout).

Project highlights 2022/23

While COVID-19, a cyclone and six extreme weather events delayed the opening of Kiwa Pools to 2 September 2023, the project has been successfully completed within budget.

The new complex features:

- a large movie capable screen and scoreboard in the main pool hall
- a moveable floor to enable concurrent programmeming of the main pool
- a large leisure space that connects seamlessly to the outdoor facility
- a dedicated learn to swim/hydrotherapy pool
- a stunning indoor/outdoor café area (with a highly regarded operator),
- an expansive foyer area
- a multipurpose, digitally enabled function or family room complete the offering and will support a range of community uses beyond that of a traditional pool.

Additional grant funding has enabled the scope of the pool to be increased to include:

- extensive solar polars, contributing to its sustainability and reducing ongoing operating costs
- a specialist hydrotherapy suite for intensive patient or athlete rehabilitation.

Project status

Start date: November 2020

Completion date: September 2023

Completed

Impacts of severe weather events

The opening of the Kiwa Pool complex was postponed by five months due to a combination of factors, including extreme weather events and the impact of COVID-19. Despite these setbacks, the project was completed within the available budget.

Community wellbeings and outcomes

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

Resilient communities

Vibrant city and townships

Connected and safe communities

We celebrate our heritage

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

» ***Kiwa Pools | Gisborne District Council (gdc.govt.nz)***



Navigate Tairāwhiti

Navigate Tairāwhiti is a programme of five projects delivered together with tāngata whenua and partner organisations. The programme weaves together significant sites through storytelling and design to highlight our region's unique culture and heritage of first arrivals and great navigators.

Dollars and cents



2022/23 budget $1.5m

Actual $8k *LTP budget $1.8m*

Te Panuku/Tītīrangi Summit redevelopment is pending external funding to complete. $1.1m has been grant funded to date.

Project highlights 2022/23

Tītīrangi maunga restoration

- Whāia Tītīrangi pest and weed control is ongoing along with planting and care of locally sourced native tree plantings.

Project status

Te Panuku Tū/Tītīrangi Summit redevelopment

This project is on-hold as it requires further external funding to build.

On hold

Puhi Kaiti /Cook Landing Site

Puhi Kaiti is complete and is being maintained by the Department of Conservation. The connection of the 1000-year Walkway Bridge on this site is pending.

1000 Year Walkway Bridge

- Additional funding for artistic elements of the new waka shaped design was secured.
- Resource consent was lodged and work to construct foundations was secured.

In progress

Impacts of severe weather events

Recent weather events caused the Tītīrangi maunga tracks and road to be closed due to slips, fallen trees, road slumps and cracks and the loss of some young trees.

Community wellbeings and outcomes

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

- ***A driven and enabled community***
- ***Vibrant city and townships***
- ***Connected and safe communities***



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

» ***Navigate Tairāwhiti | Gisborne District Council (gdc.govt.nz)***



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

» ***DrainWise Implementation Programme | Gisborne District Council (gdc.govt.nz)***

DrainWise Implementation Programme

The DrainWise programme is about working with our community to prevent wastewater overflows onto private property and into our rivers during heavy rain. Council maintains a stormwater model that assists in identifying flood areas and where there is a need to upgrade our piped network. We also have an ongoing renewal programme for old wastewater pipes to reduce groundwater leaking into these pipes.

Dollars and cents

Capital

2022/23 budget $5.83m
Actual $4.73m
LTP budget $32.3m



Operational

2022/23 budget $345k
Actual $608k
LTP budget $3.9m



The project is 100% Council funded to address stormwater issues on private properties through public network extensions, as well as to undertake renewal and upgrades of the Stormwater and Wastewater networks.

Project highlights 2022/23

Council's wastewater network

- Improved performance of our public wastewater network through increased cleaning and surveillance.
- $2.14m spent lining leaking earthen pipes, and $47k reducing the risk of overflows from our sewer pump stations.

Council's stormwater network

- Completed further updates to the stormwater models for Kaiti, Whataupoko/Mangapapa and Elgin/Central Business District to identify future upgrades.
- The $741k stormwater upgrades in Graham Road were tendered but had to be postponed due to elevated groundwater levels. The process will restart during Summer 2023.

Council pipes installed on private property

- De Lautour/Wainui Road.
- Ida/Coldstream Road (90% Complete).
- Craig Road.

Private Property Inspections and Repairs

- Repaired 1,085 leaking gully traps.
- Undertook 2,100 property inspections.
- Removed 35 downpipes going into gully traps.

Project status

Start date: July 2015

This programme of work is now linked to a resource consent for both dry and wet weather overflows. To meet the consent requirements a larger budget will be required and will be formalised in the next Long Term Plan.

Impacts of severe weather events

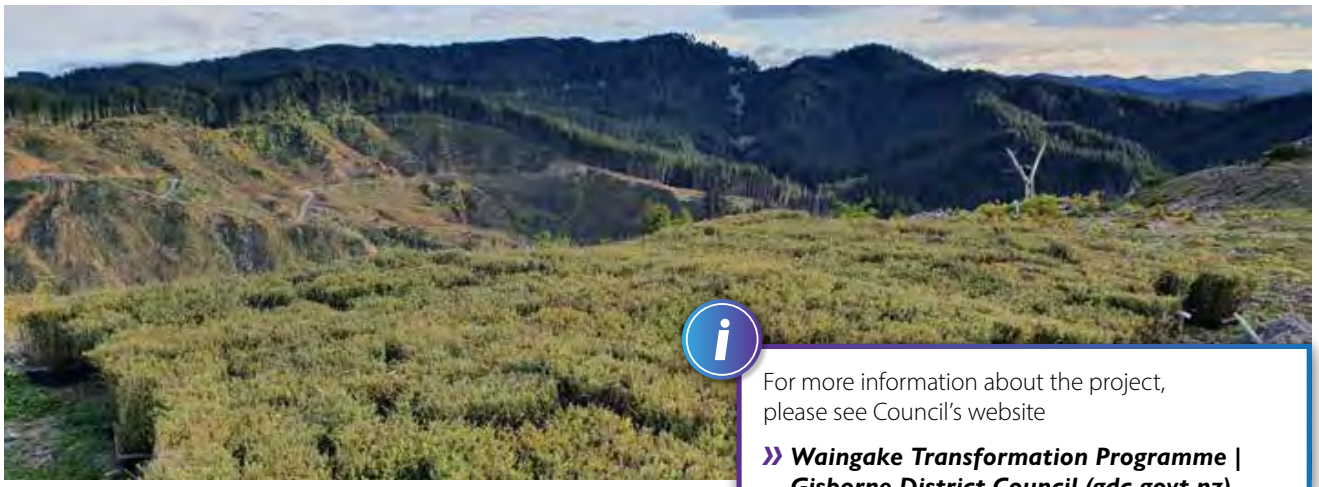
The unprecedented high groundwater and repeated heavy rain events have seen multiple discharge events, from more locations and for much longer durations.

A consequence of the elevated groundwater level is the creation of depressions above stormwater and wastewater pipes. This has prompted concerns about potential structural damage and disruptions to the network.

Community wellbeings and outcomes

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

- ***A driven and enabled community***
- ***Resilient communities***
- ***Connected and safe communities***



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

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

Waingake Transformation Programme

In partnership with mana whenua Maraetaha Incorporation and supported by Ngāi Tāmanuhiri, the Waingake Transformation Programme has an ambitious plan to transition 1100 ha of plantation pine forestry to a thriving indigenous ngahere. The programme is based around protecting what we have and growing a new indigenous forest for Te Tairāwhiti - one where our people are connected to the whenua. We provide meaningful training and employment, our biodiversity flourishes and our water supply remains high quality.

Dollars and cents

2022/23 budget $2.8m - Actual $1.9m

LTP budget $17.9m



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

Secured $5m in external funding from Department of Conservation, Ministry for Primary Industries and One Tree Planted.

Project highlights 2022/23

The Waingake Ngahere Ora Team has:

- Completed clearing, marking, and installation of over 16km of internal traplines within the Waingake Waterworks (QEII) Bush.
- Completed wax-tag monitoring to gather baseline data on possum abundance in the QEII Bush was completed in December 2022, with an 84% bite-mark index indicating high possum numbers.
- Conducted surveillance and control of pampas, buddleia, banana passionfruit, convolvulus, ivy and other weeds across 176ha of cutover areas.
- Planted 223,000 native plants across 173ha during the 2022 planting season.
- Completed wild pine control of 234ha, helping to ensure our native plants can establish without threat of competition from pines.
- Continued collaboration between contractors and the Ngai Tāmanuhiri kaitiaki hunting roopu to sustain ungulate control across 3000ha resulting in an additional 284 feral animals controlled.

Project status

Start date: October 2019

This project is ongoing.

Impacts of severe weather events

- Loss of access due to slips on Waingake and Tarewa Roads.
- Redeployment of staff and contractors for one-month post Cyclone Gabrielle.
- 2023 planting plans were revised accordingly to account for lower plant numbers and to ensure Health and Safety of planters on steep and un-stable terrain.
- Continuous wet weather over spring and summer has created challenging conditions for weed control and releasing of planted natives.
- Traplines within the Waingake Waterworks (QEII) Bush required re-establishment following damage sustained in Cyclones Hale and Gabrielle.

Community wellbeings and outcomes

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

Resilient communities

We take sustainability seriously

We celebrate our heritage

Waipaoa Flood Control Climate Change Resilience Project

The project will 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

2022/23 budget $4.51m - Actual $4.04m

LTP budget $33.58m



The total project estimate is $32m-$35m.

In mid-2020 Council was awarded $7.5m of government funding to accelerate the delivery phase of the project up until December 2023. All external funding has been utilised.

Project highlights 2022/23

Completed work:

- Completed flood mitigation work at Tangihanga Station (Lavenham Road, western side) in December 2022, which included creating a deflection bund to safeguard an irrigation dam and implementing an emergency spillway.
- Constructed a 900m-long ring-bank to protect private buildings, staff housing, greenhouses and sheds during Cyclone Gabrielle.
- Nearly completed the construction of the eight-metre high Mahunga Stream floodgate in Ormond Township.
- Upgraded most of the stopbanks, totalling 24.5km, on the eastern side of the Waipaoa River. Additionally, approximately 8km of stopbanks have been upgraded on the western side near Manutūkē Township and Te Arai River.

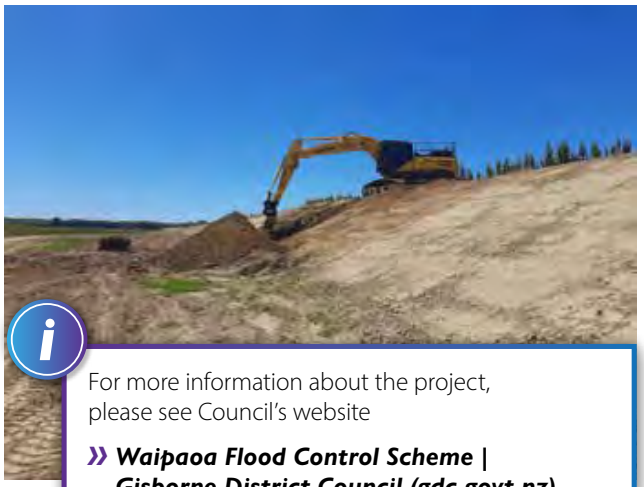
Project status

Work ahead:

- In spring, stopbank upgrade work will restart around the Manutūkē area (western side) to continue stopbank upgrade work towards the Matawhero Bridge and Patutahi Township.
- Stopbank construction work will get back underway in the Ormond Township area (either side of the Mahunga Stream), to complete the last 500m of stopbank upgrades required to fully complete all the eastern (city) side.
- Earthworks to tie the new Mahunga Floodgate into the Waipaoa stopbank on either side of the new structure is expected to be undertaken in December 2023.
- Planning, investigation, geotech, and detailed design works are also ongoing for future areas.

Impacts of severe weather events

- All stopbank upgrade work was placed on hold until spring 2023. This affected contract completion timeframes, and delayed stopbank upgrade progress.
- We saw severe damage to the Waipaoa Stopbank at two locations, both were on the western side of the Waipaoa River, and both occurred in areas that hadn't been upgraded yet.



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

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

Community wellbeings and outcomes

This major project contributes to the following Community wellbeings and outcomes:

- ***Resilient communities***
- ***Vibrant city and townships***
- ***Connected and safe communities***
- ***We celebrate our heritage***



Walking and Cycling

The programme brings together several strategies, projects and initiatives between Council and Waka Kotahi 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 and therefore improve health, economic and social outcomes.

Dollars and cents

2022/23 budget $2.1m - ***Actual $1m***

LTP budget $7.8m



A local share of $2.5m (loan funding) has been allocated for the Taruheru River Walkway and Cycling project, contingent upon external funding.

$340k for the Ūawa Walking and Cycling project.

$100k per annum additional expenditure for the 2021-2023 LTP for the Tairāwhiti Walking and Cycling Network Plan (subject to approval from Waka Kotahi).

Project highlights 2022/23

Titirangi Drive

A one-way system with a separated walking/cycling lane from the summit to Endcliffe Road completes the connection across Tītirangi Maunga from Te-Poho-o-Rawiri marae. A 30km/h legal speed limit has also been implemented.

Streets for people

Hei Huarahi / Streets for People adaptive urbanism projects in Grey Street and Ūawa led by community groups have been progressed as part of a Waka Kotahi initiative along with 13 other councils across Aotearoa.

A Grey Street festival was held in December to launch the project with some temporary instalments and changes being trialed around the skatepark.

Ūawa

5.1km of off-road shared paths have been constructed connecting the school with the awa, moana, playground, sports field, and shops.

- This project is part of a wider vision to build a protected cycleway and walk-way from the township to the wharf with safer routes along State Highway 35 and the adaptive urbanism project Hei Huarahi Oranga / Streets for People for the main street to trial better crossings and on-road separated cycleways.

Project status

Start date: July 2021

This project is ongoing.

Impacts of severe weather events

Ūawa suffered some damage to the new trails when the course of the awa changed and continues to flood a section near the bottom of the school. A re-route is being progressed further upstream to ensure the trail loop can be reconnected.

Community wellbeings and outcomes

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

- ***Resilient communities***
- ***Vibrant city and townships***
- ***Connected and safe communities***
- ***We take sustainability seriously***

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

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



Wastewater Treatment Plant upgrade

We're upgrading the infrastructure of our treatment plant to improve water quality in partnership with key stakeholders and Iwi representatives from the Wastewater Management Committee (WMC) and KIWA Group. We're exploring alternative use and disposal with wetlands to progress the use of treated water.

Dollars and cents

2022/23 budget $15.3m - Actual $15.7m

LTP budget $31.3m



A further $2.6m is budgeted to start the process of building a city wastewater wetland - to act as the final stage of wastewater disposal, rather than marine outfall – in 2029 to 2031.

Project highlights 2022/23

- Construction of civil, mechanical, electrical, control and automation completed.
- Pre-commissioning hydrostatic testing, component and equipment checks, and installation signoffs by third party suppliers.
- Development of the relevant operations manuals, asset registers, cold and hot commissioning and trial operations plans.
- Tender process and award of the associated biosolids contract.
- Electrical code of compliance achieved.
- First operation of new plant and cold commissioning completed.
- Start of hot commissioning and running product.

Project status

Start date: December 2015

- Pre-commissioning testing and signoff.
- Cold commissioning completed 28 July 2023.
- Physical construction completed 4 August 2023.
- Hot commissioning, forecast for completion 31 August 2023.
- Trial operations and plant optimisation period, 25 days following.

Impacts of severe weather events

Around a fortnight of productive time was lost, although the site itself was not heavily affected by the devastating effects of the 2023 cyclones and floods. The impact was more associated with shipping and deliveries disrupted for some months. An extension of time, without associated cost, was granted for a total of 65 working days (13 weeks).

Community wellbeings and outcomes

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

A driven and enabled community

Resilient communities

We take sustainability seriously

We celebrate our heritage

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

» ***Wastewater Treatment Plant | Gisborne District Council (gdc.govt.nz)***

Ō tātau whakautu

Our responses



Ngā hononga tiriti
Treaty relationships and partnerships

Our journey so far

Council's intent is to be a good treaty partner and numerous options have been developed to achieve meaningful bilateral relationships with iwi and hapū. Council is transitioning away from 'taking Te Tiriti o Waitangi into account' and wants to 'give effect to Te Tiriti' instead. This commitment entails enacting treaty principles and serves as a signal of intent that goes beyond the existing obligations placed upon Council by legislation.

Last year

2022 financial year was a significant year for us. It marked the establishment of Māori wards, welcoming five Māori ward Councillors. Each Councillor bringing a wealth of knowledge and experience, along with their broader perspective. Together, there is a collective desire for relationships founded on Te Tiriti and for decisions to be made together in partnership with mana whenua.

In 2022, Council adopted our Te Tiriti Compass, a tool used to centre our intent on honoring Te Tiriti and shaping how we, as Council, engage in partnerships under Te Tiriti o Waitangi and function as a Tiriti partner.

Using Te Tiriti Compass, Council aims to realign itself with the objective of establishing enduring Tiriti partnerships. This may involve revisiting co-governance discussions on significant kaupapa, such as resource management planning and recovery, while formalising relationships between Council and hapū/marae. It also involves jointly responding to emerging opportunities and priorities.

At the end of 2022, Council committed to establishing a Te Tairāwhiti Plan Review Committee, appointing Councillor members to this body. This step signified our dedication to revisiting our regional plan in partnership with tangata whenua. The appointment of iwi-nominated members, the formulation of a term of reference (TOR) and addressing other matters must be settled before this committee becomes operational.

As Council progresses its organisational understanding of Te Tiriti o Waitangi, our staff now employ the Te Tiriti Compass to measure and form an articles-based approach to implementing Te Tiriti in our mahi.

We also acknowledge that while there are legal and statutory obligations to Māori, these form only part of the foundation, and are not the ceiling for future Te Tiriti-based decisions and partnerships.

Changes to our regional context

Tiriti partnership does not exist in a vacuum of goodwill and resource; it is influenced by the dynamics of our regional and national context. While Council's intent is evident – aiming to be a strong partner – the specifics of how and when we achieve this are not as clear.

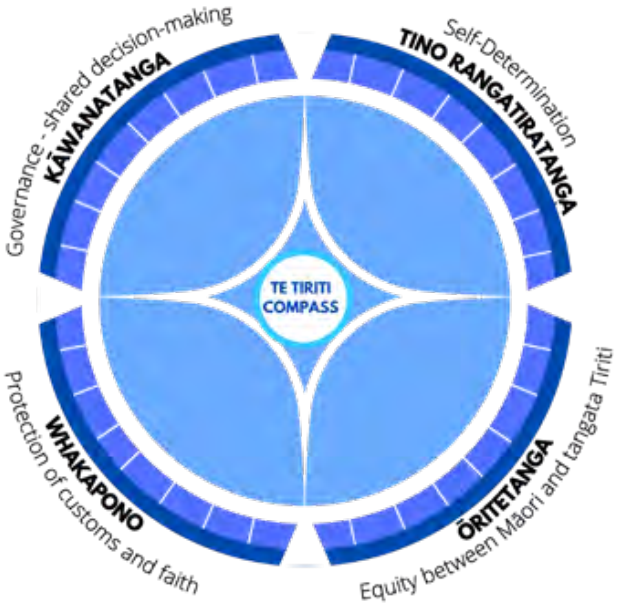
Partnership can only occur when all parties are prepared and able to invest their efforts into building something that endures. We need to be capable of upholding each other's individual responsibilities while at the same time investing in what we want to accomplish together.

Strong relationships must be in place for partnership to happen. Relationships require trust, communication and constant care. Our priorities need to align and partnership be front of mind. We each need capacity and resource to dedicate to the partnership's success.

Challenges

The environment for Tiriti partnership shifted in the past year. Council, like others, had to refocus resources and efforts. We faced two main challenges: recovering from Cyclones Hale and Gabrielle and addressing the impacts of legislative reforms from central government.

Iwi and hapū also face these and other challenges. They are taking a proactive role in addressing the needs and aspirations of their whānau, hapū and marae. We are both navigating these challenges, which will test our capacity, energy and creativity.



Ō tātau tauwhāinga, o tātau whakautu
Our challenges and responses

Council is operating in a period of substantial change and uncertainty within the local government sector. The landscape is being reshaped by major reforms that bring about substantial shifts in regulation, governance and our approach to core infrastructure and environmental stewardship. This evolving landscape demands that we embrace adaptability and innovation on our journey.

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

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

A new approach to freshwater management

Our challenge

The increased frequency and intensity of extreme weather events, driven by a changing climate, heightens the risk of erosion and degradation of water catchments. Rising temperatures, altered precipitation patterns and more frequent storms, have the potential to exacerbate soil erosion, leading to sedimentation in our waterways and impacting water quality.

Our response

Council is improving our approach to freshwater management to ensure the health of our water resources and overall wellbeing of our region. Catchments, which are the land areas that channel water from the ranges into our waterways, play an essential role in keeping our water safe. Their condition influences the quality of our water, and as such, our entire natural environment.

Council is implementing the new National Policy Statement for Freshwater Management to protect and manage our catchments and freshwater systems. We are working alongside tangata whenua to ensure that we make decisions that respect the wellbeing, mana and mauri of our water resources. This includes reviewing and updating how we manage freshwater in the Tairāwhiti Resource Management Plan. This involves development of seven catchment plans that align with the updated National Policy Statement. These plans are intended to enhance the sustainable management of our water resources.

Progress has been achieved in the catchment plans for Ūawa, Southern and Northern regions. We are currently on track to completing these plans by December 2024. Two Freshwater Advisory Groups have been established to provide guidance on region wide issues and the Waipaoa Catchment Plan.

We undertook a comprehensive review of our environmental monitoring programme and are developing a regional water quality state and trends report. These reports will play a key role in shaping Council's freshwater policies.

Tairāwhiti Resource Management Plan Review

Our challenge

Changes in national direction, population growth and shifting community expectations concerning environmental outcomes and resource management call for a review and renewal of the Tairāwhiti Resource Management Plan (TRMP), which has been in place since 2017. The updated plan will serve as the foundation for shaping decisions about our natural and built environments.

Our response

The TRMP review commenced on 1 July 2021. Progress is well underway in the first phase of the review, with public notification anticipated by the end of 2024. This phase includes three workstreams:

1. Te Kaupapa Tauākī ā-Rohe, focused on developing a new Regional Policy Statement (RPS).
2. Te Whakamahere Wai Māori, dedicated to Freshwater Planning.
3. Te Whakawhanake me te Whakarahi Taone, centred around Urban Growth and Development Planning.

This approach underscores our commitment to shaping a sustainable and thriving Te Tairāwhiti, aligning our actions with the values and aspirations of our community.

Collaboration with iwi chief executives and Post-Settlement Governance Entities has led to the establishment of an iwi technical trial. This trial is exploring how we can work with iwi to incorporate Te Ao Māori during development of the new Tairāwhiti Resource Management Plan and our consenting processes.



New representational arrangements

Our challenge

Following a decision in 2021/22 to establish new Māori wards in Te Tairāwhiti, Council was challenged with implementing a new governance system that would support the newly established Māori wards and foster an environment where Māori participation in governance is continuous, effective and represents the diverse voices within the Māori community. Such a system would ensure that the spirit and objectives of the Local Government Act 2002 and Te Tiriti obligations are fully realised and that we pave the way for inclusive and representative governance in Te Tairāwhiti.

Our response

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

Following consultation, the Local Government Commission (LGC) took action to reshape the representation arrangements for the Tairāwhiti local government election in 2022. The new configuration includes 13 councillors in total:

- eight general ward councillors elected district-wide from the Tairāwhiti General Ward
- five Māori ward councillors elected district-wide from the Tairāwhiti Māori Ward.

This change fosters a more comprehensive representation that enables the diverse voices within our community to be heard. The establishment of a Māori ward not only demonstrates our commitment to inclusivity but also provides a dedicated platform for Māori perspectives to influence decision-making.



Changing legislative environment

Navigating the evolving local government landscape requires us to plan and prepare for a host of new challenges. As a Council, we carefully balance the tasks of providing resilient infrastructure and kaitiakitanga for our community, with the overall goal of enhancing community wellbeing and driving economic growth.

Central government recognises the challenges we are facing and is taking steps to address them through a series of major reviews and reforms. This includes looking closely at the future of Local Government, changing to the Resource Management Act, finding ways to move towards a greener future and the proposed Three Waters Reform that will shape how we manage our essential water infrastructure. These reviews and reforms will lead to significant changes in both our work and the legislative framework we operate within.

Future for Local Government

An independent Ministerial review into the future of local government was completed in April 2023. Its purpose was to consider how New Zealand's system of local governance will need to evolve over the next 30 years in order to improve the wellbeing of New Zealanders and actively embody Te Tiriti partnership.

Since the last re-organisation of the system in 2002, local government has become more complex and demanding, with more responsibilities and limited funding or capability.

The Future for Local Government Panel released its report to the public on 21 June 2023. The report highlights five key areas required to ensure that local government is fit for purpose in the future. Namely:

- embedding local government's wellbeing purpose
- system renewal – council-led re-organisation of local government and establishment of dedicated entities to support this
- increasing funding – greater central government contribution
- strengthening local democracy and leadership – including initiatives such as extending term for local elections, lowering the voting age, Te Tiriti based appointments and STV as method for elections
- growing authentic Te Tiriti based partnerships – explicit recognition of local government as a Tiriti partner.

With the general election in October 2023, it's unlikely the current government will have time to make significant policy shifts in this term. Any further work or change will most likely be picked up by the next government post-election.

Three Waters Reform

In December 2022, central government completed the first major step of the Three Waters reform with legislation to transfer the management and delivery of drinking water, wastewater and stormwater services from 67 councils to four Water Services Entities (WSEs). The WSEs would be owned by the councils within the WSE area but the assets and liabilities would transfer to the new WSEs to manage and operate. To retain local representation on water services decisions, a Regional Representative Group of up to three council owners and three mana whenua representatives would be established for each WSE to set expectations for the WSE that reflect community voice.

Central government is aiming to see better outcomes for environmental quality, human health, Māori rights and interests, resilience of infrastructure. The scale of the WSEs across multiple regions and larger populations is intended to enable WSEs to borrow more money to fund the investment needed in water services and infrastructure, and to better address skill shortages in the three waters sector.

Alongside the reforms, Government initially committed $2b in Crown funding support to councils in two tranches. Tranche 1 of $500m was allocated to councils in July 2022. Although Tranche 2 of $1.5b was initially planned to be allocated to councils from 1 July 2024, this tranche has since been cancelled. This 'Better Off Package' aims to provide councils with additional funds to support local wellbeing outcomes in a way that aligns with the priorities of central and local government: infrastructure for housing growth; fostering low-emissions economies; enhancing resilience to climate change; and promoting community wellbeing.

On 13 April 2023, the Minister of Local Government announced proposed changes for the Three Waters Reform programme:

- Shifting to a more regional approach, replacing four WSEs with 10 regionally-led WSEs.
- Establishing entities in a staggered way with Auckland/ Northland WSE starting on 1 July 2024 and the remaining WSEs going live at different times up to 1 July 2026.
- Boosting local representation by including all territorial authorities within a WSE area on the Regional Representative Group of a WSE alongside equal membership from mana whenua of that WSE area.
- To ensure financial viability for smaller WSEs, the second phase of Better Off Funding ($21.62m for Te Tairāwhiti) won't proceed. However, the first phase ($7.21m for Te Tairāwhiti) remains committed.

To implement the proposed changes, the Water Services Entities Amendment Bill was drafted and passed its third reading in August 2023.

Resource management reforms

Central Government is in the process of repealing the Resource Management Act 1991 (RMA) and is now beginning to roll out three new pieces of legislation:

The Natural and Built Environments Act (NBA) This Act aims to replace the RMA with a focus on managing the natural and built environments. It emphasises long-term strategic planning and spatial development at the regional level.

The Strategic Planning Act (SPA) This Act introduces requirements for councils, iwi/Māori, and Central Government agencies to create 30-year regional spatial plans. It is intended to contribute to a more coordinated and future-focused approach to planning.

The Climate Change Adaptation Act (CAA), which addresses the legal and technical aspects associated with climate change adaptation and the future of severely affected land.

Submissions concluded in February 2023 and in June, the Select Committee issued their revised versions of the Natural and Built Environment and the Spatial Planning Bills. The Spatial Planning Act and the Natural and Built Environment Act began coming into effect on 24 August 2023. They will gradually phase in over a 10-year period. The Climate Change Adaptation Act is anticipated to follow suit later in 2023.

The reforms aim to create a more streamlined, efficient and balanced framework for managing natural resources, land use and development in Aotearoa. These changes align the RMA with contemporary environmental and sustainability challenges, including climate change adaptation and the protection of biodiversity.

Improving collaboration between central and local government, along with ensuring greater participation and recognition of Māori perspectives, played a role in signalling the need for RMA reform. The reform efforts reflect a broader commitment to better governance, sustainable development, and improved outcomes for both the environment and communities.



Our recovery areas

In 2022 and 2023, Te Tairāwhiti experienced significant damage due to several weather events, including Cyclones Hale and Gabrielle. The effects of these events are still evident, highlighting the potential challenges communities and infrastructure may encounter from similar events in the future. Undertaking restoration in Te Tairāwhiti is a significant endeavour, involving responsibilities for both Council and the community.

Council's recovery plan outlines the prioritisation of immediate community needs, infrastructure repairs, resilience enhancement and measures to prepare for potential future risks. This plan, submitted to central government, estimates a requirement of approximately $1.2billion for recovery efforts over several years.

Road reinstatement

The impact of Cyclone Gabrielle on our local roading network was profound, resulting in landslides, floods and heavy rains which caused roads to collapse and bridges to be destroyed. In the aftermath of Cyclone Gabrielle, almost the entire rural network was disconnected. This situation was further aggravated by heavy rains in June 2023, which compounded the damages and triggered the district's third state of emergency for the year.

Following Cyclone Gabrielle, a detailed assessment of the region's 424 bridges was undertaken. The findings revealed that 62 bridges were affected. In addition, river erosion impacted more than 250 sections of our network. Over the next four months, efforts led to the repair of 140 bridge faults.

Ongoing investigations are being conducted to evaluate alternative route options, alongside slope stability assessments. Our primary objective remains reopening roads to disconnected residents and facilitating heavy freight access to support rural communities. Priority is given to school bus routes, safe community connections, and forestry and farm access routes for animal welfare.

After the Cyclones Hale and Gabrielle, we received $29.3m in funding from Waka Kotahi. We later applied for and received an additional $25m. By June 2023, we had spent $51m on emergency roading works. In addition, Council's 2023/24 Annual Plan has earmarked a further $65m for emergency roading works. This allocation will cater to essential needs such as bridge repairs, mending key rural roads and addressing the extensive river erosion damage across the network. These works are projected to span over two to three years.

Council is continuing to negotiate with Waka Kotahi on significant roading infrastructure replacements. Estimates suggest that the costs for a complete network restoration could reach up to $725m. As the evaluations are completed, and government funding is secured, our challenge will move to sourcing the remaining funds through rates.

Initial scoping, including planning, assessment and securing resources, are anticipated to take 12-16 months. Once these are completed, a comprehensive repair programme will commence, subject to available funding.



Water network reinstatement

Gisborne city sources its water supply from two primary catchments: the Mangapoike dams and the Te Arai Bush Catchment. The water from these catchments is treated at the Waingake Water Treatment Plant before being transported through a 30km pipeline to the city's reservoirs and distribution system. The reservoirs can store up to 38,300m^3 of water, equivalent to approximately three days of supply depending on demand.

The pipeline system spans across 21 bridges. Cyclone Gabrielle damaged or destroyed nine of these bridges, and several sections of the pipeline itself also suffered substantial damage, resulting in ten significant breaks in the network.

Following the damage, residents were urged to use water sparingly due to the major disruptions. Although there were initial plans to treat water from the Waipaoa River at the Waipaoa Water Treatment Plant, the plant encountered operational difficulties, hindering its ability to keep up with the rising water demand. On 17 February, the Waipaoa Water Treatment Plant ceased operation. As a result, restrictions were placed on water consumption for businesses and industries, and residents were advised to use water only for essentials, such as drinking, brief showers and cooking until the plant's issues were addressed.

New pipe bridges were manufactured and transported to the remote Mangapoike dams area. Council staff and contractors undertook extensive efforts to repair the pipeline, allowing water flow from Waingake to be combined with that from Waipaoa.

The repair works took 45 days to complete, incurring costs of $2.9m. Work is now in progress to re-establish access tracks, evaluate measures for improved protection of pipelines near escarpments and landslides, and consider burying more sections of the pipeline as part of long-term protective strategies.



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

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

Woody debris removal and silt management

Following Cyclone Gabrielle, Te Tairāwhiti faced the significant challenge of managing an extensive accumulation of silt and woody debris. This posed risks to our community, including threats to individuals, homes, farmland, infrastructure, waterways and beaches.

Council promptly responded by prioritising key infrastructure repairs and assisting residents in affected areas to clear silt. Another urgent task was the removal of woody debris from critical structures, especially bridges. To this end, slash has been cleared from 77 bridges to avert potential complications in bridge repairs.

Efforts continue to clear silt from Council's rural land drainage network. Post-Cyclone Gabrielle, areas such as Manutūkē, Patutahi and Muriwai experienced flooded drains. Intensive work involves excavators clearing approximately 200m^3 of drains daily, with over 650,000m^3 of silt removed from drains, slips and roads.

The heavy rain in June presented further challenges by restricting access to waterlogged river catchments and affecting the road conditions leading to these areas. Such weather disruptions highlighted the need for immediate action in high-risk areas.

Council is developing a Woody Debris Emergency Response Plan. Central government has granted $40.6m for Large Woody Debris (LWD), silt removal, and clearing of woody debris on our beaches.

Detailed mapping of catchments has been undertaken. Drone surveys are in progress for priority catchments, and so far three catchments – Hikuwai, Te Arai and Waimata – have been marked as primary targets for cleanup.

The next phase of work is set to address the removal of debris from our beaches and ensuring that rivers remain accessible for recreational activities.

Forestry focus

Cyclone Hale and Gabrielle highlighted the vulnerabilities our region faces during extreme weather events. It's evident that appropriate measures and resources are required to manage potential risks associated with forestry practices in Te Tairāwhiti.

Council has proactively responded by enhancing its resources in monitoring and compliance areas through the establishment of a new forestry team. This team will work with industry partners, and engage in aerial mapping and on-the-ground inspections across the region. Their role is to identify areas susceptible to the mobilisation of woody debris, which could impact property, infrastructure, and the environment.

In January 2023, Council acknowledged a petition presented by Mana Taiao Tairāwhiti and committed to:

- Support the petition's call for an independent review of forestry land use to be conducted by the Government.
- Expedite the review process of the Tairāwhiti Resource Management Plan (TRMP) rules.
- Explore avenues for involvement in the initial phases of Resource Management (RM) reforms.
- Launch a dedicated forestry project to assess forests in the region for potential debris risks and formulate suitable enforcement measures.

Collaboration with the Ministry for the Environment is ongoing regarding recommendations from the May 2023 land use report. There's a shared emphasis on re-evaluating the National Environmental Standard for Plantation Forests (NES-PF). Council has reservations about this framework, believing it might not align with Te Tairāwhiti's specific needs.

Initiatives are underway to update regional policies and rules through various regulatory tools, all of which resonate with Council's spatial plan, Tairāwhiti 2050. The land use report's suggestions align with our current endeavours, such as managing clear-fell harvesting, transitioning erodible lands to more sustainable uses, refining flood capacity assessments, fortifying against gully erosion, and prioritising biodiversity conservation.

Land management

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

Funding has been granted to expand Council's land management team for a period of three to four years as part of the Integrated Catchment Management activity. This expansion is driven by the need to support Freshwater Farm Plans and comply with new Freshwater Reform requirements.

Funding from the Ministry for Environment, the Ministry of Primary Industry Hill Country Erosion Fund, and Land Information New Zealand will contribute to the project.

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

Flood protection

The flood protection network in Te Tairāwhiti sustained substantial damage following Cyclone Gabrielle. This left many residents vulnerable to compromised drainage and heightened risks of future flooding incidents. In response, Council has initiated a comprehensive plan to reinstate, reinforce, and improve the flood protection infrastructure of Te Tairāwhiti, ensuring community safety and protection of property.

A major consequence of Cyclone Gabrielle was the reduced channel capacity, primarily caused by silt accumulation. The build-up at structures and stopbanks has compromised their integrity, with some rendered non-viable. Investment efforts are now targeting the reinstatement of these damaged stopbanks and the accelerated delivery of new flood bank projects. These measures aim not just to repair, but to enhance the resilience and effectiveness of the flood protection systems.

The reconstruction of the Mangahauini River stopbank and erosion protection is a critical project, which aims to protect the Tokomaru Bay township. Significant progress on this front was noted as of June 2023.

Emphasis has been placed on site assessment and prioritisation. Work will speed up over spring and summer when improved weather conditions will allow better access to river sites for flood mitigation works. A specific focus has been directed towards the Waipaoa River's middle reaches, especially around Te Karaka. The objective is to identify the primary causes of flooding and devise long-term mitigation.



Future of Severely Affected Land (FOSAL) Programme

During Cyclone Gabrielle, nearly 2,000 properties across Te Tairāwhiti experienced devastating direct impacts such as flooding, silt inundation and land erosion. In response, Central Government launched the Future of Severely Affected Land programme. This programme encompasses regional mapping and property identification to pinpoint those at the highest risk of property damage or loss of life during future severe weather events. This proactive approach enables us to strategically plan community support and secure their ongoing safety.

The Severe Weather Event Emergency Legislation (SWERL) Act 2023 was introduced on 20 March 2023, following the events of Cyclone Gabrielle and Hale. The purpose of this Act was to assist affected councils and communities to respond to, and recover from, the impacts of the severe weather events.

Following the introduction of the SWERL Act, Central Government released the Future of Severely Affected Land (FOSAL) information pack in July 2023, which provided information about risk categories processes and responsibilities. Council was responsible for categorising land and determining how and to what extent assistance would be provided to affected properties.

Risk assessments were conducted by Council using a range of information sources. Land areas were categorised using these datasets to assess future severe weather risks:

- Recorded flood heights
- Post-Cyclone Gabrielle aerial photography
- Captured video footage
- Accounts from eye-witnesses
- Geotechnical site visits assessing landslide and erosion risks
- Historical data on flooding impacts. Risk assessments were conducted by Council using a range of information sources. Land areas were categorised using these datasets to assess future severe weather risks:

The following information outlines the details of the $204m support package being offered by the Government, which Council will be consulting with the community about:

- $64m for flood risk mitigation including upgrades and new assets such as stopbanks, for which the Government will pay 90% and Council will need to pay the remainder.
- $125m for local road and bridge repairs to provide network resilience including a solution for Tiniroto Road.
- $15m towards purchasing residential Category 3 properties. There is an opportunity to increase this amount if costs are higher than expected at the time the agreement is made. This $15m represents 50% of the funding to purchase these properties, including relocation grants for mixed-use properties. These are where a house is located on land for farming or horticulture for example. The other 50% will come from Council. The purchase costs are less than any insurance proceeds.
- $30m interest-free 10-year facility loan.

Category 1

Property owners of properties and land in Category 1 and who had received yellow stickers after Cyclone Gabrielle can live in their properties once necessary repairs are completed and Council inspections have been conducted.

Category 2

- • 2C - This indicates a requirement for effective community level interventions to manage the risks of future severe weather events.
- 2P - This signifies the need for property-level interventions, such as lifting houses or improved property drainage, which are needed to address the risk posed by future severe weather events.
- 2A - These properties align with both 2C and 2P categories, but further assessment is needed.

Category 3

Category 3 represents the highest risk within the FOSAL classification scheme. Areas designated as high risk in this category are not considered safe for habitation due to the unacceptably high risk of severe weather events like flooding or landslides, posing a threat to life.

Preliminary estimates for the number of affected properties across Te Tairāwhiti are:

- Category 2 - approximately 1,800 properties
- Category 3 - 32 properties

Our focus so far has been on confirming Category 2 locations, assessing, and characterising the risks posed by flooding and landslides in these areas, and developing community and property-level interventions to manage the risk of future severe weather events. This will serve as the foundation for the creation of Hazard Management Plans, particularly where additional investment is deemed necessary.

Council and Central Government are establishing and implementing a framework for the acquisition of severely impacted land and properties, in cases where the risk for continued residential use is deemed excessively high. Preliminary evaluations suggest an estimated cost of approximately $30m for this initiative.

To support property owners dealing with ongoing uncertainties, Council has run several meetings to provide information and certainty. Furthermore, rates remissions have been granted for Category 3 property owners and property owners who had been issued red stickers following Cyclone Gabrielle.

Public consultation on the Governments support package will open on 2 October and will run for a period of two weeks, until 16 October. Council will then consider feedback at its meeting on 2 November and decide on accepting the support package and entering into a funding agreement with Government.

Mayoral Relief Fund and Disaster Relief Trust

The Tairāwhiti Mayoral Relief Fund and Disaster Relief Trust were established to provide financial assistance to residents experiencing hardship as a result of natural disasters.

The purpose of these funds is to support communities, individuals, and families, in their recovery efforts. They offer a single payment to help alleviate the loss or damage they experienced when other avenues of support are not available, such as insurance, EQC, social services, or support directly from Central Government.

A mix of public donations and central government funding was provided in response to Cyclone Hale and Gabrielle. Applicants were eligible to apply for funding support if they had experienced hardship as a direct result of the cyclone(s) and were residents in the areas of Te Tairāwhiti most severely affected by the cyclones.

Given the limited amount of funding available, the fund was primarily allocated to repairing residential dwellings, septic tanks, refilling water tanks, clearing debris from properties, providing necessities like clothing, bedding, household goods, or additional financial needs not covered by other support funds.

Applicants were eligible for up to $20k in immediate financial aid, depending on their assessed level of need. To date, we have distributed over 530 funding support packages for those whose houses and possessions were damaged or destroyed in this year's rain events. So far, $2.8m has been paid out to affected individuals and families.

For more information on this or to read the 2022/23 Disaster Relief Trust Annual Report, visit our website

» ***Disaster Relief Trust Annual Report, \| Gisborne District Council (gdc.govt.nz)***



Photography - Phil Yeo

Tā mātau whakatutukinga mahi

Our performance

Ā 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 what we said we would and that we are always finding opportunities to improve our services. These are captured as performance measures, which were confirmed with the adoption of our 2021-2031 Long Term Plan. Changes to performance measures are notified through the Annual Plan process.

Our year in performance

The 2022/23 period posed significant challenges for Te Tairāwhiti. The region grappled with the impact of multiple severe weather events, including two cyclones, resulting in substantial damage to our townships and critical infrastructure.

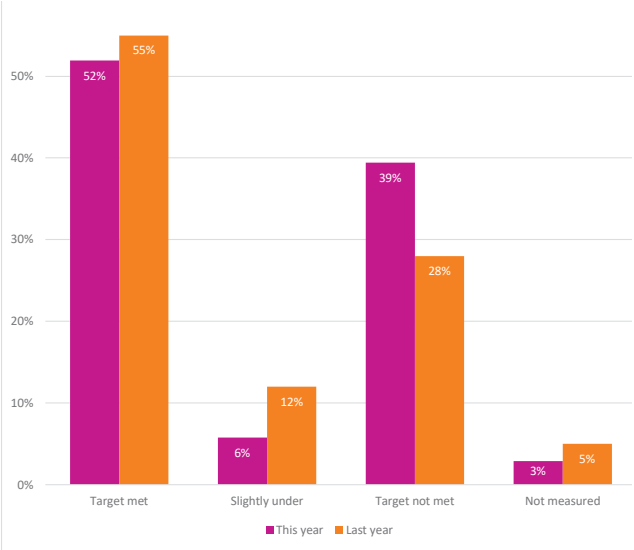
Cyclone Gabrielle and subsequent flooding led to the closure of several major roads, deteriorated road conditions beyond initial projections and triggered landslides within the region. Our water supply network was severely damaged and has taken considerable work to repair. Progress achieved by Council over the past year was set back, affecting the provision of many Council services, including requests for services, roading maintenance, resource consents, building consents and water management.

Overall, Council's capacity to meet performance measure targets was substantially restricted over the 2022/23 period. However, we have dedicated significant resource to ensure our services remain resilient through future challenges.



Overall performance metrics

The graph below illustrates Council's performance in meeting the targets set for 2022/23. We track a total of 104 measures, consisting of 30 mandatory measures, 26 measures directly derived from our Residential Satisfaction Survey, and 48 measures developed by Council for the 2021-31 Long Term Plan.



Overall, 52% of our performance measures were on target, with an additional 6% slightly falling below but remaining within 5% of the target. This contrasts with the 2021/22 period when Council met its target for 55% of its measures.

Mandatory Measures

Thirty of our performance measures are mandated by central government. They target our Three Waters (Stormwater, Wastewater, and Water Supply), Land, Rivers, and Coastal, and the provision of our local roads and footpaths. Council met performance targets for 77% (23/30) of its mandatory performance measures.

Targets met

Council met all targets for mandatory roading performance measures, we saw a reduction in the number of fatal and serious crashes on our roads, and prioritisation of work allowed us to meet targets for the resurfacing of roads and maintaining the standard of our footpaths throughout the district.

The quality of drinking water was maintained across the entire region, and both urgent and non-urgent water supply callouts were attended to and resolved in a timely manner, ensuring minimal disruptions for residents.

For our wastewater and stormwater systems, Council met targets for system fault response times, and there was a reduction in the number of wastewater and stormwater complaints. Notably, there were no dry weather sewage

overflows during this period. Furthermore, despite the significant damage caused by severe weather events, we managed to inspect 30% of our stopbanks, indicating a considerable effort in maintaining and assessing our flood protection assets.

Targets not met

We did not meet the target for our water supply customer satisfaction measure. The damage to our water treatment plants and pipe network resulted in a temporary loss of water supply. This situation led to an increase in complaints from residents, with the number of complaints more than doubling from the previous year.

For our stormwater measures, we did not meet the following system performance and adequacy targets:

- The number of flooding events in our district.
- The number of habitable floors affected during each flooding event.
- The median response time for service personnel to reach a flooding event site.
- Customer Satisfaction: The number of complaints received about the performance of our stormwater system.

During the rain events, our network was overwhelmed, leading to inundation of numerous properties and a surge in reported system faults. This generated a spike in demand for Council and contractor services that impeded our ability to respond within our typical time targets.

For our wastewater measures, we did not meet the following system performance and adequacy targets:

- Median response time for service personnel to reach the arrival site.
- Median resolution time, from notification of the fault to confirmation of resolution by service personnel.
- Customer Satisfaction: The number of complaints received about the performance of our wastewater system.

Responding to community views

Council conducts independent surveys to gauge resident satisfaction with our resources, facilities, and services, while seeking opportunities for continuous improvement.

We are currently reviewing our surveys to ensure they are both fit for purpose and reliable for informing improvements to our services and activities.

Our current survey involves inviting approximately 400 Te Tairāwhiti residents to participate in a quarterly online survey. The survey highlighted a decline in satisfaction with Council's services over the past year. This trend aligns with the observations across all 17 councils to which we benchmark ourselves. Satisfaction levels related to roading, water management, open spaces, and our facilities have dropped in comparison to previous years. Overall, s ervices most impacted by severe weather events recorded the most significant drop in resident satisfaction.

Throughout the spate of severe weather events, Council experienced a twofold increase in Requests for Service, with a peak observed in the immediate aftermath of Cyclone Gabrielle. Consequently, the handling of these requests experienced delays, as both staff and contractors were engaged in urgent emergency reinstatement work.

Online and service-user surveys

We've made improvements to enhance our survey data collection by introducing point of service surveys through QR codes and kiosks at the library, Olympic Pool and the reception at our Awarua office.

Our library survey told us that users appreciate the clean facilities, variety of resources and the library's role as a community asset. Some suggested we make improvements, like more specific signage and adding colour to the environment, book availability and pricing structure. Responders acknowledged excellent staff support and having a safe space for youth. Users gave the library an overall experience rating of 8.6/10.

Results from our pool survey highlighted positive staff interactions, affordability of entry fees and anticipation for the new Kiwa Pool complex. Concerns raised involved issues such as the pool's temperature, cleanliness of changing rooms and the need for more staff training. Users gave the Olympic Pool an overall experience rating of 7.5/10

Performance highlights and areas for improvement

Here are some of the performance measure successes we have had this year, as well as some of the challenges we have faced.

Performance highlights

1 Roading service requests

Despite our Roading team receiving more than double the number of Requests for Service compared to the previous year, Council managed to resolve 97% within target time frames.

2 Resource consents

We have improved the way we manage our resource consent process, and over 80% of consents were processed within the target timeframe.

3 Educational programmes

Throughout the year, we conducted over 30 educational sessions on waste minimisation and Civil Defence and Emergency Management, despite major pressure on both activities.

4 Water supply

Council met all targets for urgent and non-urgent response times to interruptions in our water supply system.

5 Cultural activities

The number of bookings for the Lawson Field and War Memorial Theatre substantially surpassed the set targets.

Areas for improvement

1 Building consents

While nearing the target, we want to enhance the speed of our consent processes to prevent any unwanted delays.

2 Solid waste

The impact of severe weather events has led to a surge in solid waste directed to landfills, accompanied by a notable increase in incidents of illegal dumping.

3 Storm and wastewater network

Our storm and wastewater networks encountered unprecedented challenges, notably from Cyclone Gabrielle. The disruption to our networks led to slower response times to faults and inflicted significant damage to our core infrastructure.

4 Engagement and customer service

This year saw a massive increase in demand for engagement and customer service from Council staff. This demand put pressure on Council resources in these areas, and this is reflected in our scores.

5 Increase our patronage

Council will focus efforts to increase user numbers for our bus service, library, and museum, which have seen a temporary decline in popularity after the severe weather events over the year.

Ngā āhuatanga pūtea
Finances at a glance

This section provides an overview of Council's financial results for 2022/23 and how it compares to our 2021-2031 Long Term Plan (LTP). Our Annual Report 2022/23 is the Year two 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 $2.6 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 very conservative.

At year end our total debt was $124.8m, lower than what was expected to be in the Annual Plan at $142.5m. Most of this lower debt has been driven by the timing of capital projects and having more cash on hand due to grants being received in advance of the capital programme.

The majority of projects that had timing differences to the Annual Plan 2022/23 are expected to be completed within 2023/24, within the LTP timelines.

Financial performance

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

Our past year has been a year of two halves - our delivery of the Long Term Plan over the first half of year, but in the second half of the year - it was more around the response to the challenges posed by Cyclones Hale and Gabrielle.

But despite the challenges, Council continues to perform well financially.

We recorded a $19.8m net surplus after taxation, against a $27.5m Annual Plan budget.

While this represents a $7.7m net surplus less than we expected, most of the differences arose from the timing of receiving capital grants, write-off of cyclone damaged assets, local share of roading emergency works (pre-cyclone and the 100% grant from Waka Kotahi) and not receiving planned dividend revenues.

The receiving of capital grants is dependent on when projects are completed. Initially projects were planned to be completed by 30 June 2023 but now will roll into the beginning of Year three of the LTP. The extreme weather events during the past year impacted on the delivery of some of our projects.

The projects include the Provincial Growth Fund East Cape Road resilience project and the 1000 year walkway bridge. The grants for these projects will still occur, but will now fall into Year three when the projects will be completed.

The timing of capital grants doesn't affect Council's bottom line, but it does create the variance of a lesser surplus than was expected within this Annual Report.

There was a total of $2.7m local share paid for the unplanned emergency roading maintenance costs. These costs related to the reinstatement work for damage caused by the adverse weather events that occurred prior to the cyclones. The funding assistance rate from Waka Kotahi ranged from 67 to 87%, where the remaining share was left for Council to fund. The initial response roading costs for Cyclone Hale and Gabrielle were fully funded by Waka Kotahi.

There are accounting write off losses of around $2.7m, mostly relating to bridges that were swept away during Cyclone Gabrielle. These accounting losses were partially offset by accounting gains recognised from the movements in fair value of interest rate swaps, forestry values and carbon credits.

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 $210m, $62m more than what was in the Annual Plan. This increase was mostly due to receiving grants from Waka Kotahi for other emergency related responses.

Total expenditure was $191m, $69.5m more that what was in the Annual Plan. A total of $67m of roading emergency works

was completed during the year, with $51m being spent on fixing the damage from Cyclones Gabrielle and Hale.

A total capital investment programme of $83.6m. Including:

- $15.7m construction costs for the Wastewater Treatment Plant
- $19.7m spent on the Kiwa Pools
- $4m spent on the Waipaoa flood control project.

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.

Cyclone Gabrielle impacts to financial performance

The key financial impacts were

- Reduced income / increased expenditure
- Significant impact on the local roading network.
- Water Supply halted with the water main pipeline being broken in 10 places.
- Wastewater reticulation disrupted by tomos and sink holes
- Damage to Flood Protection
- Welfare response and Recovery Office costs.

During this time Council focused on disaster recovery and supporting the community impacted by these weather events. Several revenue generating services were either temporarily disrupted or made available to the community at reduced or no cost. Activities that were dependent on water were halted, including the Olympic Pools and Water services (commercial water metering).

For the most part, Council costs were covered either from central government and our insurance. However, some costs remain Council only costs, including an insurance deductible of $1.5m and residual $126k that mostly relate to Council's CDEM responsibilities. In addition, there was an accounting write off of $2.7m, mostly relating to the bridges that were damaged or destroyed beyond repair. These costs are likely to be recouped in the future from Waka Kotahi funding.

Capital Investment Programme

Cyclone Gabrielle has impacted the delivery of our capital projects in terms of:

- delay in construction, due to loss of access to the roading network where nil or minimum work could progress
- availability of people, due to redeployment of staff and contractors
- shortages or delays in supply of material
- higher costs of materials due to higher demand

Cyclone Gabrielle cost summary	Actual 2023 $millions
Funding received	
Waka Kotahi subsidy	48.3
Other grants	5.3
Insurance/NEMA proceeds	1.2
Emergency Works incurred	
Roading	48.5
Response	3.4
Three waters + flood control	1.7
Other	2.2
Total surplus/(deficit)	**(1)**
Capital Expenditure	
Roading	2.7
Response	0.1
Three waters + flood control	4.7
	7
Funded by	
Waka Kotahi	2.7
Insurance/NEMA	3.2
Council Contribution	1.5
	7

1. Funding received is $55m. This relates to roading emergency reinstatement as a result of Cyclone Gabrielle ($48m), the initial response and recovery funding $4.0m towards welfare, $1.3 for woody debris and silt removal and $1.2m funding from NEMA and Insurance for repairs to critical infrastructure.

2. Expenditure is $56m. This is consistent with the above additional funding received for costs relating to Cyclone Gabrielle.

3. Capital costs are $6m. This is made up of Roading emergency reinstatement $2.6m and reinstatement of critical infrastructure as a result of Cyclone Gabrielle $4.7m, this includes insurance deductible of $1.5m.

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. To date over 530 payments have been issued, totaling over $2.8m.

Annual Plan

	BUDGET 2022/23 $000s	ACTUAL 2022/23 $000s	VARIANCE FAVOURABLE/ (ADVERSE) $000s
Revenue from Rates	73,979	73,350	(629)
Grants and Subsidies - Operational	12,885	80,487	67,602
Grants, Donations, Subsidies and Contributions - Capital	44,535	42,919	(1,616)
Revenue from Operating Activities	17,037	15,015	(2,022)
Other Gains/(Losses)	(231)	(1,415)	(1,184)
Total Operating Income	**148,205**	**210,355**	**62,150**
Employee Benefit Expenses	30,672	28,965	1,707
Depreciation and Amortisation	24,907	25,966	(1,059)
Operating Activities	61,205	130,997	(69,792)
Finance Costs	4,482	4,886	(404)
Total Operating Expenditure	**121,266**	**190,814**	**(69,548)**
Net surplus/(deficit) before taxation	**26,939**	**19,541**	**(7,398)**
Subvention Income	600	300	(300)
Income Tax Expense (Benefit)	0	0	0
Net Surplus/(Deficit) after Tax	**27,539**	**19,841**	**(7,698)**
Gains/(Losses) on Property Revaluation	62,321	(215,596)	(277,917)
TOTAL COMPREHENSIVE REVENUE AND EXPENSES	**89,860**	**(195,755)**	**(285,615)**

Significant Changes in revenue/expenditure compared to the 2022/23 Budget

	$000s
Higher revenue from grants and subsidies	65,986
Lower employee benefit expenditure	1,707
Total Positive Variances	**67,693**
Less	
Lower gains from infrastructure assets valuations	(277,917)
Lower revenue from operating activities	(2,322)
Lower gains from movement in fair value	(1,184)
Lower revenue from rates	(629)
Higher finance costs	(404)
Higher operating expenditure and depreciation costs	(70,852)
Total Negative Variances	**(353,308)**
TOTAL FACTORS CONTRIBUTION TO THE UNDERLYING VARIANCE	**(285,615)**

Asset Revaluation

The total movement of assets on revaluation are shown in the table below. A loss of $230m was recorded.

The majority of the losses relate to downward movement in land (under roads) and from damage caused by Cyclone Gabrielle.

The majority of losses are on our roads. Water supply mains damage that occurred during the cyclone, was mostly reinstated and paid for by insurance/NEMA. The impairments recorded below, are to those assets that have yet to be reinstated.

Significant changes in gains/(losses) on Revaluations

	$000s
Losses From	
Land under roads	(195,519)
Roading Impairment	(59,876)
Flood Impairment	(2,419)
Water Impairment	(1,981)
Total Negative Variances	(259,795)
Higher values from	
Roading network	25,185
Flood	5,095
Storm	3,371
Water Supply	5,381
Wastewater	5,167
Total Positive Variances	**44,199**
Overall net revaluation	**(215,596)**

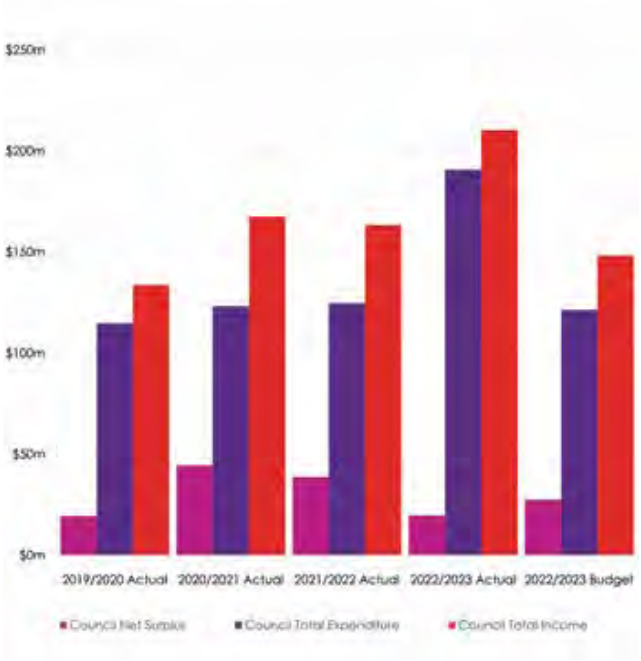
Council sets its operating income at a level to meet each year's operating expenditure. In some cases, this may not be practica or prudent due to the long-term nature of the activity (i.e. wastewater, forestry and soil conservation nurseries) or where there is capital project funding being received as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

Council's budget and actual net surplus for 2022/23 is shown below.

The net surplus for 2022/23 at $19.8m. The overall net surplus is lower than the Annual Plan, mainly due to the timing of capital grants.

The average net surplus over the last five years is $30.6 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 2022/23



Council income

In 2022/23 the Council received income of $210m compared to a budget of $148.2m.

Council 2022/23 income $210.3m



In 2022/23 rates income represents 35% of the total operating revenue. Grants and subsidies income accounts for 59% of total income.

The 2021-2031 LTP average rates income is 60% and grants income is 24%. This year's lower 35% 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.

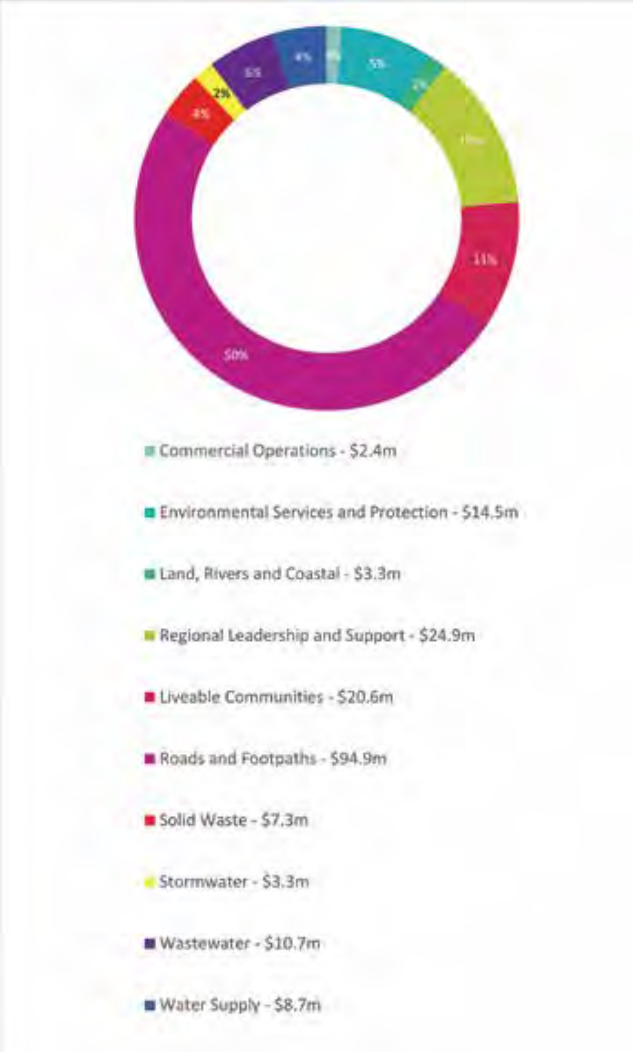
The cost of Council doing its day-to-day business is driven by a number of factors including inflation, debt levels, salary and wages, inflation, amount of assets we own (and therefore have to maintain) and whether the Council increases or decreases the amount of services provided to the community.

As shown by the pie graph below Journeys (Roading), Four Waters, Solid Waste and Environmental Services made up 75% of total operating expenditure of the Council. The roading activity on its own, represents 50% (or $95m) of the total costs.

Council has over $2.6b 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 2022/23 depreciation and amortisation charges totalled $25.9m, this is 14% of our total costs. Repairs and maintenance costs – excluding roading emergency works reinstatement - were $13.3m, or 7% of our total costs.

The total cost of all services were $191m.



Council debt

Council has debt of $124.8m, $7.7m lower than the LTP. Lower debt was driven by timing of capital projects and having more cash on hand due to grants being received in advance of the capital programme.



Council capital expenditure

During the year we spent $83.6m of capital investment on our existing and new assets against the LTP budget of $99m.

Key highlights included:

- $15.7m spent on Wastewater Treatment Plant.
- $19.7m spent on the Kiwa Pools.
- $19.8m of capital investment spent on our roading network.
- $4m spent on the Waipaoa flood control project.
- $2.9m of Cyclone damage reinstatement for the Water mains supply.
- $1.6m Muriwai Pipeline and reticulation.



Council's Five Year Financial Performance Summary

	2019	2020	2021	2022	2023
Public Debt ($000)	58,280	58,600	68,600	85,700	124,800
Net Surplus/(Deficit)	18,280	19,464	44,621	38,796	19,841
Total Comprehensive Revenue and Expenses	78,814	156,377	118,097	374,180	(195,755)
Net debt as a % of equity <10%	2.77%	2.59%	2.88%	3.11%	4.88%
Net interest as a % of income <10%	1.77%	1.47%	1.29%	1.30%	1.75%
Total debt per capita <$1700	$1,335	$1,342	$1,365	$1,664	$2,395
Working Capital (excluding current portion of public debt)	1,093	(1,261)	(3,589)	(4,450)	(751)
TOTAL CAPITAL EXPENDITURE	$42,830	$47,427	$78,603	$79,010	$83,562

Statement of comprehensive income

	Council			Group	
	Actuals 2022/23 $000s	***Budget 2022/23 $000s***	***Actual 2021/22 $000s***	***Actual 2022/2023 $000s***	***Actual 2021/2022 $000s***
Revenue					
Rates (Including Metered Water Rates)	73,350	73,979	69,387	73,076	69,121
Grants & Subsidies	123,406	57,420	77,468	126,168	77,468
Development Contributions	1,864	1,622	914	1,864	914
Dividends & Interest	1,180	1,600	1,806	1,194	147
Other Revenue	11,971	13,815	11,227	22,035	21,120
Other Gains/(Losses)	(1,415)	(231)	2,473	(3,776)	3,325
Total Revenue	**210,355**	**148,205**	**163,275**	**220,562**	**172,095**
Expenses					
Employee Benefit Expenses	28,965	30,672	26,221	31,975	29,270
Depreciation and Amortisation	25,966	24,907	23,226	27,126	24,404
Expenditure on Operating Activities	130,997	61,205	73,182	135,547	76,601
Finance Costs	4,886	4,482	2,050	5,503	2,430
Total Expenditure	**190,814**	**121,266**	**124,679**	**200,151**	**132,705**
Net surplus/(Deficit) before Tax	**19,541**	**26,939**	**38,596**	**20,411**	**39,390**
Subvention Payment GHL	300	600	200	0	0
Income Tax Expense (Benefit)	0	0	0	421	1,294
Net Surplus/(Deficit) after Tax	**19,841**	**27,539**	**38,796**	**19,990**	**38,096**
Other Comprehensive Income					
Gains/(Loss) on Property Revaluations	(215,596)	62,321	335,384	(243,496)	387,555
Deferred Tax on Building Revaluations	0	0	0	(832)	(60)
Total Other Comprehensive Income	**(215,596)**	**62,321**	**335,384**	**(244,328)**	**387,495**
Total Comprehensive Income	**(195,755)**	**89,860**	**374,180**	**(224,338)**	**425,591**

Statement of financial position

	Council			Group	
	Actuals 2022/23 $000s	Budget 2022/23 $000s	Actual 2021/22 $000s	Actual 2022/2023 $000s	Actual 2021/2022 $000s
Total Current Assets	78,421	37,681	39,711	80,979	42,393
Total Non-current Assets	2,687,078	2,709,870	2,849,348	2,790,461	2,983,632
Total Assets	**2,765,499**	**2,747,551**	**2,889,060**	**2,871,439**	**3,026,025**
Total Current Liabilities	94,172	47,489	59,661	96,111	74,483
Total Non-current Liabilities	112,708	141,717	75,025	128,473	80,346
Total Liabilities	**206,880**	**189,206**	**134,685**	**224,584**	**154,829**
Total Equity	**2,558,619**	**2,558,345**	**2,754,374**	**2,646,856**	**2,871,194**

Statement of changes in equity

	Council			Group	
	Actuals 2022/23 $000s	Budget 2022/23 $000s	Actual 2021/22 $000s	Actual 2022/2023 $000s	Actual 2021/2022 $000s
Equity at the beginning of the year	**2,754,374**	**2,468,485**	**2,380,194**	**2,871,194**	**2,445,604**
Total Comprehensive Income	(195,755)	89,860	374,180	(224,338)	425,591
Transfer to Retained Earnings	0	0	0	0	0
Total Changes in Equity	**(195,755)**	**89,860**	**374,180**	**(224,338)**	**425,591**
Accumulated Funds and Retained Earnings	534,082	575,479	514,910	539,742	520,421
Special Funds and Reserves	53,188	32,477	52,250	53,188	52,250
Revaluation Reserves	1,971,349	1,950,389	2,187,214	2,053,926	2,298,524
Total Equity Closing Balances	**2,558,619**	**2,558,345**	**2,754,374**	**2,646,856**	**2,871,194**

Cashflow statement

	Council			Group	
	Actuals 2022/23 $000s	Budget 2022/23 $000s	Actual 2021/22 $000s	Actual 2022/2023 $000s	Actual 2021/2022 $000s
Net Cash from Operating Activities	69,298	52,014	50,901	72,249	50,546
Net Cash from Investing Activities	(87,467)	(98,861)	(79,779)	(85,798)	(75,978)
Net Cash from Financing Activities	39,100	46,848	17,100	34,509	16,103
Net Increase/(Decrease) in Cash	20,931	1	(11,777)	20,960	(9,328)
Cash at the beginning of the year	7,797	19,575	19,575	10,249	19,577
Cash at the end of the year	**28,728**	**19,576**	**7,797**	**31,209**	**10,249**

How do we compare?

	Gisborne 2023 $000s	Gisborne 2022 $000s	Nelson 2022 $000s	Tasman 2022 $000s	Marlborough 2022 $000s
Total Operating Income	210,355	163,275	156,967	252,711	208,307
Income from Rates	73,350	69,387	74,123	82,308	75,882
Total Operating Expenditure	190,814	124,679	133,437	160,102	146,277
Total Liabilities	206,880	134,685	190,606	279,322	171,306
Total Assets	2,765,499	2,889,060	2,192,463	2,417,159	2,073,454
External Debt	124,800	85,700	150,650	239,973	137,433

Notes: This summary has been prepared in accordance with PBE Financial Reporting Standard 43: Summary Financial Statements. The disclosures included in this summary have been extracted from the full financial statements in the Annual Report and cannot be expected to provide as complete an understanding as the full report. The full Annual Report adopted by Council on 12 October 2023 has received an unqualified audit opinion. The full Annual Report is available free of charge from Council's website (www.gdc.govt.nz). A copy of the full report is held at the Council offices, Te Puia Springs service centre and the HB Williams Memorial Library. The Council has complied with Tier 1 PBE Standards, and other applicable Financial Reporting Standards, as appropriate for public benefit entities. These standards represent generally accepted accounting practice in New Zealand. They prescribe the way we must recognise and disclose all financial transactions in our financial accounts. A statement of compliance can be found in the full Annual Report on page 142. Gisborne District Council is a unitary authority governed by the Local Government Act 2002. These summary financial statements of the Group are for the year ended 30 June 2023. The summary financial statements were authorised for issue by the Chief Executive on 12 October 2023. The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000).

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

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GDC Fix app

2022/23 Annual Report
Content correct as of 12 October 2023

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

23-234

Title: 23-234 Disaster Relief Trust Annual Report

Section: Finance & Affordability

Prepared by: Ally Campbell - Executive Policy Advisor

Meeting Date: Thursday 12 October 2023

Legal: Yes	Financial: Yes	Significance: Low

Report to COUNCIL/TE KAUNIHERA for decision

PURPOSE - TE TAKE

The purpose of this report is to present the Gisborne District Disaster Relief Trust's 2022/23 Annual Report for adoption.

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

The Trust was established in 2008 to provide a means of receiving donations following a disaster, and dispersing funds for welfare purposes. The Trust is registered as a Charitable Trust, and it is also a Council Controlled Organisation.

All public donations received were managed and administered through the Gisborne District Disaster Relief Trust (the Trust) to ensure that the funding was provided to those who needed it, and to ensure that clear records were kept of how the funding was managed and applied.

This year, over $3m in public donations was received and managed by the Trust to the end of June. Through the Trust, over 300 individual applications have been supported and financial assistance has been provided to over 220 owners of red or yellow stickered homes. This funding has helped support property owners to cover repair costs and find alternative options.

Public donations are still being received post 30 June and this funding will continue to be applied based on the objective of the Trust for ongoing and future hardships experienced (including emerging further red and yellow stickered properties).

At the time of compiling this report, the audit is still in progress but will be completed by the date of this Council meeting. Any changes to the Annual Report arising from Ernst Young's final review process will be tabled on the day.

The Gisborne District Disaster Relief Trust's 2022/23 Annual Report has been included as attachment 1.

The decisions or matters in this report are considered to be of Low significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Adopts the Disaster Relief Trust Annual Report for the year ended 30 June 2023, subject to any audit or minor changes, including formatting grammatical and typing errors.

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Gisborne District Disaster Relief Trust Annual Report 2022/23, Cyclone Hale, Cyclone Gabrielle, Emergency Response, Funding

BACKGROUND - HE **WHAKAMĀRAMA**

1. The Gisborne District Disaster Relief Trust (the Trust) was established by Gisborne District Council on 28th February 2008.
2. The Trust is registered as a charitable trust under the Charities Act 2005 (CC 26728).
3. The charitable purpose of the Trust is "to provide financial and any other relief or assistance to meet the welfare and other needs of people who have suffered damage or loss following a natural or man-made disaster in the Gisborne District or elsewhere in New Zealand."
4. The Trust is a Council Controlled Organisation (CCO) under the Local Government Act 2002.
5. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) as defined in the Public Audit Act 2001, and all Offices of Parliament.
6. The Trust Deed includes the following relevant provisions:
    a. The Trust Deed provides for the Council to appoint at least two Administrative Trustees who may be employees of the Council. The two current Administrative Trustees are Ben Green – Civil Defence Emergency Manager, and Nedine Thatcher Swann – Chief Executive.
    b. The Administrative Trustees do not have the mandate to participate in decisions around the granting of funds.
    c. The Trustees may include no more than two Citizen Trustees who are not elected officials but are resident in the Gisborne district.
    d. There may be up to five Elected Trustees including the Gisborne District Council Mayor and four Gisborne District Councillors. They will cease to hold office if they no longer hold an elected member of Council. The two current Elected Trustees are the Mayor Rehette Stoltz and Councillor Rhonda Tibble.
7. The Annual Report is the Trust's key accountability document. It sets out what we have achieved in the last year, explains how we managed the funding received, and the value the community received in return.
8. The attached 2022/23 Annual Report also outlines the Trusts Service Performance statement, including the Trusts mission, main sources of funding, framework, grants distributed and support provided.

DISCUSSION and OPTIONS - WHAKAWHITINGA **KŌRERO** me **ngā KŌWHIRINGA**

Disaster Relief Trust 2022/23 Annual Report Key Highlights

9. As the 2022/23 year unfolded, Te Tairāwhiti region faced significant challenges as a result of repeated extreme weather events hitting the region, resulting in 3 separate Civil Defence Emergency Response Declarations. In particular, Cyclones Hale and Gabrielle occurred within 6 weeks of each other and caused widespread flooding and damage to properties, roads and other vital infrastructure.

10. The subsequent damage and loss of homes following these weather events was significant, and the region was gratefully supported by numerous public donations across New Zealand from people wanting to support our community's efforts to recover.

11. All public donations received were managed and administered through the Gisborne District Disaster Relief Trust (the Trust) to ensure that the funding was provided to those who needed it, and to ensure that clear records were kept of how the funding was managed and applied.

12. This year, over $3m in public donations was received and managed by the Trust to the end of June. Through the trust, over 300 individual applications have been supported and financial assistance has been provided to over 220 owners of red or yellow stickered homes. This funding has helped support property owners to cover repair costs and find alternate options.

13. Public donations are still being received post 30 June and this funding will continue to be applied based on the objective of the Trust for ongoing and future hardships experienced (including emerging further red and yellow stickered properties).

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o **NGĀ** HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation
Overall Process: Low Significance
This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan
Overall Process: Low Significance
This Report: Low Significance

Inconsistency with Council's current strategy and policy
Overall Process: Low Significance
This Report: Low Significance

The effects on all or a large part of the Gisborne district
Overall Process: Low Significance
This Report: Low Significance

The effects on individuals or specific communities
Overall Process: Medium Significance
This Report: Low Significance

The level or history of public interest in the matter or issue
Overall Process: Medium Significance
This Report: Low Significance

14. The decisions or matters in this report are considered to be of Low significance in accordance with Council's Significance and Engagement Policy.

COMMUNITY ENGAGEMENT - **TŪTAKITANGA** HAPORI

15. The funding assistance from Disaster Relief Trust available to residents of Tairāwhiti were widely published; on our website, through advertising, and through active encouragement from within our Recovery Office. Formal applications closed end of April 2023. All funds received before June 2023, have been fully distributed.

16. While there has been subsequent funding of $400k on 27 June, and any other public donations, these funds will be applied based on the objective of the Trust for ongoing and future hardships experience (including further red and yellowed stickered properties.

CONSIDERATIONS - HEI WHAKAARO

Financial – Audit Process

17. The Disaster Relief Trust as a small Council Controlled Organisation (CCO), may by Council resolution, obtain an exemption from being classified as a CCO for financial reporting purposes.

18. The exemption has been granted in the past by taking into account the nature of the activities provided by the Disaster Relief Trust and the costs and benefits to the local authority and the community as per section 7(5) of Local Government Act 2002. This helps to avoid the complexities in the consolidation process between Council and Group reporting, which occurs at the end of the financial year when preparing the Annual Report.

19. Council approved to extend the exemption for reporting for three years, at the Finance & Performance Committee on 7 December 2022 [22-247].

20. The exemption is only valid if the funds are below a material threshold.

21. As the annual expenses and revenue exceeded $2m, and in line with the Account Standards Framework, for 2022/23 the Disaster Relief Trust will be reported as a CCO. It will also be consolidated under the Gisborne District Council Group, along with Council results, and Gisborne Holdings Limited.

22. The Disaster Relief Trust has also been separately audited by Ernst Young New Zealand.

Legal

23. Only Elected and Citizen Trustees can decide to make a donation or gift out of any property or money of the Trust (clause 5.2 of the Trust Deed).

NEXT STEPS - **NGĀ** MAHI E WHAI AKE

Date	Action/Milestone
October 2023	2022/23 Annual Report Adopted and made available on Council website.
October	Release to media thanking for all the support and public donations.

ATTACHMENTS - **NGĀ TĀPIRITANGA**

1. Attachment 1 - GDC Disaster Relief Trust Annual Report 2023 [23-234.1 - 10 pages]

The Gisborne District Disaster Relief Trust

ANNUAL REPORT

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL



The Gisborne District Disaster Relief Trust
ANNUAL REPORT

A message from our Trustees

As the 2022/23 year unfolded, Te Tairāwhiti faced huge and unexpected challenges when multiple extreme weather events hit the region, triggering 3 separate Civil Defense Emergency Response Declarations.



Mayor
Rehette Stoltz



Councillor
Rhonda Tibble

In early 2023, Cyclones Hale and Gabrielle arrived within 6 weeks of each other, causing a devastating amount of damage. The aftermath of these events left widespread flooding in their place, causing damage to properties, bridges, roads, and other vital infrastructure, and in some cases, leaving entire communities isolated.

Our community could not have remained in good spirits whilst facing so much devastation without the kindness and generosity of others, and in particular, without the generosity shown by those who donated to the Disaster Relief Trust.

The Disaster Relief Trust was established with the intention of being a public fund which anyone could donate to, to provide support and assistance to the Te Tairāwhiti community following emergency events and disasters.

This year, we received over $3 million in public donations to the Disaster Relief Trust, with the majority of donations being made after Cyclone Gabrielle. The impact these donations have had on our community cannot be understated, as has been expressed in the many thank you letters Council has received since funds were distributed.

The function of this Trust and the donations received helped provide financial assistance to those who had been displaced, and those whose homes had suffered significant damage as a result of the severe weather events.

On behalf of Gisborne District Council and the Te Tairāwhiti community, we wish to thank everyone who has donated to the Disaster Relief Trust this year and helped provide generous support for our community at a time when it has been much needed.

We invite you to read our Disaster Relief Trust Annual Report and join us in acknowledging the incredible support and generosity our community has received during such difficult times.

For full details on our Annual Plan please see our website
www.gdc.govt.nz/council/plans-policies-and-bylaws/2023-24-annual-plan

Thank you from our Community

Kia Ora Team
I can't thank you enough.
No words but I would hug you all xx
Nga Mihi

Our Year

Cyclones Hale and Gabrielle caused unprecedented levels of damage to regional infrastructure such as roading, bridges and water supplies, and led to whole communities, families and individuals being isolated and even evacuated from their homes.

Subsequent residual residential damage and loss of homes was significant, and the region was gratefully supported by numerous public donations across New Zealand from people wanting to support our community's efforts to recover.

We received over $3m in public donations. In June 2023, we had received a large donation of $400k. The majority of the funds, $2.6m have been distributed by 30 June 2023

All public donations received were managed and administered through the Trust to ensure that the funding was provided to those who needed it, and to ensure that clear records were kept of how the funding was managed and applied.

An application process was set up so that those members of the community who had experienced personal hardship as a result of the repeated weather events could apply for assistance. Further direct assistance was provided to residential property owners whose homes were either red or yellow stickered. Funding criteria was developed for assessing individual applications, based on the level of hardship experienced relative to others and to the amount of funding available.

These criteria enabled Council to ensure that each applicant would be supported fairly and consistently, regardless of when applications were received. This last outcome was achieved by widely publicizing the availability of the Fund and how to apply and included a closing date that gave everybody affected fair opportunity to apply. This enabled the Trust to consider all applications together alongside the funding available.

We followed a robust process, where each application and needs of our community were assessed, matching our funding framework with the funds that the Trust had available.

This process enabled over 300 individual applications to be supported and over 220 owners of red or yellow stickered homes to receive funding to assist them either repair their homes or find alternate options.

Thank you from our Community

Thank you so much for your help and support. I really appreciate it. A weight lifted off my shoulders. I can't thank you enough.
Ngā mihi

The Fund primarily supported applicants with property repairs and replacement of possessions, restoring access to homes to enable people to move out of emergency accommodation and with direct financial support for the additional costs people were experiencing as a result of the disruption caused by the weather events.

Funding was directed to those areas of the region most directly impacted by the weather events. This included the communities at Te Karaka, along the Coast north of Gisborne city, parts of Gisborne city itself and at Manutuke and Tiniroto.

Public donations are still being received post 30 June and this funding will continue to be applied based on the objective of the Trust for ongoing and future hardships experienced (including emerging further red and yellow stickered properties).

Service Performance Statement

Mission

To provide financial and any other relief or assistance to meet the welfare and other needs of people who have suffered damage or loss following a natural or man-made disaster in the Gisborne District or elsewhere in New Zealand.

Main sources of funding

The Disaster Relief Trust primary sources of funding are grants and donations. These were received from a variety of sources including:

- Givealittle
- General Public
- New Zealand Business Community
- External fundraising events and
- Central Government Grants.

Thank you from our Community

Thank you so much, my family will appreciate this help assistance. We are so grateful for your help, Again thank you and God bless.

Framework

The Disaster Relief Trust funds were to provide financial support to residents of Tairawhiti who had been affected by Cyclone Gabrielle. The payment was a one-off hardship grant for damage caused to residential properties and personal property because of the Cyclone.

All claims are supported by providing documentation and where necessary quotes or invoices. As there were unprecedented needs from our community, the Trust developed a framework for prioritizing where the funds would be spent. When an application is received, the team checks to ensure that the need is consistent with the framework.

More qualitative measures were added to include details of the type of damage and location. This allowed the team to provide a consistent approach across the applications.

Key principals to qualify for distributions from the Disaster Relief Trust:

- You are an individual, Community group, Family, Organisation or Marae that has been impacted by Cyclone Gabrielle for example have suffered losses due to flooding or silt.
- You are experiencing hardship because of Cyclone Gabrielle at the time of your application.
- You are a resident (owner/Occupier) or ratepayer in one of the worst hit areas at the time of the event.
- For private home contents including chattels, essential household items and essentials of daily life (food, accommodation, utilities) which includes vehicles, travel impacts and ability to earn income.
- For family or personal crisis support that is not covered by any other source e.g., Insurance, or by another agency or fund such as Ministry of Social Development (MSD).

Thresholds:

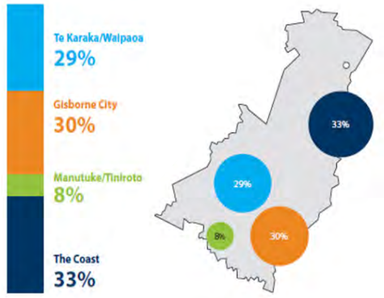
- $1,000 for individuals.
- $2,000 for community groups and Marae.
- Up to $20,000 depending on the extent of damage.

Other factors and considerations were:

- Hardship
- No access to other funding including but not limited to insurance, Work and Income Payment for hardship.
- Whether the property had a red or yellow sticker
- Type and level of damage experienced

Grants distributed

Individual applications r0eceived by location.



417 individual applications received as at 30 June 2023

304 applications paid
36 for payment
206 being assessed

29 **204**
233 red and yellow stickered properties

Support

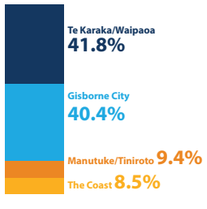
The Trust provided people with funding to assist with basic needs for essential items such as food, clothes, bedding, accommodation, and utilities. Also, to help assist in the reinstatement of damaged essential infrastructure such as water tanks and property access.

A dedicated team of 15 people within the Council was stood up to process and assess applications for funding assistance based on a set of criteria established to provide consistency across applications.

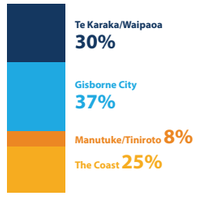
A secondary internal assessment panel reviewed applications before these were put forward to the Mayor and Councillor Tibble for approval and payment.

Type of Damage Experienced

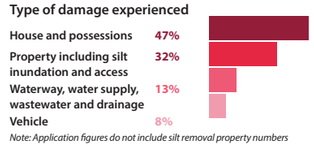
Red and yellow stickered paid out by location to date



Funds paid to applicants by location to date
Note: These figures will change as more applications are processed



Type of damage experienced



Note: Application figures do not include silt removal property numbers



The Gisborne District Disaster Relief Trust

ANNUAL REPORT

Charity Summary

Legal name of the charity:	***The Gisborne District Disaster Relief Trust***
Charitable Purpose:	*To provide financial and any other relief or assistance to meet the welfare and other needs of people who have suffered damage or loss following a natural or man-made disaster in the Gisborne District or elsewhere in New Zealand.*
Status:	*Registered*
Date:	*27/06/2008*
Registration number:	*CC26728*
Annual Return Due Date:	*31/12/2023*
Address for service Charity's street address:	*15 Fitzherbert Street Gisborne*
Charity's postal address:	*P O Box 747 Gisborne 4040*
Areas of Operation:	*Gisborne*
Elected Trustees:	***Elected Trustees:*** *Rehette Stoltz Rhonda Tibble*
Administrative Trustees:	*Nedine Thatcher Swann Benjamin Robert John Green*

The Gisborne District Disaster Relief Trust

Statement of Comprehensive Income for the year ended 30 June 2023

Income	Note	2023 $	2022 $
Interest Revenue		13,085	958
Donations	10	3,019,448	50,604
Total Operating Income		**3,032,533**	**51,562**
Grants Paid	11	2,618,766	-
Provision for Unused Donations	12	407,767	-
Audit Fees	9	6,000	-
Total Operating Expenditure		**3,032,533**	**0**
Net Surplus/(Loss) before Taxation		**0**	**51,562**
Income Tax Expense		-	-
Net Surplus after Taxation		**0**	**51,562**
Total Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss)		**0**	**51,562**
Total Comprehensive Income/(Loss) Attributable to:			
The Gisborne District Disaster Relief Trust		-	51,562
		0	**51,562**

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

Thank you from our Community

Thankyou for your email and donation toward our severely impacted property. It is most appreciated. We realize how hard you all work and look forward to the community getting back on its feet.

The Gisborne District Disaster Relief Trust

Statement of Financial Position as at 30 June 2023

Current Assets	2023	2022
Current Account	538,255	124,489
Total Assets	**538,255**	**124,489**
Trade Payables and Accruals	413,767	0
Total Liabilities	**413,767**	**0**
Net Assets (Equity)	**124,489**	**124,489**
Trust Equity		
Contributed Capital	60,912	60,912
Retained surpluses	63,577	63,577
Total Equity	**124,489**	**124,489**

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

Authorised for and on behalf of The Gisborne District Disaster Relief Trust on <Date>.

Nedine Thatcher Swann
Administrative Trustee

Benjamin Robert John Green
Administrative Trustee

Thank you from our Community

Kia ora
What welcome news. Thank you so very, very much. We are most grateful and sincerely thank you and all who contributed to the fund. This will be a great help with some hefty expenses once we can move forward. Apparently it will be many months before we can return to our home. We really do so much appreciate.

The Gisborne District Disaster Relief Trust

Statement of Changes in Equity for the year ended 30 June 2023

	2023	2022
	$	$
Opening Capital Balance	124,489	72,927
Plus: Contributed Capital - Transfer from Mayoral Relief Fund	-	-
Plus: Net Surplus/(Loss) for the Year and Total Comprehensive Income	-	51,562
Closing Capital Balance	**124,489**	**124,489**
Attributable to:		
The Gisborne District Disaster Relief Trust	**124,489**	**124,489**

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

Thank you from our Community

THANK YOU, We humbly thank you for the gift from the people of Gisborne This has made a huge impact on making our lives easier Thank You

The Gisborne District Disaster Relief Trust

Notes to the Financial Statements

For the Year Ended 30 June 2023

Note 1. Statement of Accounting Policies

Reporting Entity

The Gisborne District Disaster Relief Trust (the Trust) was established by Gisborne District Council on 28th February 2008.

The Trust is registered as a charitable trust under the Charities Act 2005 (CC 26728).

The primary objective of the Trust is to meet the welfare and other needs of people who have suffered damage or loss following a natural or man-made disaster in the Gisborne District or elsewhere in New Zealand.

The Trust is a Council Controlled Organisation (CCO) under the Local Government Act 2002.
Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) as defined in the Public Audit Act 2001, and all Offices of Parliament.

The financial statements of the Trust are for the year ended 30 June 2023. The financial statements were authorised for issue by the Board of Trustees on <Date>.

Thank you from our Community

I want to thank you very much for the $13,000 received yesterday. The support and assistance is very much appreciated by my family and will help the rebuild.

Basis of Preparation

Statement of Compliance

The entity has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses of less than $2,000,000.

Annual expenses exceeded $2,000,000 for the first time during the year ended 30 June 2023 due to repeated severe weather events. In line with the guidance provide in EG A1 Guide to Application of the Accounting Standards Framework paragraph 85, the Trustees elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector).

All transactions in the Performance report are reported using the accrual basis of accounting. The performance report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The 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 in New Zealand (NZ GAAP).

There has been no impact on the measurement and recognition of amounts as a result of transition to PBE SFR-A (PS).

Measurement Base

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency is New Zealand dollars.

Specific Accounting Policies

Revenue

Donations

Where assets are acquired for nil or nominal consideration, the fair value of asset received is recognised as revenue in the Statement of Comprehensive Income.

Interest

Interest income is recognised using the effective interest method.

Goods and Services Tax

All amounts are shown inclusive of goods and services tax (GST). The Trust is not registered for GST.

Income Tax

The Trust is a registered charity under the Charities Act 2005 and therefore is exempt from income tax.

Financial instruments – Financial Assets

The Trust presently has the following categories of financial assets:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Trust's current account – GDC is designated as loans and receivables. The Trust's loans and receivables are recognised initially at fair value, and subsequently carried at amortised cost.

Trustees

Trustees can be made up of Elected Trustees, Citizen Trustees and Administrative Trustees. Administrative Trustees have no power to make a decision in the granting of funds.

Note 2. Commitments & Contingent Liabilities

At balance date, the Trust had no outstanding commitments or contingencies (2022: Nil)

Note 3. Capital Expenditure Commitments

There are no commitments for capital expenditure at the balance date. (2022: Nil)

Note 4. Related Party Transactions

The trust was settled by the Gisborne District Council. The trust assets are represented by an interest-bearing loan to GDC.

Note 5. Remuneration

There has been no remuneration paid to Trustees (2022: Nil)

Note 6. Significant events after Balance Date

There has been no significant events after Balance Date (2022: Nil)

Note 7. Categories of Financial Instruments

	2023	2022
	$	$
Financial Assets (IAS39)		
Current Assets		
Current Account	538,255	124,489
Loans and Receivables at Amortized Cost	**538,255**	**124,489**

Note 8. Financial Instrument Risk

The Trust has policies to manage the risk associated with financial instruments. The Trust is risk averse and seeks to minimise exposure from its treasury activities. These policies do not allow any transactions that are speculative in nature to be entered.

Fair Value

Fair value is the amount for which an item could be exchanged, or a liability settled between knowledgeable parties in an arm's length transaction. The fair values of all financial instruments equate to the carrying amount recognised in the Statement of Financial Position.

For financial instruments held at the balance date, the Trust has no exposure to market risks on those financial instruments that give rise to an impact on the surplus/deficit and equity.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Trust, causing the Trust to incur a loss.

The Trust's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of its current account - GDC.

Liquidity Risk

Liquidity risk is the risk arising from unmatched cash flows and maturities. On a cash flow basis, the trust maintains sufficient funds to cover all obligations as they fall due.

Note 9. Audit Fees

A Deed of Variation of Trust Deed was signed 21 July 2016 to amend Clause 13.2 of the Trust Deed. The amended Clause 13.2 reads: "All accounts shall be audited as part of the Council audit process unless the trustees pass a resolution that no audit be undertaken, and an audit is not otherwise required by the Charities Act 2005 (or any legislation in replacement of this Act). The Trustees reviewed the financial transactions of the Gisborne District Disaster Relief Trust for the year ended 30 June 2023.

As there have been significant transactions during the year and In accordance with the amended clause 13.2 of the Gisborne Disaster Relief Trust Deed, the trustees resolve that an audit is undertaken of the financial statements for the year ended 30 June 2023.

Thank you from our Community

On behalf of our whanau, I would like to express our sincere thanks and gratitude for helping during this stressful time. It feels like a heavy weight lifted off our shoulders. We can now endeavour to bring our home back up to acceptable standard. Naku noa

Note 10. Donations

Donations received to support those affected by Cyclone Gabrielle were $3.019m.

Note 11. Grants Paid

A total of $2.6m was paid out for over 400 applicants and 200 stickered properties.

Note 12. Provision for Unused grants

A late donation was received for $400k was received on the 27 June. These donations will be used towards further applicationsincluding stickered properties.

Note 13. Capital Management

The Trust's capital is its equity, which comprises Trust capital and retained surpluses. Equity is represented by net assets. The Trust deed requires the Board of Trustees to manage its revenues, expenses, liabilities, assets, investments and general financial dealings prudently. The Trust's equity is largely managed as a by-product of managing revenues, expenses, liabilities, assets, investments and general financial dealings. The objective of managing the Trust's equity is to ensure the Trust effectively achieves its objectives and purpose, whilst remaining a going concern.

Note 14. Compliance with the Local Government Act 2002 (LGA 2002)

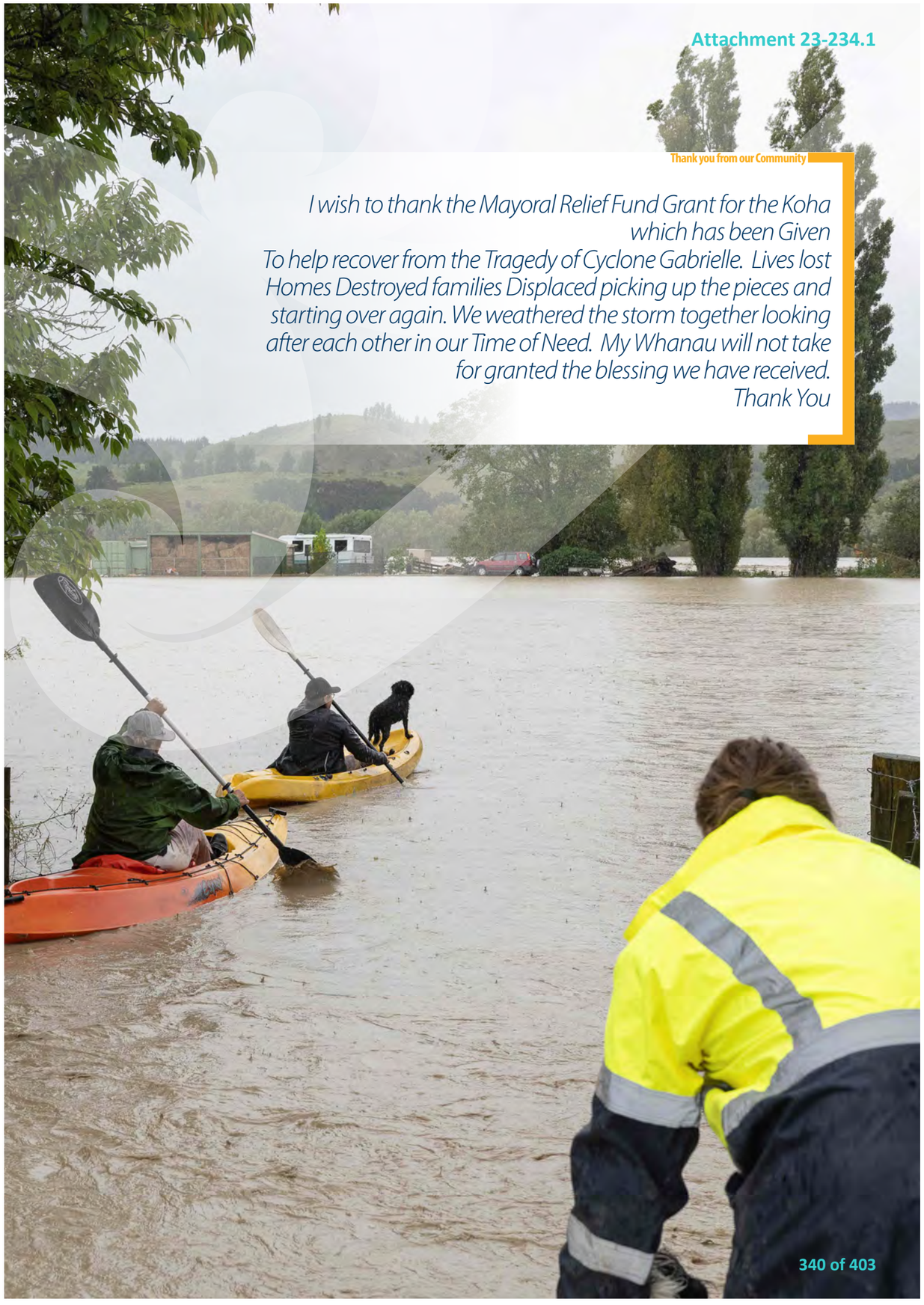
The Gisborne District Council resolved on 7 November 2022 to exempt the Trust from the Council Controlled Organisation (CCO) reporting requirements of the LGA 2002. The exemption expires 7 November 2025. This exemption was granted taking in to account the nature of the activities provided by the Gisborne District Disaster Relief Trust and the costs and benefits, to the local authority, the council-controlled organisation, and the community as per section 7(5) of LGA 2002. Under this exemption, the Trust does not need to provide a Statement of Intent (SOI) nor report on the comparison of the performance of the Trust with the SOI and explain any material variances between actual performance and the SOI as required by sections 64, 67 and 68 of the LGA 2002.

Thank you from our Community

That's great news, thank you.
Kia ora we are so grateful to you all
Arohanui to you all
Nga Mihi

Thank you from our Community

Thank you so much for your help and support. I really appreciate it. A weight lifted off my shoulders. I can't thank you enough.
Ngā mihi



Thank you from our Community

I wish to thank the Mayoral Relief Fund Grant for the Koha which has been Given
To help recover from the Tragedy of Cyclone Gabrielle. Lives lost Homes Destroyed families Displaced picking up the pieces and starting over again. We weathered the storm together looking after each other in our Time of Need. My Whanau will not take for granted the blessing we have received.
Thank You



The Gisborne District Disaster Relief Trust

ANNUAL REPORT

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

23-221

Title:	23-221 The Longline Classic - Temporary Alcohol Ban at Midway Beach
Section:	Compliance Monitoring & Enforcement
Prepared by:	Vincenzo Petrella - Environmental Health Team Leader
Meeting Date:	Thursday 12 October 2023

Legal: Yes	Financial: No	Significance: Low

Report to COUNCIL/TE KAUNIHERA for decision

PURPOSE - TE TAKE

The purpose of this report is to seek approval from Council, for one temporary alcohol ban during The Longline Classic event (TLC), as requested by the New Zealand Police (Police). The ban, if granted, will be in force from Saturday 21 to Sunday 22 October 2023.

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

The Police have requested the temporary alcohol ban (see Attachment 1) because in previous events the presence of such a ban minimised the effects of having large gatherings of people consuming high volumes of alcohol within the surrounding reserves.

Therefore, the proposed temporary alcohol ban is to protect the Midway Beach area and environs surrounding the Soundshell during the long line event. The subject area for this proposed ban is the area bounded by Awapuni Road, Pacific Street, Centennial Marine Drive, Beacon Street, Salisbury Road and Midway Beach (see Attachment 2).

The duration of the ban sought for this area is 8am on Saturday 21 October 2023 to 8am on Sunday 22 October 2023. This temporary ban is used regularly for music events at the Soundshell and covers exactly the same area as the Gisborne District Alcohol Control Bylaw's Christmas ban for the Midway Beach area.

The decisions or matters in this report are considered to be of Low significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Exercises its power under clause 7.1 of the Gisborne District Alcohol Bylaw to prohibit the consumption, bringing into or possession of alcohol:

    a) From 8am on 21 October 2023 to 8am on 22 October 2023 in the areas shown on the map in Attachment 2 being the area bounded by Awapuni Road, Pacific Street, Centennial Marine Drive, Beacon Street, Salisbury Road and Midway Beach.

Authorised by:

James Baty - Director Internal Partnerships & Protection

Keywords: temporary alcohol ban, Longline Classic Event, Alcohol Bylaw

BACKGROUND - HE **WHAKAMĀRAMA**

1. Clause 7.1 of the Gisborne District Alcohol Control Bylaw 2015 (Bylaw) allows Council, by resolution, to make a restricted area prohibiting or restricting the consumption, bringing into or possession of alcohol in public places, for the purpose of regulating or controlling a large-scale event ("large scale event alcohol ban").

2. Police have requested that Council impose a temporary large scale event alcohol ban to prohibit the consumption, bringing into or possession of alcohol in areas surrounding TLC 2023.

3. The Police have made the request because in previous events held at the Soundshell the presence of the ban showed to reduce episodes where members of the public are subjected to incidents involving threats and disorder from intoxicated people.

4. Police advise they will have enough resources to enforce the ban in the proposed areas provided that the Council displays adequate signage warning people of the ban.

5. Police are the enforcement agency ensuring compliance with this Bylaw. The maximum infringement fine for the breach of the alcohol ban is $250. Staff believe that the proposed bans will provide an additional tool to assist the Police in dealing with alcohol-related disorder issues and minimising alcohol-related harm and our recommendation is to support this application.

DISCUSSION and OPTIONS - WHAKAWHITINGA **KŌRERO** me **ngā KŌWHIRINGA**

6. Before making a large-scale event alcohol ban the Council must be satisfied that the proposed ban meets the following requirement under clause 7.2 of the Bylaw:

    a. Is for a large event and not suitable for consideration for a permanent ban (clause 7.2(a)).

        - The proposed temporary ban is to support large events and would not currently be suitable for a permanent ban, as the areas of the bans have changed over the last few years in response to issues arising. However, when the Alcohol Control Bylaw 2015 is reviewed, these areas could be considered for permanent inclusion.

    b. Gives effect to the purpose of the Bylaw (clause 7.2(b)).

        - The purpose of the Bylaw is to regulate and control the consumption of alcohol in public places, the bringing of alcohol onto public places and the possession of alcohol in public places to reduce the incidents of alcohol-related harm.

        - The proposed temporary ban will help to reduce the incidents of alcohol-related harm arising from the large-scale events in Gisborne.

c. The decision-making process complies with the decision-making requirements of Subpart 1 Part 6 of the Local Government Act 2002 (LGA) (Bylaw - clause 7.2(c)).

- Subpart 1 of Part 6 of the LGA requires Council to consider the views and preferences of persons likely to be affected by, or have an interest in, the matter (s.78) and the principles of consultation (s.82).
- Council is already aware of the views of the Police and the community who have been affected by the events over the last few years and there are no other practicable options to achieve the purpose of the Bylaw and to reduce alcohol-related harm. This temporary ban is only for a short duration and related to large event.

7. In addition, under s.147B of the Local Government Act, Council must be satisfied of the following matters before making the temporary alcohol ban.

d. There is evidence to which the Bylaw applies of experience of a high level of crime or disorder that can be shown to have been caused or made worse by alcohol consumption in the area.

- It is likely that if a temporary ban is not put in place, excessive alcohol consumption and associated disorder would take place in the area. Although there are no recent available statistical data regarding events held at the Sound Shell during this time of the year.
- The Police advise that during summer concerts at the Soundshell people have been observed drinking alcohol while walking to the events, on the beach or in the nearby Adventure Playground. In addition, people who may not be attending the concert have been seen congregating in cars and drinking while listening to the music. The temporary ban will significantly reduce these issues.

8. The Bylaw is appropriate and proportionate in the light of the evidence.

- The temporary alcohol bans are appropriate and proportionate in the light of past experiences regarding public place drinking and disorder during these events.

9. The Bylaw can be justified as a reasonable limitation on people's rights and freedoms.

- The temporary alcohol ban will not apply to private property or any premises or business holding a current alcohol licence or special licence. The ban is of limited duration and area and aimed at preventing disorder and harm to members of the public. It can therefore be justified as a reasonable limit on people's rights and freedoms.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o **NGĀ** HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation
Overall Process: Low Significance
This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan
Overall Process: Low Significance
This Report: Low Significance

Inconsistency with Council's current strategy and policy
Overall Process: Low Significance
This Report: Low Significance

The effects on all or a large part of the Gisborne district
Overall Process: Low Significance
This Report: Low Significance

The effects on individuals or specific communities
Overall Process: Low Significance
This Report: Low Significance

The level or history of public interest in the matter or issue
Overall Process: Low Significance
This Report: Low Significance

10. The decisions or matters in this report are considered to be of Low significance in accordance with Council's Significance and Engagement Policy.

TANGATA **WHENUA/MĀORI** ENGAGEMENT - **TŪTAKITANGA** TANGATA WHENUA

11. As this matter is of low significance no specific engagement with tangata whenua has been undertaken.

COMMUNITY ENGAGEMENT - **TŪTAKITANGA** HAPORI

12. This matter is of low significance and community engagement is not required.

CLIMATE CHANGE – Impacts / Implications - **NGĀ REREKĒTANGA ĀHUARANGI** – **ngā** whakaaweawe / **ngā** ritenga

13. The matter will not impact climate change.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

14. Financial costs will only include replacement of lost/damage signage through the alcohol ban areas and date update. Most of the signage is in storage from the previous alcohol bans. For this event only entry points signage will be use.

Legal

15. Council has the power to make the temporary alcohol bans under clause 7.1 of the Bylaw, and the power is authorised by sections 151(3) and 147B of the LGA.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me **ngā** RITENGA WHAKAMAHERE

16. There are no policy or planning implications associated with this decision.

RISKS - **NGĀ TŪRARU**

17. There are no major risks associated with this decision.

NEXT STEPS - **NGĀ** MAHI E WHAI AKE

Date	Action/Milestone	Comments
As soon as a decision is made.	Give public notice of the temporary ban.	
A few days before the event.	Ensure that sufficient displayed signage is in place.	

ATTACHMENTS - **NGĀ TĀPIRITANGA**

1. Attachment 1 - The Longline Classic - POLICE Application for Temporary Liquor Ban at Midway B [23-221.1 - 5 pages]
2. Attachment 2 - The Longline Classic - MAP of Temporary Alcohol Ban at Midway Beach [23-221.2 - 1 page]

Thursday, 24 August 2023

The Secretary
The Gisborne District Licensing Agency
P.O. Box 747
GISBORNE

Re: Application for Temporary Liquor Ban areas for:

- **Midway Liquor Ban – 0800hrs on Saturday 21 October 2023 to 0800hrs on Sunday 22 October 2023 from Awapuni Road from Beacon Street to Pacific Street and Centennial Marine Drive (inclusive of beach front from Salisbury Road to the Beacon tower) for The Longline Classic Music Festival)**

The Gisborne police have made an application to the Gisborne District Council for a Temporary Liquor Ban to consider and approve the implementation for The Longline Classic Music Festival situated at the Gisborne Soundshell located on Centennial Marine Drive, Gisborne.

Police are again seeking approval from the Gisborne District Council to consider and approve the Temporary Liquor Ban areas.
The Temporary Liquor Ban request is to assist with The Longline Classic events, which will cover the period:-

The Longline Classic Music Festival – 0800hrs on Saturday 21 October 2023 to 0800hrs on Sunday 22 October 2023.

Background:

The Changes to the Sale & Supply of Alcohol Act 2012 increased the threshold to demonstrate the need for continuing to have a bylaw. Previously the council only needed to be satisfied that an alcohol ban area would impact on crime, however they now need to be satisfied that it can be justified as a reasonable limitation on people's rights and freedoms and that the alcohol ban area is appropriate and proportionate in the light of crime and disorder in the area.

The new Act enables the Council to review bylaws for the purpose of prohibiting, regulating, and controlling of consumption or possession of alcohol in public places for managing crime and disorder associated with alcohol consumption. Police can use discretion without being overbearing when dealing with incidents of a minor nature.

It is acknowledged that the Temporary Liquor Ban area would include a few parks and reserves and private dwellings. However, Police believe that no harm should continue to be caused to the community and the benefits of having a Liquor Ban in these areas far outweighs the impact of not having a Liquor Ban over a short period of time.

Police would like to formally request the Gisborne District Council's support for the proposed temporary liquor bans within the Gisborne region over this period.

Application for continuation of Temporary Liquor Ban Areas:

The Longline Classic Music Festival will be held on Saturday 21 October 2023 and will also attract a large crowd of approximately 5,000 people.

Police are therefore seeking Council approval to operate a Temporary Liquor Bans over this period.

The demographic makeup of this influx is mostly persons aged between 18 years to 30 years of age.

At Music Festival's held at the Gisborne Soundshell Police have actively patrolled the Liquor Ban area and observed a noticeable decrease in people drinking alcohol in the Liquor Ban areas. However there remains a core group of people who continue to come to the Temporary Liquor Ban area near the event and consume alcohol in their vehicles before entering or those who do not have tickets to the Music Festival and come to consume alcohol in the area and/or their vehicles to listen to the Festival.

Police believe that a Temporary Liquor Ban with good signage will continue to minimise the effects of high-volume consumption of alcohol by gatherings of persons in public areas.

Persons who are under the influence of alcohol are more likely to display anti-social behaviour, leading to complaints from members of the public and residents living in this area. It also increases the calls for service to the emergency services.

B, MIDWAY LIQUOR BAN:- (see attachment 1)

- **Midway Liquor Ban – 0800hrs on Saturday 21 October 2023 to 0800hrs on Sunday 22 October 2023 from Awapuni Road from Beacon Street to Pacific Street and Centennial Marine Drive (inclusive of beach front from Salisbury Road to the Beacon tower) for The Longline Classic Music Festival.**

The Longline Classic Music Festival is a music event that will attract up to 5000+ patrons and will operate out of the Gisborne Soundshell. Previous music events of similar nature have operated from the Gisborne Soundshell with similar numbers of patrons attending.

Police have previously used a Temporary Liquor Ban for these music events and have found them very supportive in reducing the excessive consumption of alcohol as patrons preload before attending the festival event.

The Temporary Liquor Ban will also prevent people consuming alcohol in the Adventure Playground during the event and deter people parking their vehicles nearby and consuming alcohol in their vehicles while listening to the music coming from the event.

Police do not believe that the Temporary Liquor Ban for this area will negatively impact on residents who visit this area. It will give Police the tools required to prevent anti-social behaviour associated with these persons in this area.

Police have and will exercise their discretion to ensure that any enforcement action is appropriate with the circumstances of each individual breach.

The N.Z Bill of Rights Act and Humans Rights Act have been considered by Police in the process of applying for this Liquor Ban.

Police therefore present this submission to the Gisborne District Council for consideration to grant an approval to implement the Temporary Liquor Ban for the period of timeframes sought in the application.

Conclusion:

Police are seeking approval from the Gisborne District Council to consider and approve the Midway Temporary Liquor Ban area.

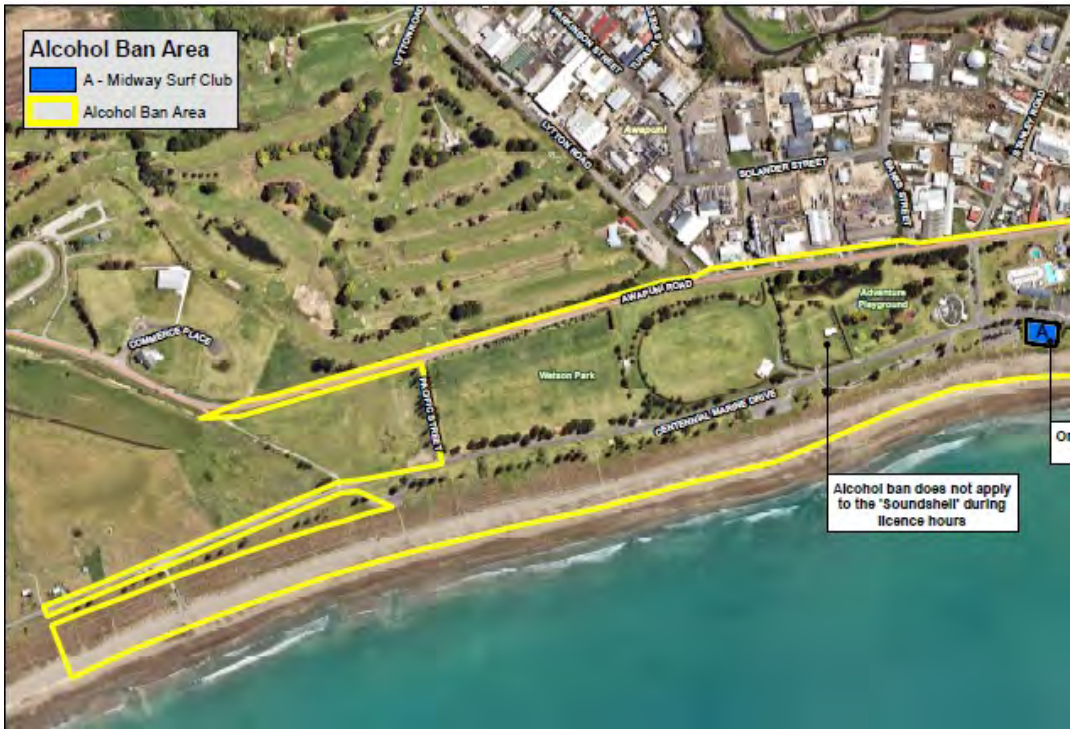
- **Midway Liquor Ban – 0800hrs on Saturday 21 October 2023 to 0800hrs on Sunday 22 October 2023 from Awapuni Road from Beacon Street to Pacific Street and Centennial Marine Drive (inclusive of beach front from Salisbury Road to the Beacon tower) for The Longline Classic Music Festival.**

Yours faithfully,

Alexa COLEMAN
Constable ACIH66
Alcohol Harm Prevention Officer
New Zealand Police

(Attachment 1)

MIDWAY TEMPORARY LIQUOR BAN



Alcohol Ban Area

- A - Midway Surf Club
- Alcohol Ban Area

LYTTON ROAD
PARKINSON STREET
TUPAEA STREET
LYTTON ROAD
Awapuni
SOLANDER STREET
BANKS STREET
STANLEY ROAD
ANZAC STREET
Awapuni School
Churchill Park
SALISBURY ROAD
AWAPUNI ROAD
Adventure Playground
COMMERCE PLACE
Watson Park
PACIFIC STREET
CENTENNIAL MARINE DRIVE
A

Only the building is exempt from the ban

Alcohol ban does not apply to the 'Soundshell' during licence hours

ALCOHOL BAN AREAS ON PUBLIC LAND

Land Information

Name: liquor_ban_BW
Path: X:\Projects\liquor_ban_BW.mxd
Date: 10/10/2019
User: old

Contains Crown Copyright Data -
Sourced from Land Information NZ.
Orthophotography - Terralink & Aerial Surveys

Scale 1:6,000

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

23-223

Title:	23-223 Draft Dangerous, Affected, and Insanitary Buildings Policy 2024 - Statement of Proposal
Section:	Sustainable Futures
Prepared by:	Summer Agnew - Intermediate Policy Advisor
Meeting Date:	Thursday 12 October 2023

Legal: Yes	Financial: No	Significance: Low

Report to COUNCIL/TE KAUNIHERA for decision

PURPOSE - TE TAKE

This report seeks adoption of the Statement of Proposal for consultation on the draft Dangerous, Affected, and Insanitary Buildings Policy 2024 (the draft Policy).

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

Under the Building Act 2004, territorial authorities are obligated to review and adopt policies on dangerous, affected, and insanitary buildings every five years. This policy outlines Council's approach, priorities, and its application to heritage buildings.

The current Policy is due for its statutory 5-year review, which will undergo consultation from 30 October 2023 to 5 December 2023. Periodic review and adoption of this Policy are essential to fulfil Council's statutory obligations under the Act. While the proposed changes provide additional clarity and reflect changes in the Act, they do not fundamentally alter its effect, as Council's duties are primarily prescribed by the Act itself.

This is the second review of the Policy since its initial adoption in 2006. Staff have revisited the review work undertaken in 2016 to produce the draft Policy included in the Statement of Proposal (Attachment 1). The revision process included reviewing policies recently adopted by other councils to identify areas for improvement.

Proposed Changes

The proposed changes aim to enhance public clarity regarding how Council interprets and implements the Act when identifying, assessing, and remediating unsafe buildings (Dangerous, Affected, and Insanitary buildings) within the region. The draft Policy explains these building types and outlines the assessment and remediation criteria. The primary responsibility for addressing issues pertaining to properties meeting these criteria lies with the owners of the buildings. The Policy promotes a firm but fair approach to the required remedial work, supported by the infringement and enforcement provisions of the Act, if necessary. It applies to all buildings in the Gisborne region and is separate from other related Council policies, such as the Earthquake Prone Buildings Policy.

The Statement of Proposal includes six proposals for the community's consideration:

Proposal 1 Policy Purpose: Introduction of a policy purpose section to emphasise the draft Policy is focused on reducing the risk of injury or damage to people or property within the community.

Proposal 2 Interpretation Section: Inclusion of an interpretation section aligning policy definitions with the evolving Act, particularly Heritage and Affected Buildings.

Proposal 3 Readability Improvement: Streamlining the policy for improved readability and clarity by merging relevant information and eliminating redundant definitions.

Proposal 4 Enforcement Section: Consolidation of all compliance and enforcement options into a single section for transparency.

Proposal 5 Emergency Designation: Explanation of how the policy functions during an emergency designation.

Proposal 6 Expanded Heritage Section: Enhancement of the Heritage section to ensure the preservation of essential heritage character during remediation works.

The decisions or matters in this report are therefore considered to be of Low significance in accordance with Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Adopts the Statement of Proposal including the draft Dangerous, Affected, and Insanitary Buildings Policy 2024 for consultation using the Special Consultative Procedure.

Authorised by:

Joanna Noble - Director Sustainable Futures

Keywords: dangerous buildings, unsafe buildings, community protection, heritage buildings

BACKGROUND - HE **WHAKAMĀRAMA**

Policy Purpose

1. The purpose of the draft Policy is to reduce the risk of injury, death, ill health, or damage within Tairāwhiti communities by identifying and managing buildings that have become dangerous, affected or insanitary.

Legislative Requirements

2. The Act[1] requires territorial authorities to review and adopt a policy on dangerous and insanitary buildings every five years. The policy must outline:
    - Council's approach to performing its functions under this part of the Act.
    - Council's priorities in performing those functions.
    - How Council's Policy will apply to heritage buildings.
    - How Council's Policy will apply to buildings next to or near to a dangerous building. These are called 'affected buildings'.
3. The Act requires Council to use the special consultative procedure of the Local Government Act 2002 when amending the draft Policy regardless of the degree of changes; therefore, Council must consult on the review of the draft Policy.

Assessment and Revision of the current Policy

4. The Policy must be reviewed and adopted every five years for Council to meet its statutory obligations under the Act. According to the Act, a policy does not cease to have effect because it is due for review or being reviewed. This is the third revision of the current Policy. First adopted in 2006, the current Policy was most recently reviewed in 2016; however, it was not adopted at that time. For the 2024 review, staff have developed the draft Policy by adding to the work begun in 2016.
5. As there have been very few changes to the current Policy since its inception, staff have conducted a comparative assessment to Dangerous Building policies recently developed by other councils and identified areas for improvement.
6. It is important to note that these improvements do not alter the regulatory function or effect of the current Policy as they are clarifying Council's policy approach to fulfilling obligations that are established by the Act. The updates provide greater clarity for the public on how Council interprets and implements the Act through the identification, assessment, and remediation of unsafe buildings in the region.
7. Notices issued under the current Policy are very rare, numbering eight in the last five years.

[1] The Building Act 2004 sections 131, 132, 132A

Dangerous Buildings

8. Dangerous Building status is assessed against whether a building is likely to cause injury, death or damage to persons or property. Council generally seeks fire safety advice from Fire and Emergency New Zealand (FENZ), an Independently Qualified Person (IQP) with the relevant approvals under the Fire Safety Provisions of the New Zealand Building code, or a contracted CPEng Structural Engineer.

9. Dangerous Building notices can require immediate evacuation of a dwelling due to a threat to public safety. There is little resistance to this type of notice and occupants are generally willing to comply with a notice. Buildings that are on the cusp of being dangerous are often dealt with by way of a Notice to Fix. This type of notice still requires work to be done and non-compliance can attract an infringement fine of $1,000. However, there are a lot fewer additional documentation steps required with Notices to Fix.

Affected Buildings

10. Affected Buildings are those that are structurally sound but put at risk by an adjacent building. The most common cause for this is a higher building with a damaged section that may detach and fall through the roof of a lower building. Gisborne had some of this type of damage and risk in 2007 following an earthquake.

Insanitary Buildings

11. Insanitary Building Notices are issued mostly for houses/buses or similar with grossly inadequate conditions, and where property owners are not making significant progress with improving conditions.

12. When building matters are reported to Council, and where conditions may be considered insanitary under the Building Act criteria, situations are investigated, and the owners are notified in writing what the issues are and what must be rectified. If voluntary action is not taken, an insanitary notice is considered.

13. When houses are unoccupied, it is challenging to deem them insanitary. The guiding question is whether the likelihood of injurious health exists.

14. Health Act "Notice of Nuisance" is used more often when an unoccupied building presents a health risk, such as broken glass in windows, harbourage for vermin, overflowing foul water system or similar.

15. Where a building is sound, but its connected infrastructure fails, RMA Abatement notices are used instead of a notice under the draft Policy. For example, RMA Abatement notices are issued for failed on-site wastewater systems where inappropriate discharge presents an injurious risk to health.

DISCUSSION and OPTIONS - WHAKAWHITINGA **KŌRERO** me **ngā KŌWHIRINGA**

The draft Policy Overview

16. The Act defines Dangerous, Affected and Insanitary Buildings. The draft Policy sets out the criteria by which such buildings are assessed, and how Council interprets the Act in requiring the remediation of buildings identified to be meeting these criteria.

17. It is the responsibility of building owners to remedy situations where their property meets the criteria of being dangerous or insanitary and the draft Policy provides a mechanism for Council to enforce such action to be taken by building owners.

18. Council has limited discretion in whether action is taken under the draft Policy. However, there is some flexibility in how Council carries out the required actions. Consequently, the draft Policy outlines a firm but fair approach to remedial work, underpinned by the infringement and enforcement provisions of the Act.

19. The draft Policy covers all buildings in the Gisborne region and is separate from Council's Earthquake Prone Buildings Policy, the Civil Defence Emergency Management Act (red and yellow stickers) and building permits.

20. The draft Policy outlines a complaints-based approach: Council does not conduct specific Dangerous Building checks, and the draft Policy is only implemented where danger has been identified by Fire and Emergency, complaints, or through daily Council operations.

Statement of Proposal Options

21. Staff have updated the draft Policy in consultation with Buildings Services who implement it. Revisions do not change how the draft Policy is implemented in practice however they improve interpretation of the Act and provide greater clarity for the public on the process of implementation.

22. The following tables describe what Council is proposing, the reasoning for the proposal, the options considered, and Council's preferred option.

Proposal 1: Policy Purpose

Proposal (1)	Policy Purpose (section 1).
Reasoning	A new Purpose section has been introduced making it clear that the draft Policy is focused on reducing the risk of injury or damage to people or property within the community.
Options Considered	Option One - Status quo: do not include a Policy purpose. The current Policy begins with legislative requirements (Introduction and Background), followed by a statement on Policy Principles. However, it does not clearly articulate the policy purpose. Option Two - Include Policy Purpose as drafted. This inclusion clearly articulates the community-minded purpose guiding the draft Policy.
Preferred Option	Option Two – Include Policy Purpose as drafted.

Proposal 2: Add an Interpretation Section

Proposal (2)	Add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building (section 2).
Reasoning	The current Policy includes quoted definitions from the Act. When the Act is periodically updated, those quoted definitions become outdated. Adding an Interpretation section that defers to the Act for relevant definitions mitigates this problem. The Act's definition of Heritage Building was recently updated to include buildings identified under the Natural and Build Environment Act 2023. Also, section 121A of the Act was added in 2013 to include the class of "Affected Buildings", which are those that are structurally sound but affected by a risk from an adjacent building. As these Act changes are significant, the new Interpretations section reflects them.
Options Considered	Option One - Status quo: retain current policy wording without inclusion of an Interpretation section or an updated description of Heritage and Affected Buildings. This option is not appropriate as the current Policy does not reflect current definitions within the Act. Not introducing an Interpretation section may lead to further instances of out-of-date policy wording. Option Two – Update the Policy to add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building. This will bring the draft Policy up to date with the Act and mitigate out-of-date policy wordings should the Act change going forward.
Preferred Option	Option Two – Update the Policy to add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building.

Proposal 3: Improve readability of the draft Policy

Proposal (3)	Improve Readability: Scope of Application and Review (sections 3-4) have been added to the draft Policy. Identification, Assessment and Taking Action (sections 6 – 8) have been updated for ease of readability and include relevant information from deleted sections.
Reasoning	The Policy document has been streamlined to make it easier for everyday readers to understand how we put the Policy into action. Content has been shifted and merged[2] to improve readability and clarity of information. These changes enhance understanding of the Policy procedure, and the steps Council may take to compel the remediation of buildings that have become unsafe. • Scope of Application section has been added making it clear that the Policy applies to all buildings in the Gisborne region. • Review section has been added describing how often the Policy will be reviewed and how the Policy continues to apply when due for review. Relevant information from current Policy sections 1.8 Economic Impact, 1.9 Access to Information, and 4.0 Adoption and Review sections has been merged with appropriate sections of the draft Policy. • Content has been merged into clearly articulated Identification, Assessment and Taking Action sections. These sections include up-to-date information and greater procedural detail. • Definitions that quote the Act have been removed, improving readability. These definitions are now covered by Proposal 2 - Interpretation section. Institutional naming conventions have been updated: • Department of Building and Housing is updated to the Ministry of Business Innovation and Employment (MBIE). • Tairawhiti District Health is updated to Te Whatu Ora Tairāwhiti (Medical Officer of Health). • New Zealand Fire Service is updated to Fire and Emergency New Zealand (FENZ).
Options Considered	Option One - Status quo: retain current policy wording. The current Policy wording is no longer appropriate as it contains out-of-date information, and its structure presents several challenges to ease of readability that are not aligned to Council writing guidelines. Option Two – Update the Policy as drafted to improve readability and ensure up-to-date references are included. Proposed updates reorder procedural information in a way that is easier to digest and simpler to understand and update naming conventions to reflect current institutions (MBIE, Te Whatu Ora, FENZ).
Preferred Option	Option Two – Update the Policy as drafted to improve readability and ensure up-to-date references included.

[2] Sections 1.2; "Insanitary Buildings", 1.8, 1.9, 2.0, 4.0 of the current Policy

Proposal 4: Add an Enforcement Section

Proposal (4)	Add Enforcement to provide the public with clarity around compliance measures available to Council (section 10).
Reasoning	A new Enforcement section combines previous references to enforcement with updated procedural language into a single section that clearly outlines compliance measures Council may undertake to ensure compliance.
Options Considered	Option One - Status quo: retain current policy wording. The current Policy does not have a singular section that clearly outlines for the public the measures that Council make take to ensure compliance. Option Two - Update the Policy as drafted to include references to enforcement in a sing section. Having a single section for all potential compliance and enforcement actions that may be taken by Council ensures that building owners have clear information regarding the implications of non-compliance.
Preferred Option	Option Two - Update the Policy as drafted to include references to enforcement in a singular section.

Proposal 5: Explain how the draft Policy functions in relation to an Emergency Designation

Proposal (5)	Explain how the draft Policy functions in relation to an Emergency Designation (sections 11.2 and 11.3).
Reasoning	Section 123B was inserted into the Act in 2019. It stipulates that if a building is situated in an emergency-designated area, then any Dangerous, Affected, or Insanitary notices issued while the designation is in effect do not apply. However, any actions or notices issued before the emergency designation remain valid. Section 133BM was inserted into the Act in 2019. It stipulates that notices issued under a designated emergency can be extended when the Responsible Person (as defined by the Act) decides the notice should continue in force after an emergency or transition period ends. This allows Council to extend a CDEM Act notice instead of issuing a new notice under the draft Policy. This Act inclusion reduces the compliance burden on Building Services at times when their resources may become stretched, for example during significant weather events. The inclusion of these Act updates in the draft Policy provides procedural clarity for the public.
Options Considered	Option One - Status quo: retain current policy wording. This option is not appropriate as the current policy does not reflect updates to the Act. Option Two - Update the Policy to explain how it functions in relation to an emergency designation. These inclusions improve public understanding of how the draft Policy functions in relation to an Emergency Designation. Given recent public frustration around procedural responses to significant events, any opportunity to clarify procedural information is advantageous.
Preferred Option	Option Two - Update the Policy to explain how the policy functions in relation to an emergency designation.

Proposal 6: Expanded Heritage Section

Proposal (6)	Expanded Heritage section offering additional guidance on how to best protect essential heritage character (Section 13).
Reasoning	Expanded Heritage section considers how to preserve the essential heritage character of identified buildings throughout the planning and implementation of any necessary remediation works. Updated language provides procedural clarity for both building owners and Council staff during remediation works.
Options Considered	Option One - Status quo: retain current policy wording. The current Policy wording offers very little guidance on protecting the essential character of heritage buildings in our region. Option Two - Update the Policy to include expanded guidance for best approaching the remediation of heritage buildings. This guidance aligns with Council's priority of celebrating our heritage and helps ensure it is protected for future generations.
Preferred Option	Option Two – Update the Policy to include expanded guidance for best approaching the remediation of heritage buildings.

23. Council will replace the current Dangerous, Affected, and Insanitary Buildings Policy 2006 with the new Dangerous, Affected, and Insanitary Buildings Policy 2024, which will commence in February 2024.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o **NGĀ** HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation
Overall Process: Low Significance
This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan
Overall Process: Low Significance
This Report: Low Significance

Inconsistency with Council's current strategy and policy
Overall Process: Low Significance
This Report: Low Significance

The effects on all or a large part of the Gisborne district
Overall Process: Low Significance
This Report: Low Significance

The effects on individuals or specific communities
Overall Process: Medium Significance
This Report: Low Significance

The level or history of public interest in the matter or issue
This Report: Low Significance

24. The effect of the draft Policy on individuals or specific communities is assessed as being of Low significance. The draft Policy covers all buildings in the Gisborne region and its implementation could impact any building owner or occupant in the community. However, as the draft Policy applies current government legislation, the significance is in fact low.

TANGATA **WHENUA/MĀORI** ENGAGEMENT - **TŪTAKITANGA** TANGATA WHENUA

25. All iwi in the region have been informed of the Policy and offered the opportunity to discuss the review during a pre-engagement window. No iwi have expressed interest in such a discussion. Ngāi Tāmanuhiri have requested to review the Draft Policy once ready for public consultation. All iwi will be furnished with the Draft Policy at this time.

COMMUNITY ENGAGEMENT - **TŪTAKITANGA** HAPORI

26. Review of policies under the Building Act is subject to the special consultative procedure of the Local Government Act 2002. The minimum consultation period is one month. The planned consultation will be carried out by way of a public notice via newspaper advert and social media, as well as email notifications to identified stakeholders including:
    - All iwi in the region.
    - Heritage New Zealand Pouhere Taonga.
    - MBIE.
    - Fire and Emergency NZ.
    - structural engineers.
    - key building owners Kainga Ora, Te Whatu Ora, Department of Education as well as private owners of significant CBD buildings.

CLIMATE CHANGE – Impacts / Implications - **NGĀ REREKĒTANGA ĀHUARANGI** – **ngā** whakaaweawe / **ngā** ritenga

27. There are no climate change implications associated with adoption of the draft Statement of Proposal: Dangerous, Affected, or Insanitary Buildings Policy 2024.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

28. There are no identified financial considerations associated with adoption of the draft Statement of Proposal: Dangerous, Affected, or Insanitary Buildings Policy 2024.

Legal

29. Beyond fulfilling Council's statutory obligations under the Act to review and consult using the special consultative procedure, there are no legal considerations associated with adoption of the draft Statement of Proposal: Dangerous, Affected, or Insanitary Buildings Policy 2024 for consultation.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me **ngā** RITENGA WHAKAMAHERE

30. There are no identified policy and planning implications associated with adoption of the draft Statement of Proposal: Dangerous, Affected, or Insanitary Buildings Policy 2024 for consultation.

RISKS - **NGĀ TŪRARU**

31. Failure to review and adopt the Policy would result in non-compliance with the Building Act 2004.

32. The number of CDEM red and yellow stickers issued throughout recent weather events may give rise to heightened interest in the Policy. To mitigate out-of-scope submissions, consultation material will clearly communicate that the Policy is separate from CDEM Act red and yellow stickers.

33. It is possible that large property portfolio holders may consider any changes to the Policy an imposition. However, as the Policy simply outlines Council's approach to requirements under the Building Act, and the revised Policy does not materially alter how Council implements the provisions of the Act, such an argument would have little merit. Staff have identified relevant stakeholders who will be emailed prior to the commencement of the consultation ensuring interested parties have a full calendar month to respond.

NEXT STEPS - **NGĀ** MAHI E WHAI AKE

Date	Action/Milestone	Comments
30 October 2023 – 5 December 2023	Proposed consultation period	Special Consultative Procedure is required for compliance with the Building Act 2004.
January 2024	Hearings if necessary	A history of low submissions on this Policy indicates hearings are not likely necessary
February 2024	Final adoption	If hearings are not required, the final adoption may be brought forward to January.

ATTACHMENTS - **NGĀ TĀPIRITANGA**

1. Attachment 1 - Statement of Proposal Draft Dangerous Affected and Insanitary Buildings Policy 2024 [23-223.1 - 16 pages]

Statement of Proposal

Gisborne District Council Dangerous, Affected, and Insanitary Buildings Policy 2024

As required under the Building Act 2004 (the Act), the Gisborne District Council (Council) has reviewed its Dangerous, Affected, and Insanitary Buildings Policy 2006 (the current Policy). Council proposes to amend the current Policy, which describes how Council implements the Building Act legislation when identifying, assessing, and remedying buildings that pose risk to the community.

This document is the Statement of Proposal for the purposes of Section 83(1)(a) of the Local Government Act 2002. This document contains:

- a summary of relevant information
- a description of the proposed changes
- information on how to have your say
- the relevant legislative requirements
- a draft of the proposed policy.

Summary

The purpose of the draft Dangerous, Affected, and Insanitary Buildings Policy 2024 (the draft Policy) is to reduce the risk of injury, death, ill health, or damage within Tairāwhiti communities by identifying and managing dangerous, affected and insanitary buildings in the region.

The draft Policy covers all buildings in the region. It is separate from Council's Earthquake Prone Buildings Policy, the Civil Defence Emergency Management Act 2002 (CDEM Act) red and yellow stickers and building permits.

As Council does not routinely conduct building checks under the draft Policy, it is only relevant where danger has been identified by Fire and Emergency New Zealand (FENZ), complaints, or through daily Council operations. Notices issued under this Policy are infrequent, 8 notices have been issued in the last five years.

Proposed updates to the Policy align with Council priorities of celebrating our heritage, creating a vibrant city and townships, and connected and safe communities.

Proposals

The following tables describe what Council is proposing, the reasoning for the proposal, the options considered, and Council's preferred option.

Proposal 1: Policy Purpose

Proposal (1)	**Policy Purpose (section 1).**
Reasoning	A new Purpose section has been introduced making it clear that the draft Policy is focused on reducing the risk of injury or damage to people or property within the community.

Options Considered	**Option One** - Status quo: do not include a Policy purpose. The current Policy begins with legislative requirements (Introduction and Background), followed by a statement on Policy Principles. However, it does not clearly articulate the policy purpose. **Option Two** - Include Policy Purpose as drafted. This inclusion clearly articulates the community-minded purpose guiding the draft Policy.
Preferred Option	**Option Two** – Include Policy Purpose as drafted.

Proposal 2: Add an Interpretation Section

Proposal (2)	**Add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building (section 2**).
Reasoning	The current Policy includes quoted definitions from the Act. When the Act is periodically updated, those quoted definitions become outdated. Adding an Interpretation section that defers to the Act for relevant definitions mitigates this problem. The Act's definition of Heritage Building was recently updated to include buildings identified under the Natural and Build Environment Act 2023. Also, section 121A of the Act was added in 2013 to include the class of "Affected Buildings", which are those that are structurally sound but affected by a risk from an adjacent building. As these Act changes are significant, the new Interpretations section reflects them.
Options Considered	**Option One** - Status quo: retain current policy wording without inclusion of an Interpretation section or an updated description of Heritage and Affected Buildings. This option is not appropriate as the current Policy does not reflect current definitions within the Act. Not introducing an Interpretation section may lead to further instances of out-of-date policy wording. **Option Two** – Update the Policy to add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building. This will bring the draft Policy up-to-date with the Act and mitigate out-of-date policy wordings should the Act change going forward.
Preferred Option	**Option Two** – Update the Policy to add an Interpretation Section and include the Act's updated description of Heritage Building and the Act's addition of Affected Building.

Proposal 3: Improve readability of the draft Policy

Proposal (3)	**Improve Readability: Scope of Application and Review (sections 3-4) have been added to the draft Policy. Identification, Assessment and Taking Action (sections 6 – 8) have been updated for ease of readability and include relevant information from deleted sections.**
Reasoning	The Policy document has been streamlined to make it easier for everyday readers to understand how we put the Policy into action. Content has been shifted and merged[1] to improve readability and clarity of information. These changes enhance understanding of the Policy procedure and the steps Council may take to compel the remediation of buildings that have become unsafe. • Scope of Application section has been added making it clear that the Policy applies to all buildings in the Gisborne region. • Review section has been added describing how often the Policy will be reviewed and how the Policy continues to apply when due for review. Relevant information from current Policy sections 1.8 Economic Impact, 1.9 Access to Information, and 4.0 Adoption and Review sections has been merged with appropriate sections of the draft Policy. • Content has been merged into clearly articulated Identification, Assessment and Taking Action sections. These sections include up-to-date information and greater procedural detail. • Definitions that quote the Act have been removed, improving readability. These definitions are now covered by Proposal 2 - Interpretation section. Institutional naming conventions have been updated: • Department of Building and Housing is updated to the Ministry of Business Innovation and Employment (MBIE). • Tairawhiti District Health is updated to Te Whatu Ora Tairāwhiti (Medical Officer of Health). • New Zealand Fire Service is updated to Fire and Emergency New Zealand (FENZ).
Options Considered	**Option One** - Status quo: retain current policy wording. The current Policy wording is no longer appropriate as it contains out-of-date information, and its structure presents several challenges to ease of readability that are not aligned to Council writing guidelines. **Option Two** – Update the Policy as drafted to improve readability and ensure up-to-date references are included. Proposed updates reorder procedural information in a way that is easier to digest and simpler to understand and update naming conventions to reflect current institutions (MBIE, Te Whatu Ora, FENZ).

[1] Sections 1.2; "Insanitary Buildings", 1.8, 1.9, 2.0, 4.0 of the current Policy

Preferred Option	**Option Two** – Update the Policy as drafted to improve readability and ensure up-to-date references included.

Proposal 4: Add an Enforcement Section

Proposal (4)	**Add Enforcement to provide the public with clarity around compliance measures available to Council (section 10).**
Reasoning	A new Enforcement section combines previous references to enforcement with updated procedural language into a single section that clearly outlines compliance measures Council may undertake to ensure compliance.
Options Considered	**Option One** - Status quo: retain current policy wording. The current Policy does not have a singular section that clearly outlines for the public the measures that Council make take to ensure compliance. **Option Two** - Update the Policy as drafted to include references to enforcement in a sing section. Having a single section for all potential compliance and enforcement actions that may be taken by Council ensures that building owners have clear information regarding the implications of non-compliance.
Preferred Option	**Option Two** - Update the Policy as drafted to include references to enforcement in a singular section.

Proposal 5: Explain how the draft Policy functions in relation to an Emergency Designation

Proposal (5)	**Explain how the draft Policy functions in relation to an Emergency Designation (sections 11.2 and 11.3).**
Reasoning	Section 123B was inserted into the Act in 2019. It stipulates that if a building is situated in an emergency-designated area, then any Dangerous, Affected, or Insanitary notices issued while the designation is in effect do not apply. However, any actions or notices issued before the emergency designation remain valid. Section 133BM was inserted into the Act in 2019. It stipulates that notices issued under a designated emergency can be extended when the Responsible Person (as defined by the Act) decides the notice should continue in force after an emergency or transition period ends. This allows Council to extend a CDEM Act notice instead of issuing a new notice under the draft Policy. This Act inclusion reduces the compliance burden on Building Services at times when their resources may become stretched, for example during significant weather events. The inclusion of these Act updates in the draft Policy provides procedural clarity for the public.

Options Considered	**Option One** - Status quo: retain current policy wording. This option is not appropriate as the current policy does not reflect updates to the Act. **Option Two** - Update the Policy to explain how it functions in relation to an emergency designation. These inclusions improve public understanding of how the draft Policy functions in relation to an Emergency Designation. Given recent public frustration around procedural responses to significant events, any opportunity to clarify procedural information is advantageous.
Preferred Option	**Option Two** - Update the Policy to explain how the policy functions in relation to an emergency designation.

Proposal 6: Expanded Heritage Section

Proposal (6)	**Expanded Heritage section offering additional guidance on how to best protect essential heritage character (Section 13).**
Reasoning	Expanded Heritage section considers how to preserve the essential heritage character of identified buildings throughout the planning and implementation of any necessary remediation works. Updated language provides procedural clarity for both building owners and Council staff during remediation works.
Options Considered	**Option One** - Status quo: retain current policy wording. The current Policy wording offers very little guidance on protecting the essential character of heritage buildings in our region. **Option Two** - Update the Policy to include expanded guidance for best approaching the remediation of heritage buildings. This guidance aligns with Council's priority of celebrating our heritage and helps ensure it is protected for future generations.
Preferred Option	**Option Two** – Update the Policy to include expanded guidance for best approaching the remediation of heritage buildings.

Council will replace the current Dangerous, Affected, and Insanitary Buildings Policy 2006 **with the new Dangerous, Affected, and Insanitary Buildings Policy 2024, which will commence in February 2024.**

Have your say

Before making any final decisions, we'd like to have your input. A summary of the proposed changes and information about how to make a submission will be made available from October 30 – December 5 on the GDC website:

https://www.gdc.govt.nz/council/have-your-say

If you would like to speak to your submission, please indicate this and provide your contact details when submitting. If required, we will be in touch to let you know the date and time for verbal submissions.

Timeline

The consultation period begins: Monday 30 October 2023

Closing date for submissions: 5pm Tuesday 5 December 2023

Public Hearing to hear oral submissions (if required): January 2024

Decision of Council: February 2024

Note: If hearings are not required, the final adoption may be brought forward to January.

Legislative Framework

Under The Building Act 2004 a territorial authority must adopt a policy on dangerous, affected and insanitary buildings, stating:

- Their approach in performing its functions under this Part of the Act
- Their priorities in performing those functions
- How the policy will apply to heritage buildings.

The Act stipulates that, once adopted, the Policy must be reviewed every five years and follow the special consultative procedure set out by the LGA 2002.

Section 83 of the LGA 2002 outlines that when using the special consultative procedure, a local authority must-

a) Prepare and adopt-
   I. A statement of proposal; and
   II. If the local authority considers on reasonable grounds that it is necessary to enable public understanding of the proposal, a summary of the information contained in the statement of proposal; and

b) Ensure that the following is publicly available:
   I. The statement of proposal; and
   II. A description of how the local authority will provide persons interested in the proposal with an opportunity to present their views to the local authority in accordance with section 82(1)(d); and
   III. A statement of the period within which views on the proposal may be provided to the local authority (the period being not less than 1 month from the date the statement is issued); and

c) Make the summary of information contained in the statement of proposal prepared in accordance with paragraph (a)(ii) (or the statement of proposal, if a summary is not prepared) as widely available as is reasonably practicable as a basis for consultation; and

d) Provide an opportunity for persons to present their views to the local authority in a manner that enables spoken (or New Zealand sign language) interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made in accordance with Schedule 7; and
e) Ensure that any person who wishes to present his or her views to the local authority or its representatives as described in paragraph (d) –
   I. Is given a reasonable opportunity to do so; and
   II. Is informed about how and when he or she may take up that opportunity.
f) For the purpose of, but without limiting, subsection (1)(d), a local authority may allow any person to present his or her views to the local authority by way of audio link or audiovisual link.
g) This section does not prevent a local authority from requesting or considering, before making a decision, comment or advice from an officer of the local authority or any other person in respect of the proposal or any views on the proposal, or both.

Attachment

Draft Dangerous, Affected, and Insanitary Buildings Policy 2024

Te Kaunihera o Te Tairāwhiti
GISBORNE
DISTRICT COUNCIL

Kaupapa Whakamātau Whare Whakamōrearea, Pātahi, Whakapoke o Tūranga 2024

Gisborne Dangerous, Affected, and Insanitary Buildings Policy 2024



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1. Purpose

The purpose of this Policy is to reduce the risk of injury, death, ill health or damage within Tairāwhiti communities by identifying and managing dangerous, affected and insanitary buildings in the region.

2. Interpretation

The Act means the Building Act 2004.

Building has the same meaning as the Act. Requirements for Earthquake-prone Buildings are covered separately by sections of the Act.

Dangerous Building has the same meaning as the Act.

Affected Building has the same meaning as the Act.

Insanitary Building has the same meaning as the Act.

Heritage Building has the same meaning as the Act and includes buildings identified under the Natural and Build Environment Act 2023 and the Heritage New Zealand Pouhere Taonga Act 2014.

3. Scope of application

This document sets out the policy for such buildings as adopted by the Gisborne District Council (Council) and applies to all buildings within the region.

4. Review

Council will undertake a review of this policy at least once every five years. It does not cease to have effect because it is due for or under review.

5. Policy Principles

Council is committed to ensuring that our region is a safe place to live and work as well as fairly and reasonably fulfilling its statutory obligations under the Act. Council recognises varying social, economic and cultural factors impact implementation of the dangerous, affected, and insanitary building provisions in the Act and will at all times take a sensitive approach to compliance.

6. Identifying Dangerous, Affected, or Insanitary Buildings

6.1 When responding to complaints, advice received from Fire and Emergency New Zealand (FENZ), or when dangerous, affected, or insanitary buildings come to its attention Council will:

a. investigate and resolve all complaints and identified issues related to buildings
b. identify any buildings considered dangerous, affected, or insanitary and the risk there is to human life, health, or other property
c. require the owner(s) and or occupier(s) of the building to take action to prevent the building from remaining dangerous, affected, or insanitary.

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7. Assessment Criteria

7.1 The Council will assess dangerous, affected and insanitary buildings in accordance with sections 121, 121A, 123 or 123A of the Act. Affected building assessment will be subject to the same criteria as dangerous or insanitary buildings. Assessment will consider the following:

a. Occupation and use to which the building is put.
b. Likelihood of the building causing harm.
c. Whether the building conditions present a danger to the health of occupants or adjacent occupants.
d. Potential for damage to other property.
e. Whether a fire hazard exists.
f. Whether the building is affected by another dangerous building.
g. The extent of separation of the kitchen from other sanitary facilities.
h. The adequacy of potable water.
i. Defects in cladding.
j. Construction materials and their current condition.
k. If the building is offensive or likely to be injurious to health because of how it is situated or constructed.
l. Whether or not the building is in a state of disrepair.
m. The degree to which a building is offensive to adjacent and nearby property occupiers.
n. Relevant Building Codes as appropriate which may include any of the following:
    - E1 Surface Water
    - E2 External Moisture
    - E3 Internal Moisture
    - G3 Food Preparation
    - G4 Ventilation
    - G1 Personal Hygiene
    - G2 Laundering
    - G12 Water Supplies
    - G13 Foul Water - Sanitary Plumbing.

7.2 The above list does not limit Council to only considering these factors in an assessment. There may be other factors that are assessed. Additionally, where it deems necessary, Council may seek external advice from (but not limited to):

a. Fire and Emergency New Zealand in accordance with section 121(2) of the Act
b. an Independently Qualified Person (IQP) with the relevant approvals under the Fire Safety Provisions of the New Zealand Building code
c. a contracted CPEng Structural Engineer
d. Te Whatu Ora Tairāwhiti (Medical Officer of Health) when appropriate to assess whether the occupants may be neglected or infirm, or likely to be harmed by the building in question.

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8. Taking Action on Dangerous, Affected, and Insanitary Buildings

8.1 The costs to reduce or remove identified danger or insanitary conditions from any buildings will be the responsibility of the implicated property owners. If a building is assessed as being Dangerous, Affected, or Insanitary Council will:

a. advise and liaise with the owner(s) of buildings
b. advise and inform the property occupier(s)
c. consult and negotiate with the property owner(s) in good faith before determining appropriate time periods for work that must be completed
d. determine time periods for interim work and permanent works according to the danger or risk to health and safety posed by the identified condition(s)
e. in accordance with section 124 and section 125 of the Act, attach written notice to the building and give written notice stating any required work to be carried out on the building within a stated timeframe of not less than 10 days
f. contact the owner in writing at least five working days prior to the expiry of the time period set down in the notice requiring an inspection appointment to assess compliance with the notice
g. consider an additional time period for an owner to comply with requirements of a notice, provided an application is received from the property owner(s) prior to the expiry date of the originating notice
h. in accordance with section 124 of the Act consider, based on the danger posed, whether to erect a hoarding, fence or warning sign.

8.2 Vacating the building may be necessary for agreement to a prolonged compliance period.

a. Where the danger is the result of non-consented building work, a Notice to Fix will be issued.

8.3 In accordance with section 129 of the Act, if a building presents immediate danger or risk, Council may take any necessary action to remedy that situation. This may include prohibiting persons from using or occupying the building and repair or demolition of all or part of the building.

8.4 Time periods for both interim work and full compliance work to reduce or remove the danger, or prevent the building from remaining insanitary, may be negotiated at the sole discretion of Council.

9. Priorities for Performing Functions under Part 2 of the Act

9.1 The Council will allocate priority to buildings where it has been determined that immediate action is necessary to remediate immediate danger or insanitary conditions. In these situations, Immediate action will be required such as prohibiting occupation or use of a building, erecting a hoarding or fence, or demolition of part or all of a building likely of collapse.

9.2 Buildings that are determined to be dangerous, affected, or insanitary, but not requiring immediate action will be subject to timeframes, being not less than 10 days, to remove the danger or prevent the building from remaining insanitary.

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10. Enforcement

10.1 Failure to comply with the requirements of a notice within the stated time period, or any additional time period determined appropriate by the Council, can lead to prosecution or an infringement notice being served.

10.2 The Council may initiate prosecution if buildings are used after notices or hoardings are in place. Where owners fail to comply with the notice, or where work is not completed, or not proceeding with reasonable speed, the Council will, after giving no less than 10 days written notice of its intention to do so, apply to the District Court to carry out the work to remove the danger or insanitary conditions.

10.3 In such cases where the Council must undertake work itself, including immediate action taken under Section 129 of the Act, the owners of the building are liable for costs, and the Council will recover the costs from the property owners.

10.4 The Council recognises that in some circumstances the economic impact of this policy may cause individual hardship. The Council will convey its duty under the Act through implementation of this policy in a fair and reasonable manner with the intent of improving health and safety of people who use or are affected by buildings.

10.5 Due process will be followed to recover costs incurred by the Council in meeting its statutory obligations from implicated property owners. Where owners are liable for costs, the Council will inform the owners that the amount recoverable by the Council will become a charge on the land on which the building is situated.

10.6 Building owners have the right of appeal by applying a determination with the Ministry of Business, Innovation and Employment in accordance with Section 177(3)(f) of the Act.

11. Interaction between this policy and other provisions of the Building Act 2004

11.1 Per Section 41: In cases where a building is assessed as being immediately dangerous or affected, the Council may not require building consent to be obtained for any building work required to remove the danger immediately. In every case, the owners must discuss with Council and obtain a decision as to whether this provision applies prior to commencing any work.

11.2 Per Section 123B: Where a building is located in an area that has been designated as affected by an emergency under subpart 6B of the Act, then Dangerous, Affected, or Insanitary notices shall not apply if issued while the designation is in force. However, any action taken or notices issued prior to any emergency designation shall continue to apply.

11.3 Per Section 133BM: notices issued under the designated emergency may continue to apply when the Responsible Person (as defined by Section 133BK) decides, before the state of emergency or transition period ends, that any notice should continue in force.

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12. Recording of Dangerous, Affected, and Insanitary Buildings

12.1 Any buildings identified as being dangerous, affected, or insanitary will have a copy of the notice served and a schedule of work required placed on the corresponding property file held by the Council until the condition is remedied.

12.2 In addition, during the period that the building is deemed dangerous, affected, or insanitary, the following information will be placed on any Land Information Memorandum (LIM) or a Project Information Memorandum (PIM), where the status affects proposed building work.

- A statement that the building is dangerous, affected, or insanitary
- A copy of the notice given under 124(1) identifying the work to be carried out on the building and the time period given to achieve compliance with the notice
- A copy of the letter to owner, occupier and any other affected parties that the building is dangerous, affected, or insanitary, and if issued, a notice of the requirement to evacuate.

12.3 Information concerning dangerous, affected, and insanitary buildings will be contained on the relevant LIM or PIM. In granting access to information concerning dangerous, affected, and insanitary buildings, the Council will conform to the requirements of the Local Government Official Information Act 1987 and the Local Government Act 2002.

13. Heritage Buildings

13.1 The provisions of the Act apply to Heritage Buildings. Dangerous and insanitary assessment of Heritage Buildings will be completed in the same manner as other buildings under this policy. The Act recognises the need to facilitate the preservation of buildings of significant cultural, historical, or heritage value. Council recognises that heritage buildings may require a variation to our usual approach if their unique heritage values are to be maintained and not compromised.

13.2 Where a heritage building is deemed dangerous or insanitary the Council will consult with the building owner(s) and consider seeking advice from Heritage New Zealand Pouhere Taonga or an Independently Qualified Person(s) with heritage expertise where necessary to advise and recommend on possible actions.

13.3 Buildings that meet the heritage definition may not be demolished without first consulting with Council. Any matters concerning demolition of a heritage building requires sufficient information be supplied to Council to enable peer review. Demolition of buildings constructed prior to 1900 is likely to trigger the archaeological provisions of the Heritage New Zealand Pouhere Taonga Act 2014[2] therefore early consultation with Heritage New Zealand Pouhere Taonga is advised.

[2] Sections 6(a)(I), section 42, and section 43(1)(a) of the Heritage New Zealand Pouhere Taonga Act 2014

13.4 Council may consider dispensation for issues of safety and sanitary conditions for heritage buildings in achieving the desired level of compliance. Examples of possible situations where a dispensation may be granted include:

- the building meets the definition of a dangerous building but the risk is minor
- no accidents are known to have occurred in the past
- full compliance would result in significantly negative impacts upon heritage value.

13.5 Any proposed alternative approaches would still need to demonstrate mitigation of the identified risks. In cases where compliance with any aspect of the Act would so damage the attributes of a place to the extent that its very role as a valued heritage building is compromised then case-by-case consideration of a dispensation or waiver may be negotiated. Any such waiver will be at the sole discretion of Council.

13.6 In accordance with section 125 (2) (f) of the Act, a copy of any notice issued under section 124 of the Act will be sent to Heritage New Zealand Pouhere Taonga when that notice identifies a heritage building as being dangerous, affected, or insanitary.

14. Links to Other Legislation

14.1 Health Act 1956

The Council may decide to use powers under the Health Act 1956 instead of or in addition to, the Building Act. Provisions exist in the Health Act to deal with nuisance conditions associated with housing, including overcrowding and insanitary conditions likely to cause injury to the health of persons, or a dwelling that is otherwise unfit for human habitation. When conditions exist that cause a building to be injurious to health or to be insanitary the Council can require of the property owner abatement of the condition, cleansing, repairs or subsequent closure of the building to occupation.

14.2 Resource Management Act 1991 (RMA)

The Council administers provisions of the RMA in the Gisborne District. One purpose of the Act is avoiding, remedying, or mitigating any adverse effects from activities on the environment. While provisions of the RMA are not directly related to dangerous or insanitary buildings, amenity issues arising from the offensive nature of a building can be considered under RMA provisions and related regulatory policies contained within Regional and District Plans.

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GISBORNE DISTRICT COUNCIL

23-230

Title:	23-230 Update on **Tairāwhiti** Future Development Strategy
Section:	Strategic Planning
Prepared by:	Drew Williams - Principal Policy Planner
Meeting Date:	Thursday 12 October 2023

Legal: No	Financial: No	Significance: Low

Report to COUNCIL/TE KAUNIHERA for information

PURPOSE – TE TAKE

The purpose of this report is to provide an update on the development of the Tairāwhiti Future Development Strategy.

SUMMARY - HE **WHAKARĀPOPOTOTANGA**

This report provides an overview of progress to date on the development of the Tairāwhiti Future Development Strategy (FDS). The FDS is an important document for strategically managing growth and the strategy aimed at addressing the anticipated growth in Tairāwhiti's population and urban development needs. The FDS has been under development since January 2022 and is being prepared in accordance with the National Policy Statement for Urban Development 2020 (NPS UD), ensuring that it adheres to the national framework for urban development.

Tairāwhiti growth is projected to see a population increase of 8,700 residents by 2050, necessitating about 5,360 additional homes within 30 years, as indicated in the Tairāwhiti Housing and Business Capacity Assessment 2022 (HBCA). The FDS will identify suitable spatial areas to accommodate this projected growth, along with the essential development infrastructure requirements, including water supply, wastewater, stormwater, and land transport, as outlined by the NPS UD. High-level development infrastructure needs have been identified to enable the preferred growth scenario in the draft FDS, with considerations for short, medium, and long-term upgrades.

The FDS has progressed to a point where a Draft is being finalised in preparation for public engagement in November 2023. Before we put a Draft FDS in front of Councillors in mid-November, a progress update has been provided to outline the progress on the strategy since the previous councillor workshop on the 1 June 2023.

This report will focus on addressing councillor feedback from the June workshop, additional growth infrastructure maps and outlining future decisions required of Councillors when a Draft FDS is formally brought to Council mid-November 2023.

In addition to the FDS, stakeholder feedback has highlighted the need for supportive planning mechanisms to facilitate intensification while preserving neighbourhood cohesion. Plans for masterplans and a residential urban design guide are being explored as part of the Tairāwhiti Resource Management Plan (TRMP) Urban Growth and Development workstream mahi.

The decisions or matters in this report are considered to be of Low significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - **NGĀ TŪTOHUNGA**

That the Council/Te Kaunihera:

1. Notes the contents of this report.

Authorised by:

Joanna Noble - Director Sustainable Futures

Keywords: TRMP, Tairāwhiti Resource Management Plan, Freshwater, Urban Growth and Development, Regional Policy Statement, engagement, governance, tangata whenua, stakeholder, catchment planning, partnerships

BACKGROUND - HE **WHAKAMĀRAMA**

What are we doing?

1. Council staff, with the assistance of external consultants, have been working on the preparation of a Tairāwhiti Future Development Strategy (FDS) since January 2022.
2. The FDS is being prepared under the National Policy Statement for Urban Development 2020 (NPS UD).

Why is the FDS important?

3. Tairāwhiti's population is predicted to grow by an additional 8,700 residents by the year 2050, which equates to a projected demand for an additional 5,360 houses in 30 years. The projected demand is outlined in the Tairāwhiti Housing and Business Capacity Assessment 2022 (HBCA).
4. The FDS will identify broad spatial areas suitable to accommodate the projected growth for homes and will also identify the development infrastructure required to service development of that land. The NPS UD sets out such infrastructure as water supply, wastewater, stormwater and land transport.

How does the FDS fit into the review of the **Tairāwhiti** Resource Management Plan?

5. The FDS is the key piece of work to set the strategic direction for the review of the district provisions of the Tairāwhiti Resource Management Plan. It will directly influence the urban components of the plan.

How has the FDS progressed?

6. Staff engaged with councillors at a FDS workshop on the 1st of June 2023 (Report 23-100), previous workshop reports (Reports 22-53, 22-175, and 22-272). A draft preferred growth scenario was presented for discussion with decision-makers and staff have addressed the concerns expressed by councillors at workshop in the Discussion and Options section below.
7. Staff have engaged with the Tairāwhiti Regional Housing (TRH) Steering and Operational Groups during August and early September 2023. The Draft FDS is aligned with the issues and solutions sought by the Tairāwhiti Regional Housing Strategy 2022.
8. We have progressed the identification of high-level development infrastructure that is required to enable the preferred growth scenario. This process involved identifying key corridors that will require infrastructure upgrades over the short, medium and long term along with high-level costings calculated.
9. The next steps, post FDS approval, will be incorporating the infrastructure projects into an Implementation Plan and ensure alignment with Council's Infrastructure Strategy, which informs our Long-Term Plan.

10. Through on-going engagement on the FDS with various stakeholders, including councillors, staff have acknowledged a gap in guiding how intensification can be delivered in a positive way that integrates with neighbourhoods as opposed to disrupting them. Staff are exploring supportive planning mechanisms that support place-based strategies such as masterplans and a residential urban design guide. These plans will support the district plan towards achieving well-functioning urban environments. These plans sit out of scope for the FDS.

DISCUSSION and OPTIONS - WHAKAWHITINGA **KŌRERO** me **ngā KŌWHIRINGA**

Addressing feedback provided at the Councillor FDS workshop on 1st June 2023

11. Staff were recently engaged with councillors at the FDS workshop on the 1st of June 2023 (Report 23-100) which was the fifth councillor workshop on the strategy. The focus of the workshop was to present a draft preferred growth scenario of the growth areas for discussion.

12. Feedback from some councillors expressed concern for the level of intensification shown for Kaiti. Staff were requested to undertake analysis on the most cost-effective solution in terms of infrastructure provision and to ensure rural and coastal towns are considered.

13. Staff have refined the preferred growth scenario. Further information on how staff have incorporated councillors' feedback into the draft strategy is outlined below.

A. Infrastructure strategy to be considerate of cost-effective solutions

14. A well-considered infrastructure strategy has been prepared ensuring the FDS is responsive to the future demands outlined by the Housing and Business Capacity Assessment 2022 (HBA) target of 5,360 homes but also flexible in using long term infrastructure, only if our city grows according to the growth targets indicated.

15. The infrastructure projects outline below and represented in the maps attached in Attachment 1 are necessary to support the preferred growth scenario.

Wastewater

16. During the status quo analysis, the Wastewater Treatment Plant (WWTP) was assessed as having capacity to service 2,500-3,000 more households. When considering the future demand of over 5,360 homes over the long-term, we are required to have a solution in place should growth track in this direction.

17. Long term, investment in an additional wastewater interceptor and pump station is needed to provide additional capacity in the network and service predominantly western green-field development opportunities. This long-term project will also provide capacity to the eastern and central infill options.

18. Even with a new interceptor, a new Wastewater Treatment Plant may still be required. This will be monitored through future FDS reviews, which are required every three years (to align with Long Term Plans), to assess if or when such infrastructure would be required. An indicative and potential location would be on open space to the west of the city.

Water Supply

19. Key improvements to the water network are upgrades to storage capacity around the city and long-term upgrades to the water treatment plants at Waingake and Waipaoa. Scoping for land-based retention dams and piping proximity to the Waipaoa treatment plant (set out as project 4 under Water in the Attachment). This would deliver some resilience to the urban area, but other Council plans/ strategies may look at identifying future alternate sources to the east.

Stormwater

20. The importance of a well-functioning urban stormwater system was emphasised through Cyclone Gabrielle. There are various projects set out to either upgrade the piped network and/ or more nature-based solutions such as wetlands, rain gardens will significantly improve how our urban areas deal with stormwater.

Reticulating Wainui

21. The FDS infrastructure requirements are limited to the growth strategy areas, and only provides the infrastructure projects needed to enable the growth areas.

22. Wainui was considered but did not meet the criteria of this growth strategy, as such reticulation of this area is out of scope of the FDS. However, not including the reticulation of Wainui into the FDS does not mean that it should not be considered by the Council. Councillors will need to direct the Chief Executive to prepare advice to explore the options in terms of wastewater treatment, eastern water source and stormwater management options.

B. Concerns about the level of intensification proposed for Kaiti

23. Staff outlined in the June workshop a short-medium term growth scenario of approximately 600 opportunities. These opportunities had been considered to support housing providers, Kāinga Ora, with a focus in the area to deliver affordable social housing for whanau. This capacity will also enable Māori housing providers to deliver housing outcomes that meet their aspirations. It should be remembered that it the FDS seeks to address the HBCA needs and this potential of 600 opportunities over 30 years may not materialise.

24. The long-term additional residential capacity of approximately 700 housing opportunities has been redirected towards future greenfield opportunities in the Cameron Road area.

25. Whilst the FDS provides opportunity for intensification in this suburb, it does not reflect a "blanket approach" to density that the NPS UD imposes on other larger councils and requires a considered approach to deliver positive housing outcomes. The Implementation strategy will outline an approach where increased development rights will be provided to sites that can accept improved density in line with the objectives we aim to achieve.

26. To support positive housing outcomes, staff are procuring a Residential Urban Design Guide (RUDG) to guide future resource and subdivision consents to shape high-quality urban neighbourhoods. An example of such a guide is the Hastings Residential Intensification Guide. Hastings's city faces similar contextual challenges such as being surrounded by highly productive land which limits outward growth, and residential intensification is key to meeting their future housing demands. This guide will be developed to align with the TRMP Review.

27. Further to this, staff are exploring the use of masterplans for four areas (Kaiti, Inner City, Elgin and Awapuni), the purpose is to guide development towards a collective vision for that area. It will seek to co-ordinate various stakeholders and treaty partners in shaping a neighbourhood with a greater level of community engagement. The masterplans will form a document referred to by reference in the reviewed TRMP to further refine how our urban environments reflect our communities' values and aspirations. An Aotearoa specific example was used for the Auckland City Centre Masterplan. Whilst this masterplan may be on the extreme end of exploring the capabilities of such a plan, it does illustrate the key environments in which positive outcomes can be worked towards.

C. Additional consideration to the rural and coastal towns are outlined in the Draft FDS

28. The HBA has assessed the demand for housing in Tairāwhiti's rural and coastal towns and has concluded that there is sufficient development capacity provided by the existing operative zoning provisions to support the level of growth anticipated.

29. We have assessed Rural and Coastal Towns in terms of opportunities and constraints mapping, as well as accessibility assessments.

30. Under the FDS direction, infrastructure will continue to be provided 'business as usual' at source for rural and coastal towns, meaning rainwater retention and use, septic wastewater systems with discharge to ground or tank and stormwater to existing ground catchments (soakage and greenfield swale systems). Significant infrastructure upgrades are not anticipated in the rural townships and coastal settlements in the draft growth strategy and any required upgrades can be considered through Asset Management Plans, the Long Term Plan (LTP) and Infrastructure Strategy (or potentially the new Water Service Entities).

D. Electric vehicle (EV) take-up assumptions considered in the FDS Greenhouse Gas (GHG) Assessment.

31. The NPSUD quires that planning for urban environments supports reductions in GHG emissions. The GHG assessment has supported the growth area analysis by rating the transport related emissions for each growth scenario. The GHG assessment has considered the transport related emissions from work and education activities.

32. The assessment supported the intensification growth scenario, which encourages compact city development. This is widely acknowledged as an effective way to support the reduction in GHG emissions from urban areas.

How electric vehicle take up has been factored in

33. Electric vehicle uptake of 94% in 2050 is a key assumption that has been factored into the assessment. This assumption is based on Pathway 4 identified under the Pathways to Net Zero by 2050 by the Ministry of Transport. This pathway is the most aggressive pathway towards 'avoid' and 'shift' interventions. Other key assumptions are set out in Table 3 on page 9 of the GHG assessment.

How the FDS can support these policies

34. The main objective of the NPS-UD is enabling well-functioning urban environments. The FDS supports this objective towards favouring a strong element of intensification, supported by greenfield opportunities to the west. Compact communities within close walking distance to the inner city holds the potential in reducing the reliance on private motor vehicles and enabling a walkable city and cycle friendly opportunities.

E. Upcoming requests for Decisions by Council

35. Staff will put forward two requests, briefly outlined below, for decision at the next Council meeting on 15 November 2023.

Authority to consult on the Draft FDS

36. Staff will request a decision on to consult publicly on the Draft FDS. If Council approves consulting on the draft as it is presented, the draft FDS will be notified from the 16th of November 2023 to 16th December 2023.

37. As are mindful that the latter parts of the engagement period may coincide with holiday period. We can keep the website and online submissions portal open until the start of February 2024 to facilitate lodgement of submissions.

38. We will consult on the Draft FDS through the Special Consultative Procedure (SCP) under section 82-83 of the Local Government Act 2002. This process is formal engagement under the Local Government Act (LGA) 2002 with tangata whenua, the wider public, and stakeholders. This engagement process will build on what we have already heard in previous engagement, confirming we are on the right track or what we might need to consider further or adjust before adopting a final FDS.

Engagement delegations

39. To meet the requirements of an SCP under LGA 2002, Section 83(1)(d) requires Council to provide an opportunity for people to present their views in a manner that enables spoken (or New Zealand sign language) interaction between the person and the local authority, or any representatives to whom an appropriate delegation has been made.

40. Traditionally Council has used hearings at a meeting of a committee or Council to fulfil this requirement under the LGA 2002. Given the spatial nature of this strategy, staff have considered using alternative ways to fulfil this requirement. This will be set out further in an overview of the Communications and Engagement plan which will be included in the Decision report in November.

41. A less formal 'Have your say' event will be the proposed mechanism as part of the plan presented in November. The responsibility will remain with councillors to hear peoples' views presented verbally at any such event. As we will not be undertaking this process through a formally established committee or Council meeting, delegated councillors will be required to be named as part of the decision in November to hear peoples' views on behalf of Council. These councillors will be each supported by a member of staff who will take notes and assist councillors in clarifying any matters and/or questions that arise.

42. Should councillors not be available to fulfil this role at these events, Council could also delegate the responsibilities to specific staff to carry out this function. More information will be provided in the November report.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o **NGĀ** HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation
Overall Process: Medium Significance
This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan
Overall Process: Medium Significance
This Report: Low Significance

Inconsistency with Council's current strategy and policy
Overall Process: Low Significance
This Report: Low Significance

The effects on all or a large part of the Gisborne district
Overall Process: Medium Significance
This Report: Low Significance

The effects on individuals or specific communities
Overall Process: Medium Significance
This Report: Medium Significance

The level or history of public interest in the matter or issue
Overall Process: Medium Significance
This Report: Medium Significance

43. The decisions or matters in this report are considered to be of Low significance in accordance with Council's Significance and Engagement Policy.

44. This report is for Council's information and does not involve any active public engagements at this time.

TANGATA WHENUA/MAORI ENGAGEMENT - **TŪTAKITANGA** TANGATA WHENUA

45. The HBCA set out that Māori households are the second largest group of households after Europeans. In addition, the second largest growth is projected within Māori households to increase by 2050 to 1,430 households.

46. Tangata whenua engagement has been conducted throughout the development of the FDS, under the guidance of Council's Te Tiriti Compass. Under the compass Oritetanga, we seek to address inequity by providing improved development capacity in areas that support Māori landowners and social housing providers within the urban area.

47. Engagements began by meeting with iwi trust representatives to firstly introduce the FDS and ascertain if tangata whenua see this strategy as a priority.

48. Hui had been held with Ngāi Tāmanuhiri and Te Aitanga a Māhaki hapū/whanau, and with all iwi entity Chief Executive's and key technical staff at a TRMP wānanga on 31 August 2022.

49. The Iwi Technical Trial (ITT) commenced in October 2022, with one of the tasks being assisting with the development of the FDS. The 12-month trial ensures that the review of the TRMP includes a hapū/iwi lens from tangata whenua in the region. The ITT consists of four technical experts appointed by the four trusts representing the iwi of Ngāti Porou, Ngāi Tāmanuhiri, Rongowhakaata and Te Aitanga a Māhaki. The members will directly contribute to the drafting of the TRMP review.

50. When preparing the FDS, we are required to take into account the values and aspirations of hapu and iwi for urban development. Iwi have expressed three large-scale developments as aspirations for urban development. These are Ngāti Porou's Rifle Range and Huxley Road site, and Te Aitanga a Māhaki's Tūranga Tangata Rite project led by Toitū Tairāwhiti.

51. The Rifle Range site does have some constraints to development, of which Ngāti Porou will be conducting further assessments to understand how their urban housing aspirations can be accommodated at the site. Acknowledging this and supporting their vision for rangatiratanga is crucial to Council giving effect to the second article of te Tiriti, and iwi having autonomy.

52. Iwi technicians and staff worked together to shape an overarching Te Taiao objective, iwi/hapū aspirational statements regarding urban development and how iwi cultural value assessments can be undertaken to inform the more detailed overlays, zoning and rules developed as part of the TRMP review.

53. At the time of this report, tangata whenua engagement planning is being informed by Iwi technicians guiding staff on setting a pathway for meaningful engagement on the Draft FDS.

COMMUNITY ENGAGEMENT - **TŪTAKITANGA** HAPORI

54. Stakeholder and Community engagement occurred, using online forums from February 2022 and continuing through the development of the FDS. The key themes from these engagements (support for intensification, addressing infrastructure issues and addressing the housing crisis) has shaped the objectives and growth area selection.

55. Various communication methods will be utilised to ensure the public are aware of the Draft FDS consultation period. A communications and engagement plan is being finalised to ensure we include a wide array of platforms to accommodate our stakeholders' views on the Draft FDS, including online webinars, in-person events and walk-in sessions.

CLIMATE CHANGE – Impacts / Implications - **NGĀ REREKĒTANGA ĀHUARANGI – ngā** whakaaweawe / **ngā** ritenga

56. A key consideration for the strategy is understanding how climate change impacts our city in terms of future growth planning and protecting future generations from being in vulnerable areas.

57. Ensuring communities are resilient to and can adapt to the future effects of climate change have been assessed when considering growth site selection through constraints mapping and the multi-criteria analysis.

58. A history of severe weather events, and the most severe in Cyclone Gabrielle has caused catastrophic impacts across Tairāwhiti, highlighting the need to ensure we aren't prioritising future growth areas that will leave whanau vulnerable to natural hazards brought by climate change.

59. In the urban area, most of the damage observed where in areas with at least one natural hazard overlay (flooding, land instability and/or liquefaction) under the current TRMP. Where severe damage and areas of known historical flood were assessed, the FDS growth areas were either removed (Valley Road growth area) or the growth areas boundaries were refined at the fringes (Ormond and MacLean on Fitzherbert street).

60. The Future of Severely Affected Land (FOSAL) categorization process is still underway, and the results of these assessments will be factored in, if relevant, to the TRMP review ensuring our future communities' resilience.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

61. Providing the most suitable conditions that support growth over the forthcoming years will attract infrastructure investment and other associated costs that will enable the FDS to deliver positive outcomes in Tairāwhiti. Short term project costs already considered in current LTP or recovery funding are provided in brackets.

62. The attachment outlines the high-level infrastructure costs to enable the preferred growth scenario. These numbers are high-level and will be refined once further detailed assessments are completed when the infrastructure is required.

Legal

63. An early draft of the FDS and the technical report have gone through legal review by an external law firm. The focus of the review was to ensure the strategy meets the minimum statutory requirements of the NPS-UD 2020, not the content of our proposal.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me **ngā** RITENGA WHAKAMAHERE

64. An FDS will inform councils infrastructure strategy and Long-Term and Annual Plans. Once the FDS is adopted, an Implementation plan will outline the necessary projects required that require to be incorporated into the following, but not limited to, funding mechanisms:
    a. Infrastructure Strategy
    b. Annual and Long-Term Plans
    c. Financial Contributions
    d. Development Contributions Policy
    e. External funding opportunities

RISKS - **NGĀ TŪRARU**

65. There are no major risks associated with the decisions or matters in this report.

NEXT STEPS - **NGĀ** MAHI E WHAI AKE

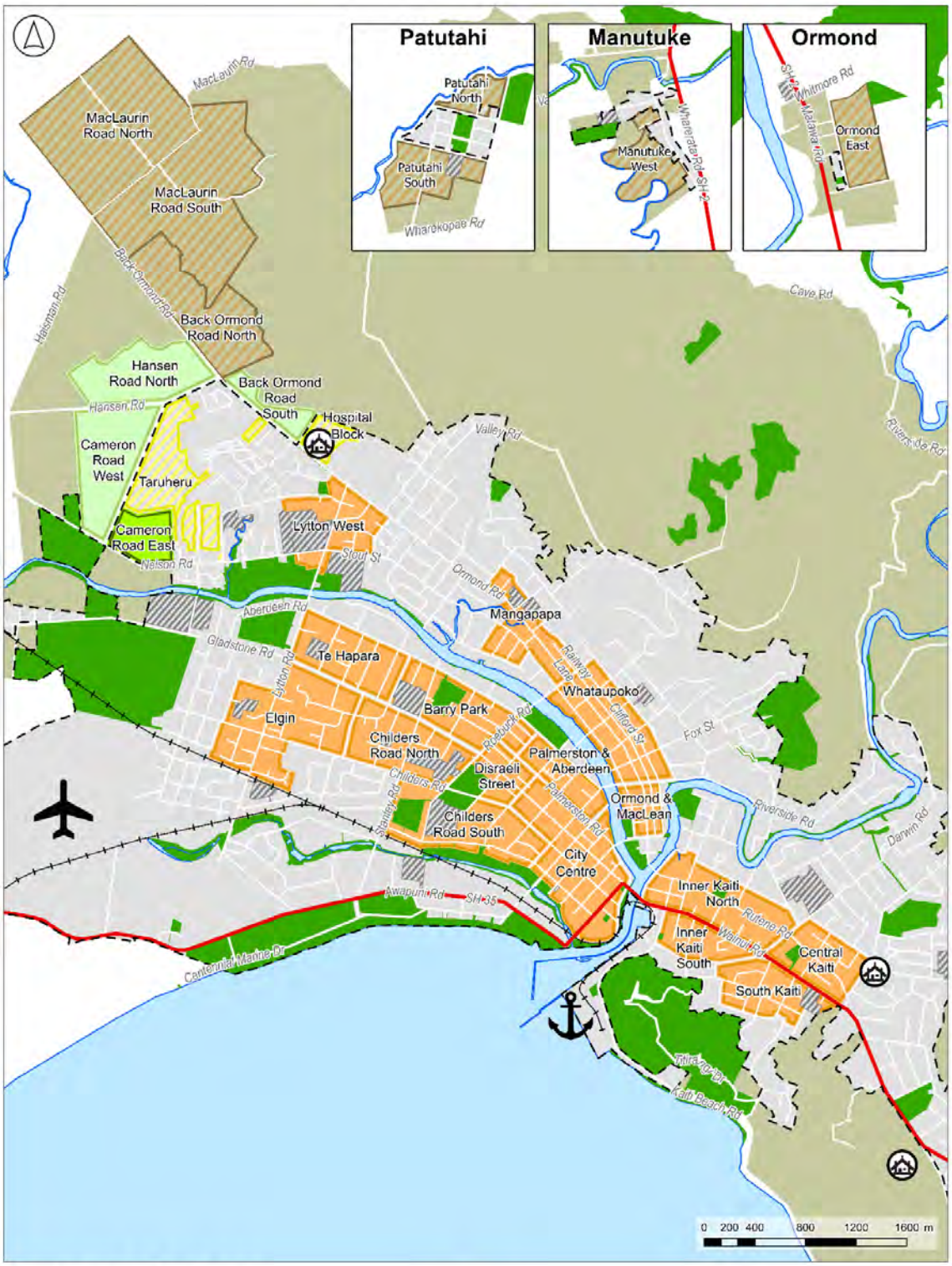
Date	Action/Milestone	Comments
15 November 2023	Put Draft FDS Statement of Proposal in front of Councillors for approval to consult	
16 November 2023	Formally open Draft FDS engagement period (pending Council decision on 15 November)	Engagement period 16 November 2023 – 16 December 2023. Online submissions page left open will end January 2024.
January 2024	Review submissions, refine FDS	
February 2024	Potential adoption of FDS	
March onwards 2024	Preparation of FDS implementation plan	Requirement of NPS UD

ATTACHMENTS - **NGĀ TĀPIRITANGA**

1. Attachment 1 - 12 October 2023 [23-230.1 - 11 pages]

ATTACHMENT 1:

UPDATED PREFERRED GROWTH STRATEGY



SUPPORTING INFRASTRUCTURE

The Council and other infrastructure providers will need to plan for, and help to fund, supporting infrastructure. To support our draft growth strategy, we require safe, resilient, well-planned and integrated strategic infrastructure. We have identified upgrades to existing infrastructure as well as new infrastructure that would be required over the next 30 years to enable growth to occur. Our current infrastructure network has constraints and we will need to undertake upgrades to our core strategic infrastructure to ensure we can address our housing capacity shortfall.

The maps below identify the general location for key supporting strategic infrastructure. These are conceptual and the exact location and land required for this infrastructure will be determined through future planning processes. Some of this infrastructure is already planned for, through the Long Term Plan and Infrastructure Strategy. Some of the medium and long term signalled upgrades fall outside the current LTP cycle and may require additional funding tools and initiatives through central government. The maps outline the current and future water, wastewater, stormwater, transport and electricity network infrastructure requirements to deliver the draft growth strategy. Outside Gisborne's main urban environment, infrastructure will continue to be provided 'business as usual' at source, meaning rainwater retention and use, septic wastewater systems with discharge to ground or tank and stormwater to existing ground catchments i.e. soakage and greenfield swale systems. Significant infrastructure upgrades are not anticipated in the rural townships and coastal settlements in the draft growth strategy and any required upgrades can be considered on a case by case basis through the TRMP or future reviews of the draft FDS.

The infrastructure projects are provided to enable the preferred growth scenario. The maps consider when infrastructure will be delivered according to short (1-3 years), medium (4-10 years) and long term(11-30 years) and whether the individual projects are already funded through recovery funding or LTP funding .

1. Water Supply

Short term

The Waingake Water Treatment Plan upgrades near the Mangapoike dam will improve the supply of water at source (1). A new Ring Main upgrade in the vicinity of the western growth areas of Nelson, Hansen and Cameron Road (2) illustrated by the dashed dark blue line.

The unfunded water projects would be scoping new locations for land-based water retention dams in piping proximity to Waipaoa Water Treatment Plant (4) This project will identify areas that can support alternate water supply to the treatment plant which a direct benefit is improving resilience. Towards the east of the city, a new Booster pump station and supply main for Knob Hill Reservoir (3). This project will improve water supply within this catchment.

Medium to long term

Increased treatment capacity at the Waipaoa water treatment plant will be required to treat additional supply of freshwater (7). Bulk supply mains from Lytton to Ormond roads (5) and second bulk supply from the Makaraka pump station to Lytton Rd(8).A booster pump station on Papatu Rd out in Manutuke will be required (6).

Longer term, a Taumata reservoir is proposed to augment storage capacity (10), additional reservoir on Knob hill (9).

Major FDS Infrastructure - Water



ID	Project Description	Est. Cost	Imple-mentation
1	Waingake Water Treatment Plant up-grades (near the Mangapoike Dam)	$5.5m	Short term
2	New Ring Main upgrade for Nelson, Hansen and Cameron Road	$800k	Short term
3	New Booster Pump Station and supply main for Knob Hill Reservoir	$4.6m	Short term
4	Scoping new locations for land base water retention Dams in piping proximity to Waipaoa Water Treatment Plant	$1.5m	Short term
5	Bulk Supply new water main (Lytton Road to Ormond Road)	$5.1m	Medium term
6	Papatu Road booster pumpstation	$2.5m	Medium term
7	Increased Treatment Capacity at Waipaoa Treatment Plant	$12m	Medium term

ID	Project Description	Est. Cost	Imple-mentation
8	Second bulk supply new water main (Makaraka Pump Station to Lytton Road)	$2m	Medium term
9	Existing Nob Hill Reservoir and proposed new reservoir location	$10m	Long term
10	Taumata Reservoir proposed	$10m	Long term
	Existing Key Infrastructure		
11	Hospital Hill Reservoir location		
12	Makaraka Booster Pump Location		
13	Ormond Road Booster Pump Location		
14	Mangapoike Dam Location		

2. Wastewater

The current Wastewater Treatment Plant (WWTP), situated on Bank street in Awapuni, has been assessed to hold a remaining household capacity to treat household wastewater of approximately 2 500-3 000 homes.The wastewater planning proposal identifies urban area upgrades and new builds that will address comprehensive redevelopment and infill opportunities in the short to medium term.

Short to medium term

The Grey street pump station upgrade and emergency storage has been identified for the short term (2), with additional pump stations and rising mains for Stafford Street (3) and Kaiti (1). These upgrades and new installations will improve the performance of flow to the WWTP.

Long Term

Towards the long term, 11+ years, a Northwestern Interceptor and Taruheru pump station (4) to support long term demand. Should growth trends align according to the Housing and Business Capacity Assessment 2022 (HBA) target of 5 360 homes over 30 years, a new WWTP (5) may be required. It is too early to tell at this moment, but regular reviews of the FDS will inform the need for such long term measures as we track demand.

Major FDS Infrastructure - Wastewater



ID	Project Description	Est. Cost	Implementation		
			Short term	Medium term	Long term
1	Kaiti Pump station and Rising Main	$12m			
2	Grey Street upgrade, pump station and emergency storage	$6m			
3	Stafford Street pump station and rising main	$11m			
4	North West Interceptor and Taruheru Pump station	$18m			
5	New Wastewater Treatment Plant	$65m			
Existing Key Infrastructures					
6	Existing Wastewater Treatment Plant				
7	Existing treated wastewater outfall				

3. Stormwater

The general approach to improving the performance of stormwater management will primarily be provided through various increases in pipe sizes, which the costing reflects. However, at the time when the respective projects are required to be built, should a nature-based solution be similarly priced, that solution will be favoured.

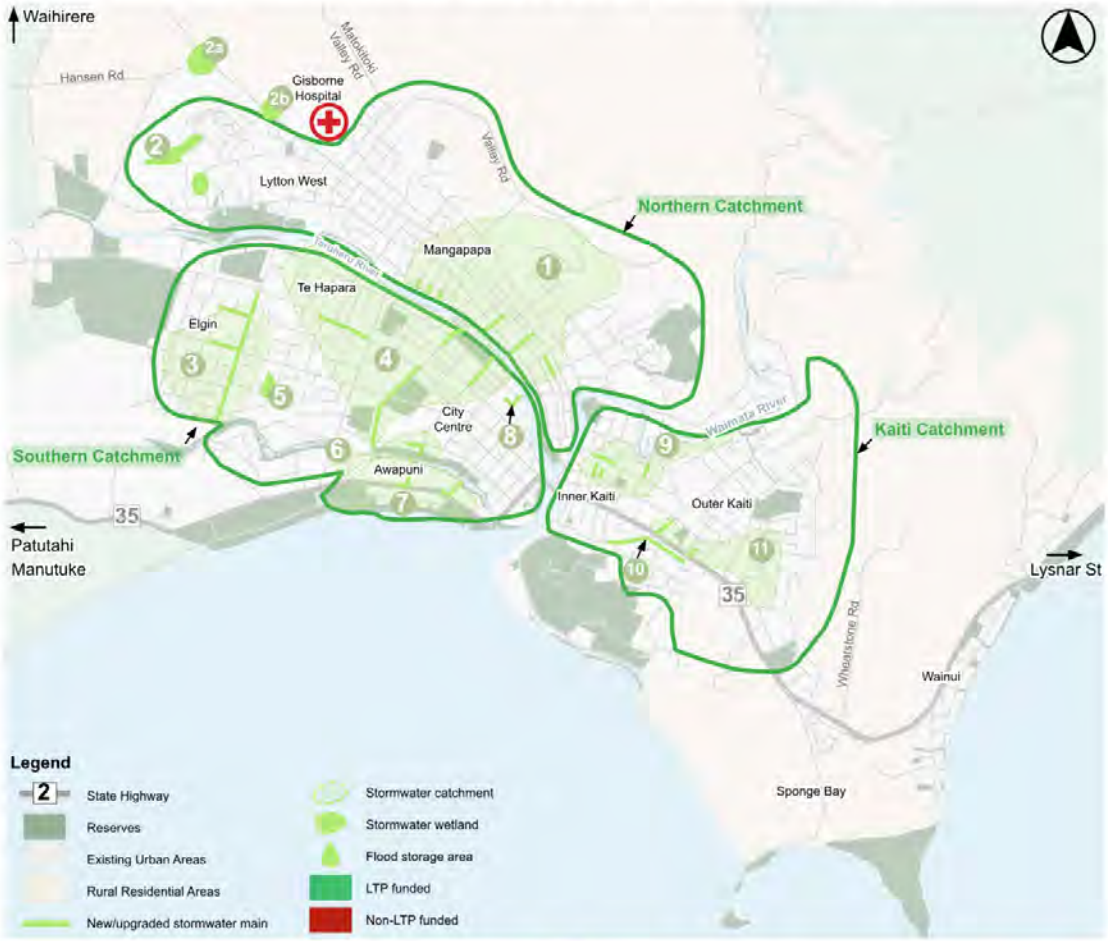
Short term

Initial projects that already have funding for implementation are the Whataupoko & eastern Mangapapa upgrades of approximately 1 250m (1) and all the flows from greenfield sites towards the Cameron Rd wetlands represented by the first project under (2).

Medium term

Into the medium term, a series of piped upgrades and new installations will be required to support growth. The future greenfield sites to the north of the study area will be approached with wetlands as opposed to a significant piped installation.

Major FDS Infrastructure - Stormwater



ID	Project Description	Est. Cost	Implementation
1	Whataupoko & Eastern Mangapapa upgrades - Total pipe length 1250m	$1.5m	Short term
2	Cameron Road Wetlands		
	All flows getting there from greenfield sites (incl. Cameron Road East)	$2.5m	Short term
	Only flows south-east of Cameron Road (no retrofit)	$2m	Medium term
	All flows from greenfield site plus retrofit treatment (note potential area west of Cameron)	$3.5m	Medium term
2a	Back Ormond East Wetland - All flows getting there from that development site	$1m	Medium term
2b	Hospital Development Wetland - All flows getting there from that development site	$0.75m	Medium term
3	Elgin upgrades - Total pipe length 2000m	$2.75m	Medium term

ID	Project Description	Est. Cost	Implementation
4	Roebuck & Te Hapara upgrades - Total pipe length 2500m	$3.5m	Medium term
5	Blackpool Reserve flood storage area in park Downstream houses flooded. 'dry pond' established (flooding of park area during extreme events)	$200k	Medium term
6	Anzac & Kahuka Street upgrades - Total pipe length 700m	$1.1m	Medium term
7	Awapuni Block Industrial area upgrades - Total pipe length 600m	$0.95m	Medium term
8	City Centre upgrade (Derby Street) - Total pipe length 300m	$0.4m	Medium term
9	Kaiti between Hinaki & Waimata - Total pipe length 650m	$0.8m	Medium term
10	Outer Kaiti bulk SW main along stream - Total pipe length 950m	$4m	Medium term
11	Outer Kaiti - Total pipe length 250m	$0.4m	Medium term

4. Access and Mobility

The ability of the FDS to demonstrate clear direction towards supporting objectives in the NPSUD in support of reducing greenhouse gas emissions has a direct influence on the how we can enable a variety of movement choices. The growth scenario seeks to enable compact urban forms and neighbourhoods, making communities more walkable and support wider benefits.

Short term

Active mode connectivity improvement projects in the short term such as the Taruheru Link Project (12) and a potential Wainui Shared Path (13) will aim to significantly improve active travel choices. The East-West links incrementally supports movement without the use of private vehicles.

Medium to long term

As growth is reviewed, intersection upgrades will be required to facilitate increased vehicular movements, accommodating active modes of transport and the ability to move through intersections safely.

Major FDS Infrastructure - Access and Mobility



ID	Project Description	Implementation
Roading - Intersection upgrade		
1	Aberdeen Road / Roebuck Road intersection upgrade	Medium term
2	Peel Street / Childers Road intersection upgrade	Medium term
3	Ormond Road / Wi Pere Street intersection upgrade	Medium term
4	Lytton Road / Nelson Road / Stout Street intersection upgrade	Medium term
5	Lytton Road / Gladstone Road (Pacific Coast Highway) intersection upgrade	Medium term
8	Rutene Road / De Lautour Road intersection upgrade	Medium term
7	Aberdeen Road / Lytton Road intersection upgrade	Medium term

ID	Project Description	Implementation
Roading - Intersection upgrade		
8	Lytton Road / Ormond Road intersection upgrade	Medium term
9	Rutene Road / Harris Street intersection upgrade	Medium term
10	Stanley Road / Gladstone Road (Pacific Coast Highway) intersection upgrade	Medium term
11	Palmerston Road / Derby Street intersection upgrade	Medium term
Active mode connectivity improvement		
12	Taruheru Link Project	Short term
13	Potential Wainui Shared Path Project	Short term

5. Buses and Train

Major FDS Infrastructure - Buses and Train

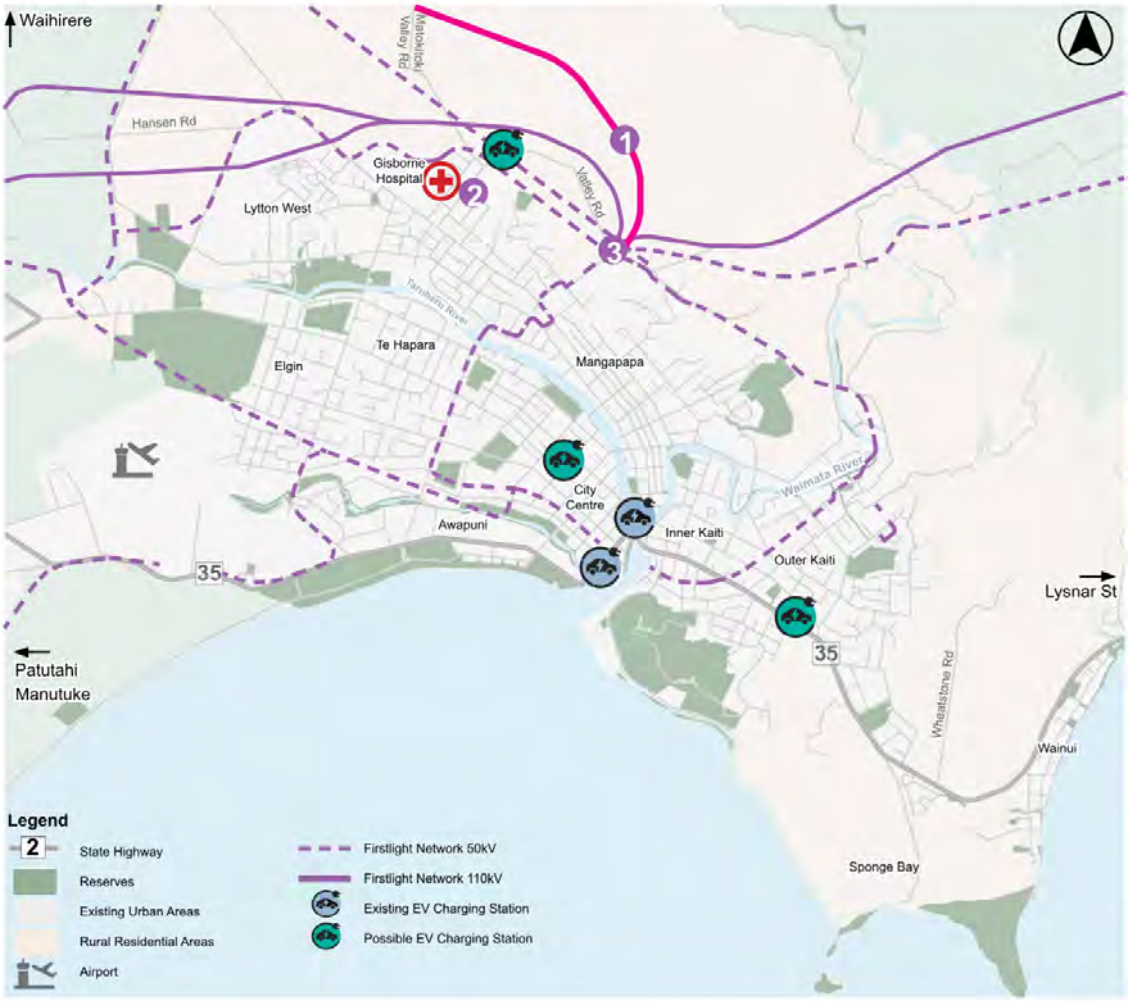


Route	Description
Proposed Bus Routes	
A	Awapuni
B	Elgin
C1	Lytton Road / Nelson Road / Stout Street intersection upgrade
C2	Lytton Road / Gladstone Road (Pacific Coast Highway) intersection upgrade
D	Hospital
D	Okitu
E1	Kaiti Mall

Route	Description
Proposed Bus Routes	
E2	Kaiti South
E2	Kaiti North
Existing Bus Routes	
1A	City - Hospital - Te Hapara - City
1B	City - Elgin - City
2A	City - Kaiti - Tamarau - City
2B	City - Elgin - Hospital - City

6. Transmission Lines

Major FDS Infrastructure - Transmission Lines



ID	Project Description	Implementation		
		Short term	Medium term	Long term
1	Long term option for a potential 3rd 110kV line			
2	Potential new substation			
Existing Infrastructure				
3	Firstlight Substation			

13. Public Excluded Business

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, LOCAL GOVERNMENT OFFICIAL INFORMATION and MEETINGS ACT 1987

That:

1. The public be excluded from the following part of the proceedings of this meeting, namely:

   Item 4.1 Confirmation of Council Confidential Minutes 28 June 2023

   Item 4.2 Confirmation of Extraordinary Council Minutes 24 August 2023

   Committee Recommendations to Council

   Item 5.1 23-222 Committee Recommendations to Council – August 2023

2. This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information & Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole of the relevant part of the proceedings of the meeting in public are as follows:

Item 4.1	7(2)(a)	Protect the privacy of natural persons, including that of deceased natural persons.
	7(2)(b)(ii)	Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.
	7(2)(h)	Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities.
Item 4.2 and Item 5.1	7(2)(g)	Maintain legal professional privilege.
	7(2)(i)	Enable any Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.